AGENDA FOR THE

ORDINARY MEETING OF SELWYN DISTRICT COUNCIL

TO BE HELD VIA ZOOM

WEDNESDAY 23 MARCH 2022

COMMENCING AT 1 PM

Council 23 March 2022 FULL agenda

Attendees: Mayor (S T Broughton), Councillors, M A Alexander, J B Bland, S N O H Epiha, J A Gallagher, D Hasson, M P Lemon, M B Lyall, S G McInnes, G S F Miller, R H Mugford & N C Reid

23 March 2022 01:00 PM - 05:00 PM

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Public portions of this meeting are audio-recorded and livestreamed via the Council's website and YouTube channel.

Whakataka te hau ki te uru	Cease the winds from the west
Whakataka te hau ki te tonga	Cease the winds from the south
Kia mākinakina ki uta	Let the breeze blow over the land
Kia mātaratara ki tai	Let the breeze blow over the sea
E hī ake ana te atakura	Let the red-tipped dawn come with a sharpened air
He tio, he huka, he hau hū	A touch of frost, a promise of a glorious day
Tīhei mauri ora!	

COUNCIL AFFIRMATION

Let us affirm today that we as Councillors will work together to serve the citizens of Selwyn District.

To always use our gifts of understanding, courage, common sense, wisdom and integrity in all our discussions, dealings and decisions so that we may solve problems effectively.

May we always recognise each other's values and opinions, be fair minded and ready to listen to each other’s point of view.

In our dealings with each other let us always be open to the truth of others and ready to seek agreement, slow to take offence and always prepared to forgive.

May we always work to enhance the wellbeing of the Selwyn District and its communities.

MINUTES OF AN ORDINARY MEETING OF THE SELWYN DISTRICT COUNCIL HELD VIA ZOOM ON WEDNESDAY 9 MARCH 2022 COMMENCING AT 1PM

PRESENT

Mayor S T Broughton, Councillors, M A Alexander, J B Bland, S N O H Epiha, J A Gallagher, D Hasson, M P Lemon, M B Lyall, S McInnes, G S F Miller, R H Mugford and N C Reid

IN ATTENDANCE

Messrs. D Ward (Chief Executive), T Harris (Group Manager Environmental and Regulatory Services), D Marshall (Group Manager Property), K Mason (Group Manager Organisational Performance), M Washington (Group Manager Infrastructure), S Hill (Group Manager Communication and Customer Services), G Morgan (Service Delivery Manager Infrastructure), P Millar (Acting Major Projects Property Manager), M England (Asset Manager Water Services), R Raymond (Communications Advisor), D Meehan (Surface Water Engineer) and S Tully (Mayoral Advisor); Mesdames D Kidd (Group Manager Community Services and Facilities), and N Smith (Executive Assistant), and Ms T Davel (Committee Advisor)

The meeting was livestreamed.

The Mayor opened the meeting with the karakia and Councillor Affirmation and welcomed everyone to the meeting. He also welcomed everyone online listening to the meeting.

APOLOGIES

None

IDENTIFICATION OF ANY EXTRAORDINARY BUSINESS

None.

CONFLICTS OF INTEREST

None new.

PUBLIC FORUM

None.

CONFIRMATION OF MINUTES

1. Minutes of an ordinary meeting of the Selwyn District Council held via zoom on Wednesday 23 February 2022

Councillor Reid wanted it minuted that she was not in the last meeting and therefore did not participate nor vote in the item on the District Plan (*Proposed Selwyn District Plan Variation in response to the Resource Management (Enabling Housing Supply and other matters) Amendment Act*

Moved – Councillor Epiha ***/*** **Seconded –** Councillor Alexander

'That the Council confirms the minutes of the extraordinary meeting of the Selwyn District Council held on Wednesday 23 February 2022, as circulated.'

CARRIED

MATTERS REQUIRING ATTENTION

See table at the end of the minutes.

REPORTS

1. Mayor
Mayor's Report

The Mayor took his report as read but added that the District Health Board (DHB) decision to close and support patients to move elsewhere from Darfield and Ellesmere Hospitals was to ensure continuity of care. Long-term discussions on the hospitals will be with the new health authority and not with the DHB.

In response to a question as to a process to report on meeting attended by Councillors on behalf of him, the Mayor said he would to talk his PA about how best to do this.

Moved – Mayor Broughton / **Seconded** – Councillor Lyall

'That Council receives the Mayor's Report for information.'

CARRIED

2. Chief Licensing Inspector
Joint District Licensing Committee and Chief Licensing Inspector Monthly report for period February 2022

Staff took the report as read, noting it had been very quiet on the licensing front.

Moved – Councillor Bland / **Seconded** – Councillor Gallagher

That the Council receives the report on the activities of the District Licensing Committee and the Chief Licensing Inspector for February 2022.'

CARRIED

3. Asset Manager Water Services; and Water Service Delivery Manager
Water Services Monthly Update

Staff briefly touched on key items in the report. Speaking on the Springfield water supply staff said it had one of the highest levels of treatment in the District in relation to UV treatment and chlorination. Unfortunately it also had the worst water quality in the District. After an aerial survey a slip was found which is causing a mass loading of sediment now being deposited into the Kowhai River. This may be part of the issue.

Staff said a new reservoir was being installed and was due to be completed in June 2022.

Regarding the 3 Waters reform and working party recommendations, a full report will come before Council at its 23 March meeting.

In relation to the question at the last Council meeting on oral health, staff presented some data on the matter. They acknowledged the current data they have seems to be related to regional information rather than detailed District-wide information. Staff will continue to work on the data.

COVID was picked up in wastewater samples but it was a good sign that the system at least picked it up.

A land owner neighbouring Osbornes Drain gifted an easement to Council to start construction of a wetland in the next 12 months.

The Mayor asked staff to work with the Communications Team to put something on Council's web page around Springfield's water. He also asked whether staff had any further update on their communication with the runanga on a Selwyn water strategy.

Regarding the funding model for construction the wetland, the costs will be borne by ratepayers around the drain. The budget for it was part of the draft Annual Plan discussions.

Moved – Councillor Alexander / **Seconded** – Councillor Lyall

That the Council receives the report Water Services Monthly Update for information.'

CARRIED

4. Group Manager Property
Further Funds required for Foster Park artificial Turf Project

Staff took the report as read. Councillors asked about variations which relate to at least 46 items that should have been included in the original design. They queried why it was missed off. There were questions about raising user fees after having agreed a set fee with clubs. Also the distance from the surface to the fence was not picked up earlier. Staff explained these were all part of tidying up the design and construction.

Staff also acknowledged that the $46k shortfall over a period of 15 years will equate to $3 per household (across the entire period).

Moved – Councillor Miller / **Seconded** – Councillor McInnes

'That Council:

(a) Receives the report outlining the progress on the Foster Park Artificial Turfs Project and associated variations and rationale for variations.

(b) Approves an increase to the project contingency budget from $175,000 plus GST to $259,864 plus GST being an additional $85,000 plus GST, the additional cost being charged to the artificial turf construction project costs funded from a combination of user charges and district reserve targeted rate.

(c) Notes that the increase in the contingency budget will increase the contingency from 4.1% of the overall project price to 6.1% of the overall project price.

(d) Notes that the variations required will incur a likely delay of approximately two weeks to the overall practical completion of the project.

CARRIED

5. Surface Water Engineer
Potential Stock Water Race Closure Hearing – Council Deliberation and Decision

Councillor Miller noted a conflict of interest in relation to Malvern part of the closure and would not participate nor vote on the matter.

Staff noted the supplementary report circulated in relation to correspondence from the Isaac Conservation and Wildlife Trust legal team. The request is to defer decision-making on the closure of the water race, in particular the portion on the Trust's land. The delay will ensure all parties have considerable time to be heard. Staff confirmed a decision to delay closure of that part of the race would not affect the other two sections.

Council discussed the issue noting that it would be fair to be deferred and that it was an interesting matter in that Selwyn District Councillors were in fact making a decision on an area within the Christchurch City Council boundaries.

Councillor Alexander noted a new hearing would be appropriate as this hearing had concluded. Anything further would need to have a new panel and a new hearing. He

said I would be a good idea to have a member of the relevant Community Board or Ward Councillor assisting the panel since it's their ratepayers being affected.

Moved (as amended) – Councillor Lemon / **Seconded** – Councillor Mugford

~~1) That Council endorse the recommendations of the Hearing Panel following the hearing held on 3rd December 2021;~~

2) As recommended by the Hearing Panel, that Council approve the closure of one length of water race, Closure 14 totalling approximately 9.6km as recommended;

3) That Council approve the closure of one length of water race, Closure 13 totalling approximately 3.6km where 100% and agreement from affected landowners was reached outside the hearing;

4) review and consider the attached additional correspondence received in respect of the Proposed Closure of the McLeans Island Road section; and

5) defer its decision in relation to the Proposed Closure until the Council has heard and considered any further submissions made on the Proposed Closure.

CARRIED

GENERAL BUSINESS

REGISTER OF SIGNED AND SEALED DOCUMENTS

The Chief Executive would follow up and report back to Councillor regarding staff providing adequate information on the future of Selwyn Huts and sewage system.

Moved – Councillor Bland / **Seconded** – Councillor Gallagher

'That the following transactions and the fixing of the Common Seal under authorised signatures have been approved.'

1	Name of other party	Robert James McIlraith
	Transaction type	Deed of Licence
	Transaction description	Part Reserve 263 Shands Road, Prebbleton 2 hectares

2	Name of other party	Carol Marcia Gurney
	Transaction type	Deed of Licence
	Transaction description	Hororata Hall Library Room, 55 Hororata Road

3	Name of other party	Philip Leslie Phelps
	Transaction type	Deed of Licence to occupy to 30 June 2020
	Transaction description	Transfer of Deed of Licence from Stephen Curtis to Philip Leslie Phelps following the sale of Hut 17 Upper Selwyn Huts

4	Name of other party	Merf Ag Services Limited and Matthew Reed
	Transaction type	Plan Change 63
	Transaction description	Rezone approximately 60 hectares of land from Rural Outer Plains to a mix of Living 1 and Living 1 Deferred zones, Darfield)

5	Name of other party	Rolleston Industrial Developments Limited
	Transaction type	Plan Change 66
	Transaction description	Rezone approximately 27.27 hectares of Rural land to Business 2A Zone industrial area on Maddisons Road, Rolleston)

6	Name of other party	Holly Farm
	Transaction type	Plan Change 62
	Transaction description	Rezone approximately 43 hectares of current deferred Residential and Rural land to Residential land, Leeston

7	Name of other party	Philip Leslie Phelps
	Transaction type	Deed of Licence
	Transaction description	Lot 17 Upper Selwyn Huts

8	Name of other party	West Melton-Weedons Pony Club
	Transaction type	Deed of Variation Licence
	Transaction description	Newtons Road, West Melton

9	Name of other party	Malvern Community Vehicle Trust and Community Patrols of New Zealand
	Transaction type	Deed of Licence
	Transaction description	Occupy some open bay sheds at the former Sicon Depot site in Darfield

10	Name of other party	Wendy Risdon
	Transaction type	Deed of Licence
	Transaction description	Lot 31 Upper Selwyn Huts

RESOLUTION TO EXCLUDE THE PUBLIC

Moved – Councillor Reid / **Seconded** – Councillor Lyall

'That the public be excluded from the following proceedings of this meeting. The general subject matter to be considered while the public is excluded, the reason of passing this resolution in relation to the matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		Reasons for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution	Date information can be released
1.	Public Excluded Minutes	*Good reason to withhold exists under Section 7*	*Section 48(1)(a)*	

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

1	Enable the local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or	Section 7(2)(h)
1	Enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or	Section 7(2)(i)

2 that appropriate officers remain to provide advice to the Committee.'

CARRIED

Council had a short break from 1.52pm – 1.53pm

The public meeting moved into Public Excluded at 1.53pm.

The meeting resumed in open meeting at 2.23pm and ended at 2.23pm.

DATED this day of 2022

_____

MAYOR

PUBLIC MATTERS UNDER INVESTIGATION

Community Centres, Halls and Libraries Network Plan (Council, 13 October 2021)	Report on landbanking - buying land now for future community facilities	11 May 2022
Accessibility Report (Council, 13 October 2021): how staff can encourage applicants to ensure buildings were as accessible as possible	Staff report to consider modifications after advice from Chief Executive	25 May 2022
Vaccine mandate policy – advice from Medical Officer	Invite CDHB Medical Officer to present evidence as to efficiency of vaccine mandate policy	23 March 2022

REPORT

TO:	Council
FOR:	Council Meeting on 23 March 2022
FROM:	Chief Executive
DATE:	14 March 2022
SUBJECT:	**CHIEF EXECUTIVE'S REPORT**

RECOMMENDATION

'That Council:

(a) receives the Chief Executive's report for information; and

(b) approves the additions / alterations to the Delegations Manual as presented.'

1. COUNCIL PREPARING PROPOSED DISTRICT PLAN VARIATION TO MEET NEW HOUSING INTENSIFICATION RULES

The Council is preparing changes to the Proposed Selwyn District Plan, with public consultation on it expected in August this year.

New building intensification rules recently introduced by Government require all Tier 1 Councils - including Selwyn - to prepare and notify a variation to their district plans by 20 August 2022. The variation must include new rules and policies that enable medium density and intensification in relevant residential zones.

Over the coming months the Council will consider what exact changes are needed, with the variation covering:

- the introduction of a new Medium Density Residential Zone that will be applied to relevant residential zones in Rolleston, Lincoln and Prebbleton
- additional land for residential development in Rolleston, including certain private plan change requests that are currently being processed by the Council.

The new building intensification rules also requires councils to vary private plan changes that were notified prior to the new legislation coming into effect (20 December 2021).

This means that Council must notify the variations to relevant private plan changes at the same time it notifies its own variation to the Proposed District Plan.

Given the current situation Council finds itself in, with a number of private plan changes at different stages of the process, this creates logistical and procedural issues that the new legislation itself is not clear on addressing.

Based on legal advice and information available to date, each private plan change request will be affected differently depending on what stage in the process they are, where they are located, and what they are seeking.

Once a draft of the variation is developed, it will go to the Council for approval and then be notified for public consultation. Public consultation will begin by 20 August 2022 at the latest.

To enable the variation process to be completed, including the new hearings, there will be a delay on when the Proposed Plan becomes operative, as well as the affected private plan changes.

The Proposed District Plan was notified at the end of 2020 and was expected to become operative at the end of 2022. With the variation it is now expected that the Proposed District Plan will become operative in early 2024.

Council asks relevant parties to to note that no appeals will be possible on decisions in relation to matters covered by the variation. This follows the new legislation that introduces a new planning process which Tier 1 councils, such as Selwyn, must use to implement intensification policies more quickly.

2. ROADING IMPROVEMENTS UPDATE

The following information is provided for the benefit of District residents.

The upgrade of Rolleston Drive and the Rolleston Drive Tennyson Street intersection has reached a new milestone with the next stage of works commencing

Isaac Construction Limited continues to make good progress with the road construction and resurfacing stage of the project set to begin.

In the past couple of weeks, progress has been made in completing the piping of the stock water race on Tennyson Street from the Rolleston Police Station to Bronte Way, completing work on installing underground services and foundations for the new traffic lights, kerb and channel, median islands and sections of footpath on Rolleston Drive and Tennyson Street.

The next step will be night works in the intersection to complete a full road reconstruction through the intersection, which can only be done with the intersection closed. The night works will happening from Sunday March 20 for two weeks (weather permitting), with the intersection closed from 9pm to 6am.

Detours will be in place during the hours the intersection is closed overnight and access to the Tennyson Street and Rolleston Drive shops and shopping centre car parking will be restricted overnight at various stages.

During the daytime the one-way system on Rolleston Drive (westbound towards the community centre) and Tennyson Street (northbound towards the SH1) will remain in place.

The final work will see a new lane layout, traffic lights and better access for pedestrians and cyclists through the intersection, new footpaths, cycleways and lighting along both roads.

A new slow speed zone on Rolleston Drive around the entrance to the Rolleston Town Centre is also being built with new median islands and trees.

3. ROLLESTON OPENS RAPID ANTOGEN TESTS PICK UP POINT IN IPORT

The new RAT collection site in Rolleston is now open on Factory Drive off IPort Drive in the IPort industrial area and will be open Monday to Friday from 11am – 7pm, and from 10am – 4pm on Saturday and Sunday until further notice.

The Canterbury DHB has thanked Selwyn District Council for providing this site and continued support. They have also said that they are also continuing to work through the rollout of other RAT collection sites. Council is happy to help by providing a Selwyn site which will make it much easier for locals to collect their tests as managing the current Omicron outbreak is a joint effort.

To help speed things up at all RAT collection sites people are asked to place their orders for RATs before heading to a collection site – and to have their order number at the ready.

Orders can be made via the online system at https://requestrats.covid19.health.nz/or by free calling 0800 222 478 to request your RAT tests. RATs are free for people with: COVID-19 symptoms or who are a household contact or who have been instructed to get tested by a health official; critical workers who are household contacts; and border workers who are required to be tested under the Required Testing Order.

4. DELEGATION MANUAL UPDATE

The minor delegation change is to increase efficiency for processing building consents. The change enables a building surveyor to make a planning approval when it relates to a minor matter, rather than being sent to the planners for a full planning check. The change is shown in yellow highlight.

BUILDING ACT – PLANNING **RS-103**

The Council, through its CEO, delegates the functions, powers and duties listed in the following schedule to the relevant positions identified under the provisions of section 232 of the Building Act 2004 and Clause 32 of Schedule 7 of the Local Government Act 2002 and subject to the following conditions.

SCHEDULE OF DELEGATIONS
These delegations must be delivered in accordance with the relevant section(s) of the Building Act 2004.

Building Act 2004 Section	Description	Planning Manager	Team Leader Resource Consents	Resource Management Planners (incl. Senior)	Resource Consent Technical Advisor	Team Leader Strategy and Policy	Strategy and Policy Planners (incl. Senior)	Principle Advisor Resource Consents	Assistant Resource Management Planner	Graduate Planner
	Project information memorandum									
33	To determine the adequacy of information received with a project information memorandum application, and whether further information is required on an application.	✓	✓	✓	✓	✓	✓	✓	✓	✓
34	To: (a) issue project information memoranda in accordance with Section 34(1) of the Act, and (b) determine if any project information memorandum already issued contains an error or omission, or should be reissued in accordance with section 34(4) of the Act where any information received affects that project information memorandum.	✓	✓	✓	✓	✓	✓	✓	✓	✓

Building Act 2004 Section	Description	Planning Manager	Team Leader Resource Consents	Resource Management Planners (incl. Senior)	Resource Consent Technical Advisor	Team Leader Strategy and Policy	Strategy and Policy Planners (incl. Senior)	Principle Advisor Resource Consents	Assistant Resource Management Planner	Graduate Planner
35	To determine: (a) what information needs to be included in a project information memorandum in accordance with section 35 of the Act; and (b) if the project is on land subject to contamination or natural hazards in accordance with section 35(2) of the Act.	✓	✓	✓	✓	✓	✓	✓	✓	✓
36	To determine if a development contribution is payable in relation to proposed building work and attach a development contribution notice to the project information memorandum relating to that work.	✓	✓	✓	✓	✓	✓	✓	✓	✓
37	To determine whether a resource consent will or may materially affect proposed building work and attach a resource consent certificate to the project information memorandum relating to that work.	✓	✓	✓	✓	✓	✓	✓	✓	✓
39	To determine whether the application affects a registered historic place, historic area, wahi tapu or wahi tapu area and to notify that application to Heritage New Zealand if required.	✓	✓	✓	✓	✓	✓	✓	✓	✓

Conditions

The functions, powers and duties given by this Instrument of Delegation will:

(a) only be used by the delegate in consultation with either the CEO, the Environmental and Regulatory Services Manager, or the Planning Manager, and;

(b) not be further delegated to any other person.

(c) Where an amended site plan continues to comply with the District Plan or proposed District Plan to the same extent as it did before the amendment a Senior Building Surveyor or Building Surveyor (Commercial or Residential) may apply a 'planning approved' or 'resource consent required' stamp as relevant to the amended site plan to enable the issue of a building consent without a further planning review.

This Instrument of Delegation may be amended, altered or revoked by the Council at any time.

David Ward
CHIEF EXECUTIVE

REPORT

TO: Chief Executive

FOR: Council – 23 March 2022

FROM: Solid Waste Manager

DATE: 11 March 2022

SUBJECT: **SOLID WASTE QUARTERLY UPDATE**

RECOMMENDATION

'That the Council receives the report "Solid Waste Monthly Update" for information'.

1. PURPOSE

The purpose of this report is to inform Council on matters of interest in Solid Waste.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

The decisions and matters of this report are assessed as of low significance, in accordance with the Council's Significance and Engagement Policy.

3. HISTORY/BACKGROUND

The Solid Waste team manages the Strategy and Operational delivery of all waste related activities, including projects. This report provides a brief update on the key work streams within the solid waste area.

4. PROPOSAL

That Council receives the report for information.

5. UPDATE

5.1. Kerbside collections

Collection operations

- Recycling
  - No rejected loads in the last quarter
  - Our average percentage of general waste contamination within recycling was 5.31% for the period Nov-Feb. Nationally contamination sits around 10-15%.

- One load in early December had to be disposed of as general waste due to a fire on-board the collection vehicle.

- Organics
  - Record tonnages collected this spring/summer season – discussed under 5.2.

- Rubbish
  - Nothing significant to note in terms of collections.

- Omicron impacts
  - A range of contingencies have been worked on depending what level of driver absenteeism we see. Collections across greater Christchurch were starting to show signs of disruption on Friday 11 March (our busiest day). Fortunately cooler weather should reduce organics volumes and ease collection pressure over the coming weeks.

5.2. Recovery Park

Operations

- Installation of canopy over hazardous waste area will have been completed by the date of this meeting.
- Public battery recycling enclosure was installed in late December, 563kgs of batteries have been collected from this station alone.

Organics

- Our monthly average incoming organics tonnes across the year are 663tonnes. October has traditionally been our peak month for organics tonnages. With this summer's weather the monthly tonnages have been at record levels:

October	1077tn
November	1073tn
December	1204tn
January	992tn
February	1106tn

Reconnect Project

- Working through detailed design negotiations with Calder Stewart. Concerns regarding continued rapid cost increase in building materials and supply shortages.
- Education Centre consented and awaiting final quotes for building work to complete.
- Waste and Sustainability Educator appointed. Elizabeth Lovell commenced on 3 March 2022. Elizabeth will be based from HQ initially working on education strategy, building fit out and building connections with stakeholders.

5.3. Other

- Battery Recycling stations
  - The roll out of recycling stations for household batteries was successful and very well received by the public. Locations are Lincoln New World, Rolleston New World, Pines Resource Recovery Park and Darfield Library. We hope to

be able to add more sites in time. To date the total battery weight diverted since the launch just before Christmas is 819kgs, of that 563kg was from Pines Resource Recovery Park and 256kgs from the smaller sites.

- Community Recycling & Bulky Waste Days
  - These were planned for March/April. However concerns around being able to have trained staff at both the events and the Pines Resource Recovery Park in the midst of the Omicron peak led to the events being postponed until after the peak.

- Closed Landfills
  - This autumn a more detailed investigation will be undertaken of three sites graded as higher risk during the Environmental Risk Assessment.
  - Our Closed Landfill Management Plan is nearing completion, and will be submitted to ECan for review.

- Event Waste Sustainability
  - The Event Waste Sustainability Guide is 99% complete and almost ready for distribution to event holders for feedback.

- National consultation

  Consultation has just been released 14 March 2022 on *Transforming Recycling.* A link is provided: Transforming recycling: Consultation document | Ministry for the Environment

  The document outlines three main parts.

  1. Container Return Scheme
  2. Improvements to household kerbside recycling
  3. Separation of business food waste.

  Within part two (Improvements to household kerbside recycling) are six proposals:

  - Proposal 1: Collecting a standard set of materials
  - Proposal 2: All urban populations should have kerbside food scraps collection
  - Proposal 3: Reporting on household kerbside collections offered by the private sector
  - Proposal 4: Setting targets/ performance standards for councils
  - Proposal 5: Separate collection of glass and paper/cardboard
  - Proposal 6: All urban populations should have access to kerbside dry recycling

Consultation closes 8 May 2022. Staff will thoroughly consider the proposals and most likely contribute to a joint council submission, assuming we are aligned.

6. OPTIONS

The options available to Council are to:

(a) To approve the recommendation of this report, or
(b) To decline the recommendation of this report

7. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected

Not applicable – general update report only

(b) Consultation

Not applicable – general update report only

(c) Māori implications

Only positive impacts are expected as a result of continued improvement across the range of solid waste services. Progressing work on old closed landfills in particular will help to ensure we protect the wainuku (ground water).

(d) Climate Change considerations

The decisions and matters of this report are assessed to have low climate change implications.

8. FUNDING IMPLICATIONS

There are no budget considerations associated with the recommendations of this report.

Andrew Boyd
SOLID WASTE MANAGER

Endorsed For Agenda

Murray Washington
GROUP MANAGER INFRASTRUCTURE

REPORT

TO: Chief Executive Officer

FOR: Council Meeting – 23 March 2022

FROM: Asset Manager Transportation and Team Leader Transportation

DATE: 14 March 2022

SUBJECT: **TRANSPORTATION MONTHLY UPDATE**

RECOMMENDATION

'That the Council receives the report "Transportation Monthly Update" for information.'

1. PURPOSE

The purpose of this report is to inform Council on matters of interest in the context of the transportation activity.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

As this report is for information only it is not considered to be significant in the context of Council's Significance Policy.

3. HISTORY/BACKGROUND

Selwyn District Council's current goal for the Transportation activity is:

> *'To maintain, operate, and improve the road network and other transport facilities to achieve a transport system that provides safe, efficient, and sustainable movement of people and goods'*

4. ASSET MANAGEMENT

4.1. Transport Activity Management Plan – Long Term Plan

2022/23 Draft Annual Plan. Proposed transport budget changes are being reported as part of that process related to non-subsidised roading projects.

Rising inflation and roading activity escalation costs (mostly related to the increasing bitumen costs) are starting to become evident in escalation claims from contractors and prices for works. Waka Kotahi have been informed of Councils concerns, which is expected to become a national affordability issue for road controlling authorities going forward. (Refer 5.4 below).

4.2. Canterbury Regional Transport Plan – Work Streams

4.2.1 Public Transport

- Greater Christchurch Fare Review. ECan have published their proposals and options for fares in their Draft 2022/23 Annual Plan. Council will need to consider what position it collectively takes to inform any submission on this topic.

- The MRT Project Group continue to inform and coordinate with the GC 2050 spatial planning work. In addition

4.3. Plan Change Requests – Transport

The review of applications, production of Requests for Information (RFIs), producing evidence, attendance at Hearings continues in support of the continuing private Plan Change (PC) process.

4.4. Major Strategic Transport Projects

4.4.1. Rolleston/SH1 Access NZUp Project

Waka Kotahi will be briefing Council on its preferred option for the Rolleston "flyover" in advance of further public engagement, which will need to be carefully managed in the current COVID situation.

4.4.2. West Melton SH73 Traffic Signals

Waka Kotahi are planning to go to tender shortly on the project. The project is progressing well.

4.4.3. Tancreds Rd Sealing

The jointly funded project between Council and Fletcher Holmes to upgrade and seal Tancreds Rd between Springs Rd and Birchs Rd (relating to the adjoining new subdivision) is nearing completion.

4.4.4. Prebbleton Arterial Intersection Upgrades

Current roundabout upgrade plans for Shands/Trents and Shands/Hamptons are having to reviewed in relation to the effects of the additional traffic from proposed Plan Change 68 that seeks to create another residential 840 lots situated between Trents and Hamptons Roads.

4.4.5. Waka Kotahi "Streets for People" Initiative

Council has submitted an "Expression of Interest" application to Waka Kotahi to consider funding the project it had planned in the future to upgrade Gerald Street Lincoln, between Kildare Terrace and West Belt. This will be considered alongside the raft of other projects nationally submitted to Waka Kotahi.

4.4 Greater Christchurch Partnership – Transport

GC Transport Managers are currently investigating and reporting through GCP channels on options to advance PT Futures, and the development of a Greater Christchurch Transport and Investment Plan. Work continues on transport aspects relating to the GC 2050 Spatial Plan including MRT.

4.5 Councillor Requests

Next State Highway Review

There has been still no response to date by the NZTA to Councils letter of the 16th June 2021. James Caygill at Waka Kotahi has been reminded to respond by the Mayor.

Street Lighting Upgrades

Lincoln Rolleston Road (from LTP deliberations) $380,000
Dunns Crossing Road $100,000

These projects have been included in the 2022/23 Draft Annual Plan for funding as advised earlier of this intention.

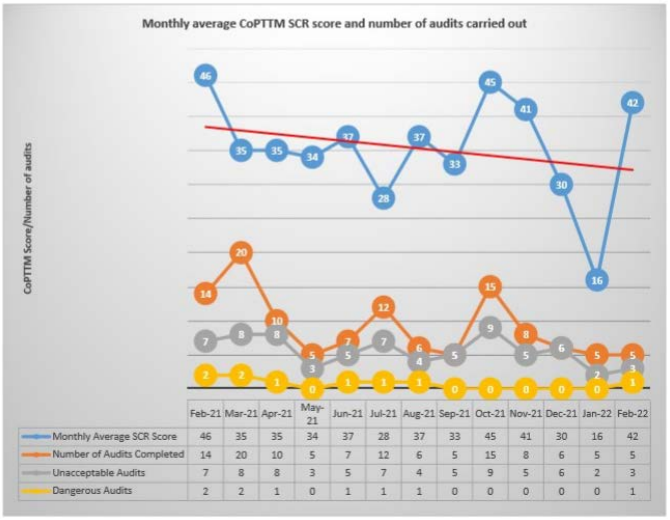
5. SERVICE DELIVERY

5.1. Corridor Management

Five temporary traffic management audits were completed in February on 73 active sites. The unacceptable and dangerous sites were rectified by the contractor at the time of the audit.

Audits February 2022

Average Score	**42**
Active sites in February	77
Road Space Bookings for February	30
Number of CoPTTM Audits Conducted in February	5
Number of Site Audits Conducted in February	8
% of sites audited	6.5%
5% of Actives sites	4
CoPTTM target (percentage of sites audited)	5%



	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22
Monthly Average SCR Score	46	35	35	34	37	28	37	33	45	41	30	16	42
Number of Audits Completed	14	20	10	5	7	12	6	5	15	8	6	5	5
Unacceptable Audits	7	8	8	3	5	7	4	5	9	5	6	2	3
Dangerous Audits	2	2	1	0	1	1	1	0	0	0	0	0	1

There have been 836 corridor access requests made in the previous 12 months (54 in February 2022). There are 118 sites that are work in progress and 80 sites that are in the warranty period.

5.2. Road Naming

The following road names have been approved over the previous month.

- **Fitzgerald Subdivision - 638 Springston Rolleston Road, Rolleston**
  Kate Place

- **Fitzgerald Subdivision – 189 Lowes Road, Rolleston**
  Judd Lane

Update on naming the new road through Rolleston Reserve (Moore Street to Rolleston Drive)

We have had notification from Te Taumutu Rŭnanga with the following names in preferential order:

> *Rŏhutu and Patete. These are plant species that have been identified as having populated the Selwyn District.*

We are awaiting LINZ acceptance before submitting a report with all names listed.

At this stage, LINZ has confirmed the acceptance of Christensen or Cath Brown Parade, as potential names.

Rolleston Residents Association passed the following motion at their meeting on 29 November 2021:

"Rolleston Residents Association recommends to Council that should the Wordsworth Street extension through Rolleston Reserve not be able to be named Wordsworth Street (and existing buildings be renumbered), that the new road be named Christensen Road"

Once LINZ confirmation of acceptance is received, a further report will be submitted for consideration, with all three names and all other correspondence received relating to the naming of the new road.

5.3. Temporary Road Closures

ANZAC Day

Last year it was suggested that individual ANZAC Day Parade organisers arrange their own Traffic Management and temporary road closures.

To date only Rolleston has made contact as they are unsure whether they would be requiring a temporary road closure due to the intersection upgrade at the corner of Tennyson Street and Rolleston Drive. This discussion is ongoing.

Contact will be made with the various committees to remind them of the requirement to contact Council to arrange a temporary road closure and engage a qualified STMS contractor (of their choice) to write a Traffic Management Plan for their event.

5.4. Road Maintenance and Renewals

Routine maintenance, isolated seal repairs and maintenance metalling is being carried out with the pre-reseal repairs on the sealed roads dominating over the next few months to enable reseals to be completed.

Reseals are being carried out on sections of road that have had repairs completed previously or require minimal repairs prior to the reseal.

As mentioned above, escalation costs will have a considerable impact on the Roading Maintenance programme going forward, particularly bitumen related works. The conservative estimate for the 2021/22 escalation cost is $1.2m.

To accommodate this cost, resurfacing has been cut back from 75km to 60km, and the sealed pavement rehabilitation programme reduced from 5 sites to 3. In addition general maintenance will also have to be reduced. When coupled with the continued under investment in roading maintenance and renewals, this will have a significant effect.

Waka Kotahi NZTA Technical Investment Audit completed first week of November. NZTA staff are currently writing up report.

5.5. Unsealed Roads Assessments

The next six monthly inspections of the unsealed network will be carried out between January and June 2022.

5.6. Capital Works

5.6.1. Low Cost Low Risk Projects

Weedons Ross Road Seal Widening - Works are continuing.

Goulds Road/Leeston Road Intersection Safety Upgrade - In the design phase.

School Frontage Upgrades - Projects are being investigated and designed.

5.6.2. Prebbleton Intersection Upgrades Stage 1

The Shands Rd and Blakes Rd roundabout construction has achieved practical completion and is fully operational.

The Springs Rd and Marshs Rd roundabout construction has achieved practical completion and is fully operational.

5.6.3. Prebbleton Intersection Upgrades Stage 2

Funding for procuring services for detailed design, land acquisition, and consenting for the roundabouts on Shands Road (Shands/Trents and Shands/Hamptons) has been approved, and are progressing. Refer section 4.3.4 re potential design change.

5.6.4. Rolleston Drive/Tennyson Street Traffic Signals

Works well progressed with completion in April 2022.

5.6.5. New Footpath Connections

Construction to commence in Leeston.

5.7. Road Safety Update

Following is a summary table of the current and future road safety campaigns being worked on by both the Road Safety Education Coordinator (position vacant since Dec) and the School Road Safety Coordinator.

Campaign	Timeline	Overview/Graphics
Motorcycle Safety	March	Ride For Ever actively promoted on social media channels. New ACC initiative Cash Back on registration costs promoted locally.

Intersection Campaign	March-May	 Print, radio, billboards and targeted social media.
Addressing Current Issues	2022	Community education around current issues raised: • Considerate parking campaign in development

Young Drivers
Leading Learners is on hold due to resourcing and Covid Red Level. There is currently over 55 on the interested list with parents contacting weekly. Christchurch City Council has also committed funding for their residents to also attend the course.

The Community Driver Mentor Programme held a social evening on the 7th of March to reconnect mentors and share learnings. 14 active mentors attended and shared some great tips and experiences as well as being refreshed by a driving instructor on key focus areas when teaching driving skills.

Mature Drivers
Drive Wise is on hold in Covid Red level.

Child Restraints
CRTs are installing under a new framework for Covid Red level.

iBike Cycle Skills
Selwyn Sports Trust are actively recruiting delivery team and working with Waka Kotahi to programme in training.

Considerate Parking Campaign
Joint campaign between Compliance, Building, Planning and Road Safety to promote considerate parking. Comms briefed and plan to roll out 2022.

SADD
A SADD workshop attended by Lincoln, Darfield and Mt Hutt students was held on the 9th of March at Te Ara Atea. The young leaders are keen to engage with SDC to implement initiatives in their school communities.

6. PROPOSAL

Staff seek that the Council consider and approve the recommendation set out above.

7. OPTIONS

The options available to Council are to:

a) To approve the recommendation of this report, or
b) To decline the recommendation of this report

Staff would appreciate feedback on the subject matter and level of information provided in this report.

8. VIEWS OF THOSE AFFECTED / CONSULTATION

a) Consultation
Not applicable

b) Māori implications
Consultation with new road through Rolleston town centre has been undertaken with Te Taumutu Rŭnanga as per item 5.2

c) Climate Change considerations
Nothing directly applicable.

9. FUNDING IMPLICATIONS

To meet the required levels of service, by maintaining the asset in the appropriate condition, will require additional funding.

Andrew Mazey
ASSET MANAGER TRANSPORTATION

Graham Huggins
ACTING TEAM LEADER TRANSPORTATION

Endorsed For Agenda

Murray Washington
GROUP MANAGER INFRASTRUCTURE

PUBLIC REPORT

TO:	Chief Executive
FOR:	Council – 23 March 2022
FROM:	Group Manager Property
DATE:	14 March 2022
SUBJECT:	**PROPERTY TRANSACTION UPDATE –28 FEBRUARY 2022**

RECOMMENDATION

"That the Council receives the update report on property projects as at 28 February 2022 for information."

1. PURPOSE

This report updates the Council on a number of matters that will be of interest to them.

The wording/paragraphs in RED are the updates since the last report.

Project name:	**Te Ara Ātea Surrounds, Sensory Garden and Town Square**
Sub-project:	**Landscaping**
Key staff:	Phillip Millar (Acting Major Property Projects Manager) Dylan Robinson (Landscape Architect)
Approved budget:	$1.8 million – Te Ara Ātea surrounds (separable portion 1) $800k – Sensory Space (separable portion 2) $5.0 million – remainder for town square and landscaping.
Project overview:	Area immediately around Library and Town Square
Update since last report:	Landscape works immediately around Te Ara Ātea (SP1) and within the Sensory Space (SP2) have been completed. The Town Square landscape design and detailed design of the Arbour structure has been completed and quantity surveying has been undertaken for the Town Square (including overhead Arbour structure). However the town square design is currently on hold while the developer continues looking at the design of surrounding buildings.
Next steps:	Further meetings between the Developer and Selwyn District Council design staff to progress the town square design in co-ordination with the surrounding building design.
Anticipated timeframe:	June 2023 (Town Square)

Project name:	**Tourism Infrastructure Fund Projects – Round 5**
Key staff:	Cameron Warr (Community Projects Manager)
Approved budget:	N/A
Project overview:	The TIF fund covers capital costs for infrastructure required to meet the demands from tourism activity and generally covers up to 50% of capital expenditure.
Update since last report:	**Tourism Infrastructure Fund (TIF)** Round 5 Council was successful with its Round 5 application with the following projects being funded as below: • West Melton – public toilet and dump station on the highway side of the reserve (possibly within the area to be developed as car park adjacent to skate park), • Dump station in Rolleston • Lincoln – The Liffey public toilets upgrade, • Sheffield Toilet – placing toilet in the Sheffield Domain on Highway 73. Discussion with community groups regarding final design details for each site prior to applying for Building/Resource Consents. Funding will be approved and a contract entered into **only** once consents have been approved and evidence of consultation with the community has been provided for the projects. The delivery timeframe of the proposed works has been discussed with the contractors and suppliers. Consents for the installation of the facilities have been approved. This information along with the evidence of consultation **has** been submitted to MBIE for funding approval with some minor variations to the proposal.
Next Steps	Round 5 • MBIE to confirm contract details • Once confirmed site works can start • Buildings delivered to site • Completion of site landscaping and car parking
Anticipated timeframe:	Works will begin once MBIE has approved the funding. (We assume this will be March 2022)

Project name:	**Tourism Infrastructure Fund Projects – Round 6**
Key staff:	Cameron Warr (Community Projects Manager)
Approved budget:	N/A
Project overview:	The TIF fund covers capital costs for infrastructure required to meet the demands from tourism activity and generally covers up to 50% of capital expenditure.

Update since last report:	**Tourism Infrastructure Fund (TIF)** Round 6 The Application Form, Priorities Statement and Guidance for Applicants documents can be found on the MBIE website at https://www.mbie.govt.nz/immigration-and-tourism/tourism/tourism-funding/tourism-infrastructure-fund/ *Councils are encouraged to put forward projects that look to address capacity issues and future-proof local infrastructure, that are innovative, sustainable, retain community support for tourism and ensure high quality experiences.* Letter received for the 6th Round of Tourism Infrastructure Fund. Draft list of projects identified and circulated to ELT/Elected members for comment/ideas (7 March 2022).
Next Steps	Round 6 • Confirm projects to be submitted 15th March 2022 • Confirm details and costings for projects • Submit projects prior to 28 March 2022
Anticipated timeframe:	Works will begin once MBIE has approved the funding. (We assume this will be March 2023)

Project name:	**Leeston Library/Medical Centre Earthquake Seismic Weather Tightness Assessment**
Key Staff	Douglas Marshall (Group Manager Property) Kevin Chappell (Facilities Manager) Sue Faulkner (Facilities Projects Manager) Sandrine Carrara (Property Projects Manager) Denise Kidd (Group Manager Community Services and Facilities)
Approved budget:	$312,000
Project overview:	The Leeston Library and Medical Centre has been identified as an earthquake-prone building. An engineering report has shown parts of the building are below 34% of the required standards of the building code, meaning it is classified as earthquake-prone. While the report shows no urgent risk to the safety of people using the building, the Council had already removed an area of brick work that was identified in the report as being of concern.
Update since last report:	An assessment of the existing building life is currently being undertaken as staff prepare the business plan for the upgraded medical centre. Option report and associated costs are currently being worked through by Consultants and reviewed by staff.
Next steps:	These options and costs will be with staff by late March/early April.
Anticipated timeframe:	

Project name:	**Hororata Community Centre – Replacement**
Key Staff	Douglas Marshall (Group Manager Property) Derek Hayes (Open Space and Property Planner)
Approved budget:	$3 million – council funding of this approved budget is $1 million. Balance of the funding comes from the Hororata community.
Project overview:	Adopted option from LTP is to build a new community centre on the Hororata Reserve. Go Hororata have questioned since LTP adoption if option 1 will meet the needs of the Hororata Community.
Update since last report:	A report from a meeting held 2 February 2022 involving Councillors Bland, Gallagher and Mugford and Group Manager Property is included in this agenda. The Council adopted the following resolution at its meeting of 23 February 2022: *"That the Council agrees in principle to the following:* 1. *That the proposed Hororata Community Centre project as outlined in the 2021-2031 Long Term Plan will not proceed but will be replaced by the Go Hororata community group's proposal for a Hororata Community Hub to be located at the current Hororata Community Hall.* 2. *That the following actions are agreed to support the hub proposal:* a. *the commencement of the processes as outlined in the email memorandum prepared by The Property Group Limited dated 30 April 2020 for the revocation of the reserve status for CB610/4 and the process to allow the sale of the endowment land CB610/5.* b. *It is proposed that title CB610/4 and that title CB610/5 once clear of their reserve status and other encumbrances will be transferred to a Hororata community entity at nil consideration.* 3. *Council consult in its draft annual plan 2022-2023 on a proposal to set aside funds of up to $1m (that is inclusive of the legal costs of achieving 2 above and $20k previously approved to support preparation of a feasibility report) to support the Hororata hub project; that Council will transfer the funds once it has received a report from the community committee and is satisfied on the feasibility of the project and the long-term operation of the facility when completed. The report will include project feasibility, consultation outcomes, a comprehensive design and building cost for the project.* 4. *That the feasibility study being developed by the Hororata Heritage group for the conversion of the Hororata Hall to a museum be provided to the Council for its consideration by 31 August 2022.*

	5. That a progress report on the actions outlined in this recommendation be provided by Council staff to the Council by 31 August 2022." *6. That a final report will need to be adopted by the Council to complete the 'in principle' stage of this request."* *Note - Councillors Mugford and Gallagher voted against the amended #3.* Funding of $20,000 has been released for the Council's share of feasibility study.
Next steps:	Awaiting initial feasibility reports. Discussions commenced with property consultant in regard to the various land matters to be resolved to allow the transfer to occur. Consultation with public as part of the draft annual plan process.
Anticipated timeframe:	August 2022

Project name:	**Earthquake Prone Buildings**
Key staff:	
Approved budget:	N/A
Project overview:	• Mead Hall – Strengthening is budgeted for the 2021/22 financial year. • Tawera Hall (Springfield) – Detailed Seismic Assessment (DSA) report received which concluded that the building is not earthquake prone. The recent DSA report also noted an inconsistency with fire occupancy and seismic rating which needs to be reviewed. Advice is being sought as to the appropriate approach. • Kirwee Pavilion –The building is earthquake prone, it does not pose a life risk and can still be used. A repair methodology and cost has now been received but until funding has been identified the work cannot commence. An earthquake prone notice has been attached to the building requiring the work to be completed before 12 April 2036. • Leeston Rifle Range/Community Rooms - The report has been received and the building has been assessed to be less than 33% NBS at Importance Level 2. The building condition does not pose a life risk and can still be used. A decision as to the future of this building will be made as part of the Leeston Community Centre projects.
Update since last report:	Mead Hall – Property staff have met with the local community and Engineer to discuss concept and plans for strengthening. The concept plan is more extensive than expected and staff are currently updating estimated costs.
Next steps:	Further work on the Mead Hall strengthening will be progressed.
Anticipated timeframe:	

Project name:	**West Melton Community Park**
Key staff:	Cameron Warr (Community Projects Manager) Hugh Sheppard (Community Project Co-ordinator)
Approved budget:	$250,000 (Community Park), also $61,680 (Playground Renewal) and $299,772 (Domain Extension – Development)
Project overview:	Community consultation regarding the location and features the community wanted to see within the park was undertaken early 2019. The community park will be located adjacent the Community Centre within the Domain. This area will incorporate a new replacement playground, picnic areas, walkways and landscaping utilising a portion of West Melton 'Domain Extension – Development' $299,772 and 'Renew play equipment' $61,680 budgets.
Update since last report:	Corde have undertaken some tidy up works on site, including adding soil to exposed concrete areas. Tender package for playground and landscaping released early September, closing early October. TIF funding has been successful, so development of the car park and toilet block will follow. Evaluating tenders week of 18 October 2021. City Care Property have been awarded the tender for the remainder of works within the West Melton Community Park development. Playco have been awarded the tender for the supply and installation of playground equipment. City Care began on site 17 February 2022. Retaining along bowl/pathway edge installed. Pathway from Community Centre to Community Park underway.
Next steps:	Basketball Court starting week of 14 March 2022 followed by construction of shelter and BBQ installation, landscape planting and playground equipment installation.
Anticipated timeframe:	Site works to commence from 17 February 2022, completion in April 2022, due to the long lead time of playground equipment.

Project name:	**Reids Pit**
Key staff:	Cameron Warr (Community Projects Manager)
Approved budget:	BMX track Development $621,065
Project overview:	The Reids Pit development consists of the remediation/ development of a previously used gravel pit restored to allow use as a passive reserve.
Update since last report:	Broadfield School has confirmed they are keen to be involved to assist with planting and possibly maintenance of areas planted by the school. (Please Note - All sloped areas to be planted within the pit will be undertaken by contractors). Preference has been given to Broadfields school as there aren't many projects close to the school that they can easily get involved in. There are a large number of plantings to be undertaken on the site so other interested schools should contact the community projects team if interested.

	School group plantings can now be undertaken as toilet facilities are now available on site. Bike tracks completed in January 2022, some resurfacing will occur on these tracks closer to opening once the material has settled. Levelling of base of pit and installation to two soak pits completed. Entry gates for car park have been completed. There have been some settlement cracks appear at the rear of the site, these have been investigated by a Kirk Roberts Geotech for safety and for proposed remediation. The initial report has been received by Kirk Roberts identifying proposed remediation. Detailed information to follow mid-March. Planting areas prepared for autumn/winter plantings.
Next steps:	- Remove barbed wire from perimeter fencing 20 March 2022 - Spraying and planting of bike track edges 22 March 2022 - Entry Signage 15th April 2022 - Completion of SDC funded community planting 30 June 2022 - Park furniture installation completion 30 June 2022 - Receive information from ECAN to Install car park storm water Continue to make contact with adjoining land owners/representative to acquire land for upgraded future intersection/walkway access.
Anticipated timeframe:	30 June 2022

Project name:	**Prebbleton Domain – Pump Track and Overflow Car Park**
Key staff:	Cameron Warr (Community Projects Manager) Hugh Sheppard (Community Project Coordinator)
Approved budget:	$325,000 (Pump Track) and $350,000 (Overflow Car Park)
Project overview:	This project is to develop a pump track within Prebbleton Recreation Reserve. Development of this will coincide with planning for the overflow carpark development within the Reserve.
Update since last report:	Frew's Contracting Limited have been appointed the contract for development of the pump track. The tenders were assessed internally with the designs discussed with the Prebbleton Domain Committee. Feedback from the community consultation has been collated. A design meeting has been held and the designers are underway with detailed design. Overflow carpark has been surfaced with asphalt (completed). Fencing underway, line marking and tidy up works to follow. This has been delayed due to lockdown. Detailed design has been completed.

	Works undertaken on site to provide access. Soil testing underway to confirm excess fill location prior to excavation beginning on site.
Next steps:	Earthworks to start end of March 2022
Anticipated timeframe:	Completion of the pump track April 2022

Project name:	**Prebbleton New Park**
Key staff:	Phillip Millar (Acting Major Property Projects Manager) Dylan Robinson (Landscape Architect Projects) Sandrine Carrara (Property Projects Manager)
Approved budget:	$13.5 million (over 9 years 2020 – 2029)
Project overview:	This project is a three stage project to develop a new 22 hectare recreation park within the Springs Ward. This park will include a dog park, sports fields, 3.5x lit sports fields, change rooms, carparks, cycle and walkway paths, native tree and plant areas, waterway upgrade, children's' playground and other features.
Update since last report:	McLenaghans/Johnsons Joint Venture have made good progress in the construction of Stage 1a, with earthworks and service installation largely completed. There have been some delays and site work challenges due to wet weather, however the project is close to being on schedule. Stage 1a includes approximately 10ha in the south-east corner of the Park including the dog park, dog park carpark, Leadleys Road carparks, 3.5x lit sports fields, walking tracks, cycle tracks and playground features. Detailed design for the new changing rooms as part of Stage 1b has been completed. Stage 1b is due to go out to tender in March 2022.
Next steps:	• Lighting installation • Concrete path installation • Cycle path installation • Dog Park furniture installation • Grass seeding of playing fields in late March 2022 • Planting in April/ May 2022
Anticipated timeframe:	Stage 1a is anticipated to be completed by June 2022. Stage 1b is anticipated to be completed by December 2023. Stage 2 is anticipated to be completed by February 2029.

Project name:	**Foster Park Projects**
Key staff:	Douglas Marshall (Group Manager Property) Phillip Millar (Acting Major Property Projects Manager)
Approved budget:	$4.21 million (Hockey and Football Turfs) $1.27 million (Eastern Carpark)
Project overview:	These two projects at Foster Park are planned for the 2021/22 financial year.

	The Hockey and Football Turfs project includes the provision of a full sized Hockey Turf and a full sized Football turf, fencing, scoreboards, lighting and other integrated items. Polytan is the lead Contractor. The eastern carpark project involves converting the existing gravel carpark into a permanent sealed carpark providing approximately 215 carparks for Foster Park. Downer is the lead Contractor.
Update since last report:	The Turfs Project is progressing well, with earthworks and service installation completed. Fencing of both turfs is underway. Lighting is being installed and the laying of the turf surfaces is about to commence. The Carpark works are underway with works progressing well. Kerbing and base course are currently being installed and pathways prepared. Lighting supply has been delayed due to supply issues, therefore it is likely that this will be installed mid-year when it becomes available. The carpark will still be able to be opened prior to the lighting arriving, as it has been an unlit carpark when a gravel carpark. There should only be a two month period when the carpark is unlit.
Next steps:	• Turfs project – Fencing, lighting, pump shed, scoreboards installation, dugout installation, pathway installation and final turf laying. • Carpark project – final grading of base course to carpark and pathways, followed by asphalt sealing.
Anticipated timeframe:	The Turfs project is scheduled for completion by May 2022. The eastern carpark project is scheduled for completion in April 2022, with lighting being completed mid 2022.

Project name:	**Surplus Crown Land Disposal Project**
Key staff:	Rob Allen (Acquisitions Disposals and Leasing Manager) Bianca White (Acquisitions Disposals and Leasing Officer)
Approved budget:	
Project overview:	Identification, consultation and disposal of surplus Crown Reserves
Update since last report:	Report was put before Council in Public Excluded Agenda on 23 February 2022 for information purposes. During that meeting, the issue of creating undersized lots was raised. Staff said they would find out what wording is going into the Sale and Purchase Agreements to ensure there are no expectations of resource consents to build on undersized lots. WSP, agents of the Department of Conservation (DoC), have provided Council staff with a sample clause of what is included in Sale and Purchase Agreements. This clause reads as follows: *"The purchaser enters into this agreement for Sale and Purchase with the full knowledge and acceptance that there is no Council Resource Consent for any use whatsoever at the property, and the purchaser will be responsible for applying for any Council consent (including payment of any Council costs) for any activity on the property.* *The purchaser will make no claim against the vendor in relation to the lack of any resource consent for current or future use.*

	The vendor makes no warranty that the property is fit for any purpose and purchaser must satisfy themselves as to the suitability of the property for their purpose." There is also a report in the Public Agenda of the present meeting, 23 March, addressing the issue of termination of licences to facilitate sales.
Next steps:	Carry on with the facilitation of sales of Tranche 1.
Anticipated timeframe:	To be advised.

Project name:	**Surplus Bare Land Freehold Disposal Project**
Key staff:	Bianca White (Acquisitions Disposals and Leasing Officer) Rob Allen (Acquisitions Disposals and Leasing Manager)
Approved budget:	
Project overview:	Identification, consultation and disposal of surplus bare land freehold blocks
Next steps:	Internal consultation has now begun regarding a suite of 16 bare land freehold properties. This involves seeking input from various managers and staff across different departments of the Council to ascertain whether the blocks are indeed 'surplus' to current requirements or future-proofing needs.
Anticipated timeframe:	Staff were aiming to have a report before Council at the beginning of 2022 though heavy workloads have not permitted this. Staff have prioritised other works but will re-shuffle those priorities in favour of these freehold disposals if Council or management direct staff this way.

Douglas Marshall
GROUP MANAGER PROPERTY

REPORT

TO: Chief Executive

FOR: Council Meeting – 23 March 2022

FROM: Asset Manager Water Services

DATE: 15 March 2022

SUBJECT: **5 Water Strategy Review – One Water**

RECOMMENDATION

a. *That the Council commence the review of the 2009 5 Waters Strategy,*
b. *That the review be a co-review process with mana whenua,*
c. *That Council acknowledges the importance of setting the strategic direction for water management within the Selwyn District, providing its community with a voice, regardless of the 3 Water Reform outcome.*

1. PURPOSE

The purpose of this report is to seek feedback on the proposed intent to review the Councils 2009 5 Waters Strategy, process and the timeline. The Strategy will help to ensure that local policy objectives remain core to the management of waters within the Selwyn District going forward, regardless of the service provider.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

This proposal has been assessed against the Council's Significance and Engagement Policy. The level of significance of a decision will determine the process used by the decision maker considering Council's commitment to constructive community engagement.

It is recommended that the proposal is considered of high significance in terms of consultation requirements because it relates to a number of strategic assets in the Significance and Engagement Policy and may lead to a significant alteration in the intended level of service provision of a significant activity. Specifically, this proposal has the potential to affect the Council's:

(a) water supplies including reservoirs, pump stations and reticulation;
(b) wastewater network, including collection, treatment and disposal systems; and
(c) land drainage, stormwater and water race systems including piped and open network, the open river system, waterways, wetlands and retention basins,

all of which are listed as strategic assets in the Council's Significance and Engagement Policy.

The revised Strategy and any consequent amendments to the Council's long term plan will therefore require appropriate consultation (which may include a special consultative procedure) prior to final adoption by the Council.

3. HISTORY/BACKGROUND

In 2009, Council adopted a 5 Waters Strategy which recognised the holistic nature of water management within the Selwyn District. While this principle and the approach generally may remain appropriate, the Strategy is now due for review. An updated Strategy will leverage the current Strategy, recognising a number of new or developing drivers including increased focus on Te Mana o te Wai “respect for / value of water”, our Te Tiriti o Waitangi obligations and relationships, Central Government Three Waters review, climate change, resilience and sustainability.

Officers consider this an appropriate step within the current review environment, to ensure that local policy remains core to the management of waters within the Selwyn District going forward.

Appendix 2 provides a background document which sets out the drivers for the review and an outline of the changing (political, environmental and cultural) landscape.

4. PROPOSAL

That Council moves towards the commencement of a review of its 5 Water Strategy.

If Council agrees with this proposal, it is recommended that Council consider the value of creating a partnership with mana whenua to co-design the One Water Strategy. To ensure we follow the principles of co-design and genuine partnership, in principle agreement to this concept is sought from Council at this time. Discussions will then be progressed with Te Rūnanga o Ngāi Tahu, Te Taumutu Rūnanga and Te Ngāi Tūāhuriri Rūnanga to confirm interest and capacity for involvement and to establish a co-designed project. Once a proposed co-design project has been developed, this will be brought to Council for consideration and adoption. On the basis adoption occurs (based on future details), Strategy review and completion would progress.

A high level overview of project steps, are as follows:

(a) Council adoption of “in principle engagment with mana whenua regarding a co-design process,
(b) Mana whenua agreement on a co-design approach – noting any conditions,
(c) Staff provision of a process and Council adoption of recommendations,
(d) Mana whenua engagement - co-design
(e) Partner agency engagement e.g. Canterbury Regional Council
(f) Strategic development
(g) Community engagement
(h) Renewed strategy adoption

This process may take up to 12 months

5. OPTIONS

The options available to Council are to:

(a) Progress with the review as proposed, or
(b) Progress with an amended review process, or
(c) Do not progress with a review of the 5 Water Strategy (not recommended)

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected

Refer section (b) below.

(b) Consultation

The review of the Strategy will provide for public consultation and engagement.

(c) Māori implications

Management of water resources are of particular interest to local rūnanga who have shown keen interest to be more involved in decision making related to water matters.

(d) Climate Change considerations

The impact of climate change on the districts water resources is one of the key focuses of the Strategy review

7. FUNDING IMPLICATIONS

There are no funding implications as a result of this report. Should the Strategy review commence, future projects and budgets will be informed by the revised strategy.

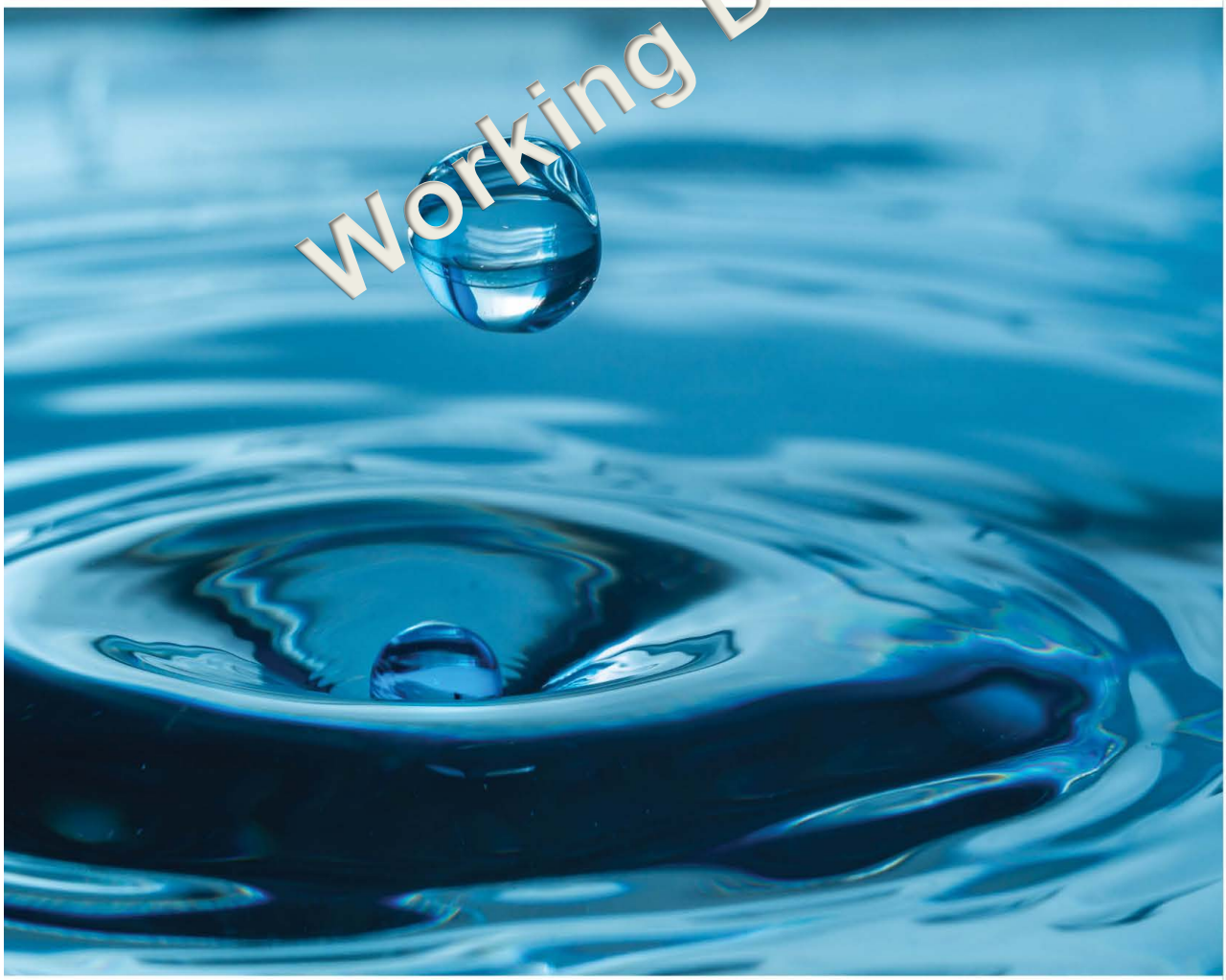
Murray England
ASSET MANAGER WATER SERVICES

Endorsed For Agenda

Murray Washington
GROUP MANAGER INFRASTRUCTURE
Attachment 1 – Power point slide
Attachment 2 – One Water Background Report
Attachment 3 – Original Strategy

One Water Strategy Background Report

Working Draft



December 2021

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Selwyn DISTRICT COUNCIL

QUALITY ASSURANCE & DOCUMENT STATUS

1. Document Version			
Date	**Version Number**		**Checked by**
2 December 2021	1.0		Murray England, Asset Manager – Water Services
15 March 2022	1.0		Murray Washington, Infrastructure Group Manager
2. Prepared By			
Date	**Name**		**Designation**
November 2021	Katherine Hill / Hugh Blake-Manson		Waugh Infrastructure Management Ltd
3. Version: Input From			
Date	**Name**	**Designation**	**Input**
March 2021	Murray England	SDC	Scope and direction, Minor amendments
December 2021	Catherine Posada	SDC	Review
4. Council Adoption			
Date	**Record of Decision**		

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1.0 INTRODUCTION

Selwyn District Council's (Council) past, present and future is intrinsically dependant on water. From Arthurs Pass to Te Waihora–Taumutu, water passes continuously through natural pathways and manmade infrastructure. The water cycle demonstrates that every drop of water passes at some time and manner through all natural and constructed pathways. This interconnected cycle gives rise to the need for strategic management objectives of "One Water". This offers a natural evolution from the 5Waters Strategy, brought about by an evolving understanding and keener appreciation of the taonga that water is. It also recognises the global trend towards a circular water economy, which Council is beginning to embrace.

Water is at the heart of our culture and identity as New Zealanders. People have important connections to water through their history, experiences and practices that are personal to them. Whether it is the places they used to swim as children, their favourite camping sports, or mountain streams they've encountered in national parks, many people have particular rivers or lakes that are meaningful to them. From a traditional Māori perspective, people are connected to water and to the whole natural world through their whakapapa.

The management aspect of 5Waters by Council is detailed in Table 1-1.

Community water supplies	27 schemes	life sustaining
Community wastewater schemes	15 schemes plus ESSS and Ellesmere WWTP	public and environmental health
Stormwater (urban)	21 schemes	urban stormwater management
Land drainage	10 schemes	making land habitable
Water races (rural and urban)	3 schemes	stock water, amenity, habitat

Table 1-1 Outline of Council Water Systems

1.1 Project Objective

This report provides the background information required to start the discussion on the review of the 5Water Strategy to clearly outline Council's direction and aspirations in water management into the future.

We have used the term "One Water" as we believe it reflects the holistic underlying water "no boundaries" cycle, a growing and deeper recognition from the community of cultural values and proposed DIA centralisation of the three waters – Water Service Entities.

An updated Strategy will leverage the current 5Waters Strategy which has reflected Council and the communities' views until now. There are many elements of Council's 5Waters Strategy, including the 30-year line of sight which should remain. Refreshing the Strategy is a natural and essential process, necessitated by several significant drivers.

1.2 Purpose of this Report

There are a number of new, developing and better appreciated drivers including the Water Services Act, embodying Te Mana o Te Wai "respect for Water", Te Tiriti o Waitangi (the Treaty of Waitangi), Three Waters Entity enablement by Government, climate change and sustainability.

The project will support engagement with Te Taumutu Rūnanga Te Ngāi Tūāhuriri Rūnanga, the Selwyn community, Canterbury Regional Council (ECan) and neighbouring Councils to i) confirm the direction, and ii) map out the priorities for integrated water management within Selwyn district over the next thirty years. Investment decisions can then be made which realise this.

It is important that Councils acts now, before the establishment of the Water "Entity D" to ensure that Council, mana whenua, and communities have an opportunity to determine the strategic focus for water management within the Selwyn District.

2.0 EFFECTIVENESS AND RELEVANCE OF THE 5 WATER STRATEGY

The 5Waters Strategy "the current Strategy", -provides a clear account of Selwyn's management of its 5Waters. The review undertaken as part of this report, recognises the value of the current Strategy while providing a second generation "step change" to ensure it is appropriate to the objective of an integrated water cycle approach.

Appropriate Update Strengthen Simplify New

Role	Current Strategy	Assessment	Opportunity (to address)
Purpose of Strategy	Purpose of original Strategy articulated.		Update for 30-year outlook and context.
Objective / vision	Although aligned to Council vision, the current Strategy does not succinctly describe the objective/vision of the strategy.		Clearly articulate the district vision for integrated one water management over the next 30 years.
Guiding principles	Not in current Strategy.		Description of the guiding principles for the development of the Strategy (e.g., integration, resilience, sustainability, place-making).
Relationship	Relationship to other planning documents and national and global context outlined.	 	Prepare a 'Strategy in Context' section: Clearly articulate relationships with other strategic and contextual documents –. Update for national context/management responsibilities.
Activity Description	Strategy demonstrates 5Waters and relationship through graphic.		Widen scope of water to One Water, to be complemented by context / management responsibilities above.
The value of wai (water)	The background notes the importance of wai in all its forms to the District.		Can be strengthened to acknowledge importance of wai to the community, iwi, environmental, social and economic outcomes (wellbeing). Opportunity to engage with iwi, community and partner agencies to confirm the value of water and feed into water goals.
Challenges/Key Strategic Issues/Priorities	The current Strategy lists six factors which may impact on water resources.		Provide detail of key challenges which may impact on 30-year horizon (e.g., climate change, population changes, groundwater nitrate).

Role	Current Strategy	Assessment	Opportunity (to address)
Sustainability	The seven Sustainability Principles were a key driver in the development of the Strategy.	✓	Integration of sustainability principles into the 'Our Strategy' section (goals, initiatives, measures of success) (will tie in with the proposed Sustainability Strategy)
Goals	Not in current Strategy.		Articulate goals for One water management within the District. To link to challenges/strategic issues/priorities, and include success indicators.
Initiatives	The Strategy identifies 23 initiatives which involve 5Waters, noting actions to be undertaken by Council.		Strengthen into a 'Our Strategy' – groups initiative aligned to outcomes and tied to goals, challenges/priorities, wellbeing and sustainability measures, success indicators, and management responsibilities. Requires cross agency support.

Table 2-1 Gap Analysis to Deliver Second Generation One Water Strategy

**Note: under the revised proposal, implementation of initiatives by Selwyn District Council would be through an Implementation Plan to separate from multi-agency initiatives.*

2.1 Review

The Council adopted it's 5 Waters Strategy in 2009, with an indicated 6-yearly review, to coincide with Council reviews of Community Outcomes. While the Strategy has been widely utilised since its adoption, with a review being undertaken in 2015 confirming the Strategy to be generally fit for purpose, to date, no substantive revision or update has been undertaken.

We have outlined the drivers which necessitate a full review of the Strategy at this time in this report.

3.0 ENVIRONMENT OF CHANGE – DRIVERS

3.1 The Value of Water

The natural water (hydrological) cycle is a continuous movement of water on, above and below the ground in all its forms, quality, quantity and comprises:

- Rainfall
- Surface water including rivers, streams, lakes, wetlands, and coastal margins
- Groundwater – shallow and deep

The whole of Selwyn District have an interest in the management of water within the District, whether connected to Council services, or individual "self-supplied" properties. As demonstrated by the water cycle approach, all wai from the natural environment flows through all aspects of the District environment, generally for the benefit of its people.

In addition to the importance of the 5Waters described in the current Strategy, consideration of the wider water cycle is key. All water resources are important to the district and its communities.

Waterways within the District hold significant value. The Rakaia and Waimakariri Rivers, along with their contributing tributaries, are the largest braided rivers in New Zealand and have been recognised as having 'an outstanding natural characteristic in the form of a braided river'. Both of these rivers are culturally significant to Ngāi Tahu for traditional food gathering. Rivers within the District also hold fishery and other recreational value. Biodiversity value is attributed to the waterways which support a wide variety of birdlife, including rare riverbed species such as wrybill, black-fronted tern and banded dotterel.

There are two large lakes within the District: the nationally significant lake/wetland Te Waihora/Lake Ellesmere and Whakamatau/Lake Coleridge. There are also a number of small to medium high-country lakes that have high natural and recreational values.

The lakes and springs within the Selwyn District hold significance for Te Taumutu Rūnanga and Ngāi Tahu, with the lakes and wetlands holding significant mahinga kai values. Significant cultural sites within the Zone include: Te Waihora/Lake Ellesmere, Muriwai/Coopers Lagoon, Waikirikiri/Selwyn River, the Kaituna River, the Rakaia and Waimakariri braided rivers and their upper catchment wetlands and lakes, and the Rakaia river mouth. More generally, all spring-fed streams, lowland streams and wetlands are of cultural significance, as are areas of mahinga kai and any remaining indigenous biodiversity. Amongst these areas are more specific wāhi tapu (sacred place) and wāhi taonga (significant place) sites across the District of significance to mana whenua.

Underlying the Plains is a nationally significant groundwater resource which is used for land irrigation supplies, domestic and industrial water supplies. Community supply use of the groundwater is further detailed in the physical infrastructure section. The groundwater resource within the District has come under increasing demand over recent years as a result of changing land uses, intensification of agriculture and changes to the regularity of surface water flow. The abstraction of groundwater resources has increased substantially over the past 20 years, driven by land use change and intensification. The Central Plains Irrigation covers a significant part of the District (command area). The scheme includes a large storage area and involves collection of river water and distribution to scheme members. Central Plains Irrigation has offered some offset of pressure on groundwater sources for irrigation supply.

3.1 Recommendation

The community value of wai is determined through co-design and engagement.

The Strategy is an opportunity for co-design with mana whenua, community engagement and collaboration with partner agencies (e.g., regional council, Department of Conservation, irrigation suppliers).

3.2 One Water – Reasoning as a Central Theme

The notion of 'one water' recognises the interconnected nature of management of waters that is recognised with western management systems and Te Ao Māori. While this includes those currently described in Selwyn District Council's 5Waters activity, a genuine recognition of One Water requires a wider strategic view of all water within the District.

The term 'One Water' reflects the holistic underlying water "no boundaries" cycle, which, regardless of management responsibilities, needs to be considered in an interconnected manner. This is consistent with the principle of ki uta ki tai (mountains to sea) – the whole system approach to sustainable management.

The One Water approach should include considerations of how land is used and how the water-cycle is impacted by land-use decisions, requiring an integrated approach with the Regional Council, and Council land development and biodiversity teams.

Regardless of management responsibilities, this integrated approach to a 'One Water' includes wider water management within the District, including groundwater and the receiving environments of Te Waihora, and estuarine and marine waters. This holistic view is captured in the water cycle (hurihanga wai) as demonstrated in Figure 3-5, and the principles of Te Mana o te Wai considered in Section 3.4. The integrated approach also supports the circular water economy, which Council has started to embark on at the Pines Wastewater Treatment Plant.

3.2 Recommendation

Recognise the integrated, circular nature of water through integrated strategic alignment, regardless of management responsibilities.

This provides an opportunity to recognise the interconnected nature of water through strategic alignment between community, mana whenua, Selwyn District Council and Environment Canterbury. It also supports national and global water issues and solutions.

3.3 Community Wellbeing

3.3.1 Community Outcomes

Although the Local Government Act determines that local authorities are responsible for social, economic, cultural and environmental wellbeing, these terms are not defined. Through community engagement, Council have identified how wellbeing can be aligned to Selwyn District and community aspirations. These are confirmed through the Community Outcomes which are aligned with four overarching vision statements:

Figure 3-1: Selwyn District Community Objectives[1]

3.3 Recommendation

The revised Strategy will update on community well-being as reintroduced to the Local Government Act.

3.4 Te Ao Māori

Although Te Tiriti o Waitangi was recognised at the time of the original strategy, Council is moving into a new phase with an increasing focus on enduring, mutually beneficial relationships. This will continue to strengthen into the future, with due recognition and the development of co-governed outcomes.

The following section offers an insight into matters which would merit engagement with Ngāi Tahu and ngā papatipu rūnanga.

3.4.1 The Importance of Wai

Māori have a close relationship with water in all its forms, both spiritually and physically. Wai is a taonga intrinsically linked to iwi and the health of Papatūānuku and the iwi. It is held that water contains mauri (life essence) that joins physical and spiritual elements and links water to every other part of the

[1] Reproduced from the Selwyn District Council Long Term Plan, 2021-2031

natural world. Holistic management of this taonga is required. It is a significant cultural resource that connects Ngāi Tahu to the landscape and the culture and traditions of the tupuna (ancestors).

Within the Ngāi Tahu history, all water originated from the separation of Ranginui and Papatūānuku and their continuing tears for one another. Rain is Ranginui's tears for his beloved Papatūānuku and mist is regarded as Papatūānuku's tears for Ranginui. Water is central to Ngāi Tahu resource management philosophy of ki uta ki tai – from the mountains to the sea. For Ngāi Tahu this requires a holistic view of the world, including the integration of legislation and management frameworks, and the cooperation of all agencies responsible for water. All the waterways and their associated tributaries, wetlands and springs are considered significant resources of cultural, spiritual and historical importance. The ability to gather and share food is a cornerstone of Ngāi Tahu society, tradition and mana and is reliant on healthy ecosystems, on water that is fit for human consumption and that is able to support mahinga kai species.

The Resource Management Act 1991 recognises the relationship between iwi and water (section 6I), the role of kaitiakitanga (section 7(a)) and importance of Te Tiriti o Waitangi (section 8) in managing natural resources. In this regard, the relationship of Māori to freshwater is recognised as a matter of national importance.

3.4.2 Ngāi Tahu and Ngā Rūnanga

The term mana whenua describes the authority to make decisions concerning the resources and people of a given takiwā. Ngāi Tahu is made up of whanau and hapu whose takiwā covers much of the South Island, including Selwyn District. Ngāi Tahu hold mana whenua (traditional authority) over this takiwā. The mana whenua of Ngāi Tahu is expressed in the:

a) Protection and perpetuation of their whakapapa (genealogy);
b) Continued occupation of their ancestral lands (ahi-kā-roa);
c) Continued use of traditional and contemporary natural resources (mahinga kai);
d) Taking responsibility to protect and maintain the mauri (vitality) of their environment for the benefit and enjoyment of future generations.

Te Rūnanga o Ngāi Tahu represents the tribal collective of Ngāi Tahu Whānui. It was established by the Te Rūnanga o Ngāi Tahu Act (1996) to give a legal identity to the tribe. This structure included one tribal rūnanga (Te Rūnanga o Ngāi Tahu) with 18 regional rūnanga (Ngā Rūnanga o Ngāi Tahu). Ngā Rūnanga were established to represent the rights and interests of local Canterbury whanau within their respective takiwā. Ngā Rūnanga have come to be known as 'Papatipu Rūnanga' because of their connection to papatipu marae.

Selwyn District Council acknowledges its statutory responsibilities to recognise and provide for the relationship of mana whenua and their customs and traditions with their ancestral land, water, sites, wāhi tapu and other taonga.

Ngāi Tahu and ngā Rūnanga expressions of mana whenua within the takiwā of the Selwyn District and the One Water view should be established through co-design of the Strategy which gives meaning to Council's relationship with mana whenua.

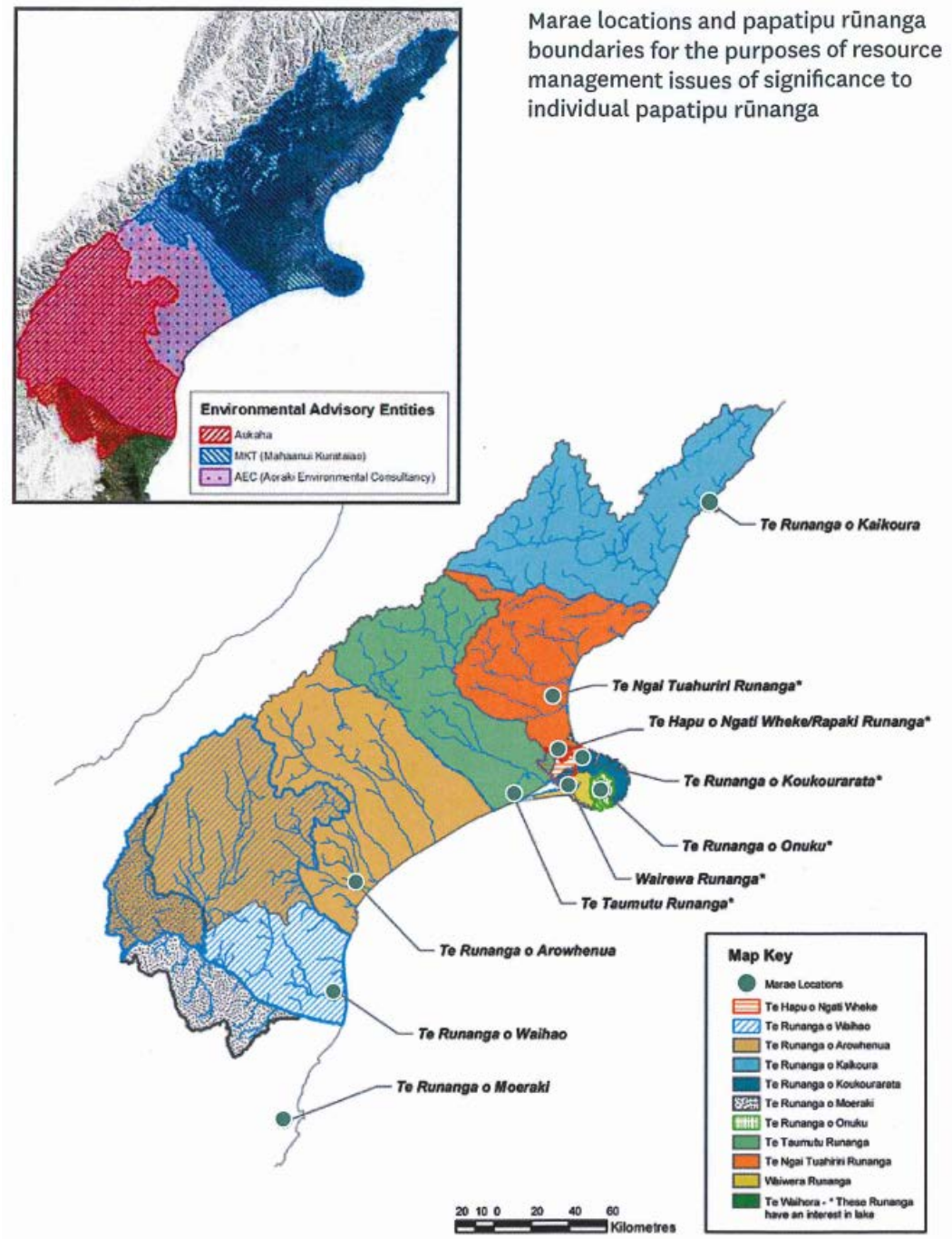


Figure 3-2: Papatipu Marae and Rūnanga rohe. Environment Canterbury

3.4.3 Te Tiriti o Waitangi

The Crown first recognised and provided for Ngāi Tahu mana whenua in 1840 with the signing of the Treaty of Waitangi / Te Tiriti o Waitangi. With respect to the right to exercise authority over natural resources, Article II of the Treaty / Te Tiriti states:

> ***English Text**: "Her Majesty the Queen of England confirms and guarantees to the Chiefs and Tribes of New Zealand and to the respective families and individuals thereof the full exclusive and undisturbed possession of their Lands and Estates Forests Fisheries and other properties which they may collectively or individually possess so long as it is their wish and desire to retain the same in their possession…".*
>
> ***Māori Text**: "Ko te Kuini o Ingarani ka wakarite ka wakaae ki Ngā Rangitira ki Ngā hapu – ki Ngā 13hanau13 katoa o Nu Tirani te tino rangatiratanga o o ratou wenua o ratou kainga me o ratou taonga katoa…".*
>
> ***Translation of Māori Text**: "The Queen of England agrees to protect the chiefs, the sub-tribes and all the people of New Zealand in the unqualified exercise of their chieftainship over their lands, villages and all their treasures..."*

3.4.4 Ngāi Tahu Settlement

The Ngāi Tahu Claims Settlement Act 1998 gained royal assent 1 October 1998 gave effect to the Deed of Settlement signed with the Crown 21 November 1997. It was the second historic claim to be settled with an iwi, and addressed breaches of Te Tiriti ō Waitangi / the Treaty of Waitangi between signing and 21 September 1992. This settlement includes a number of claims to the Waitangi Tribunal from 1986 to 1996 including:

> *(i) founded on rights arising in or by the Treaty of Waitangi, the principles of the Treaty of Waitangi, statute, common law (including customary law and aboriginal title), fiduciary duty, or otherwise; and*
>
> *(ii) arising out of or relating to any loss of interests in land, water, rivers, harbours, coastal marine areas, minerals, forests, or any natural and physical resources in the Ngāi Tahu claim area, caused by acts or omissions by or on behalf of the Crown or by or under legislation, being a loss that occurred before 21 September 1992—*

The Ngāi Tahu Claims Settlement Act 1998 gave acknowledgement to the mana of Ngāi Tahu and the wrongdoings of the Crown under Te Tiriti ō Waitangi / the Treaty of Waitangi. Amongst other matters, the apology of the Crown to Ngāi Tahu recognises their rangatiratanga and mana:

> *3. The Crown acknowledges that, in breach of Article Two of the Treaty, it failed to preserve and protect Ngāi Tahu's use and ownership of such of their land and valued possessions as they wished to retain.*
>
> *7. The Crown apologises to Ngāi Tahu for its past failures to acknowledge Ngāi Tahu rangatiratanga and mana over the South Island lands within its boundaries, and, in fulfilment of its Treaty obligations, the Crown recognises Ngāi Tahu as the tāngata whenua of, and as holding rangatiratanga within, the Takiwā of Ngāi Tahu Whānui.*

While not contained within the Ngāi Tahu Claims Settlement Act 1998, Section 2.2 of the Deed of Settlement outlined acknowledgements of the Crown including:

> *2.2.2. that the Settlement does not diminish or in any way affect the Treaty of Waitangi or any of its articles or the ongoing relationship between the Crown and Ngai Tahu in terms of the Treaty of Waitangi or undermine any rights under the Treaty of Waitangi, including rangatiratanga rights;*

The Deed of Settlement and Claims of Settlement Act, whilst not explicit with regard to water, do reconfirm the rights secured by Māori under Article Two of Te Tiriti o Waitangi / Treaty of Waitangi. It is widely acknowledged that taonga includes wai (water).

The Deed of Settlement also recognised areas of significance to Ngāi Tahu as Areas of Statutory Acknowledgement. Within the Selwyn District there are 4 Statutory Acknowledgement Areas:

- Kura Tāwhiti (Castle Hill) – also holds Tōpuni status
- Whakamatau (Lake Coleridge)
- Moana Rua (Lake Pearson)
- Te Tai o Mahaanui (Selwyn – Banks Peninsula Coastal Marine Area).

These areas do not form a comprehensive list of all areas of significance and value to Ngāi Tahu whānui; and they do not of themselves confer any form of ownership of the areas upon Ngāi Tahu whānui. However, the importance of those areas is recognised by the Crown and must be recognised by Council.

3.4.5 Contemporary Claims

With a shift from historic settlements, the Waitangi Tribunal is beginning to examine contemporary claims which are usually holistic in nature.

British common law, as adopted by New Zealand, confirms that naturally flowing freshwater is not owned by anyone, but is treated as a public good. This remains the legal position in New Zealand, however this does not preclude Māori rights to water. In the landmark 2003 Ngāti Apa v Attorney General Court of Appeal decision, it was confirmed that the introduction of English common law to New Zealand did not extinguish Māori customary title. Therefore, any customary title relating to freshwater which Māori held prior to the assertion of British Sovereignty in 1840, will continue to exist unless it has been lawfully extinguished (as occurred in some Nineteenth Century deeds of sales of land where water rights were explicitly transferred).

On 28 August 2019, the Waitangi Tribunal released a report into National Freshwater and Geothermal Resources (Wai 2358), in which the Tribunal considered that the Resource Management Act 1991 (RMA) and subsequent freshwater management policies have failed to meet the standard of active protection agreed under the Treaty of Waitangi. The report also noted failing of the RMA to adequately provide for tino rangatiratanga and the kaitiakitanga of iwi and hapū over their freshwater 14hanau. The Tribunal recommendations included explicit recognition of Māori proprietary rights, and the establishment of a national freshwater management co-governance body.

In November 2020, Ngāi Tahu lodged a statement of claim in the High Court at Christchurch seeking recognition of its rangatiratanga over the freshwater in the Ngāi Tahu takiwā. The statement of claim seeks to address ongoing degradation of awa (rivers) and moana (lakes) caused by the environmental mismanagement of successive governments, and to compel the Crown to address these issues in partnership with the iwi. Rangatiratanga over water means Ngāi Tahu has rights, responsibilities and obligations relating to the freshwater in its takiwā, including doing what it can to stop the degradation of waterways and the environment. In February 2021, Ngāti Kahunguna (the third largest iwi) of the east coast of the North Island including parts of Hawkes Bay and Wairarapa joined this legal proceeding. This proceeding is intended to seek case law regarding water management within New Zealand, following the Wai 2358 findings and recommendations of the Tribunal (as a recommended action by the Tribunal).

3.4.6 Iwi Management Plans

Ngāi Tahu Freshwater Policy Statement 1999

This Ngāi Tahu Freshwater Policy Statement sets out the outcomes sought by Ngāi Tahu for the management of freshwater resources within the Ngāi Tahu rohe, and the means by which Ngāi Tahu wishes to work with statutory agencies to achieve these outcomes.

The Policy sets out the principles which should govern the formulation of water policies and plans within the rohe of Ngāi Tahu:

- Water plays a living role in the traditional economy and culture of Ngāi Tahu. Without water no living thing, plant, fish or animal can survive.

- Water is a taonga. Water has an inherent value that should be recognised in the event of potentially competing uses. Taonga value refers to values associated with the water itself, the resources living in the water and the resources in the wider environs that are sustained by the water. Taking, using and disposing of water can have drastic effects on the environment and the values Ngāi Tahu accord to a waterbody.
- Water is a holistic resource. The complexity and interdependency of different parts of the hydrological system should be considered when developing policy and managing the water resource.
- Water is a commodity that is subject to competition. An understanding of the significance and value of water to Ngāi Tahu and other stakeholders is necessary to change the existing behaviour from one that prioritises consumptive uses and permits inefficient use towards one that recognises and provides for cultural and ecological values as priorities.
- Water has many stakeholders. The interdependency of different parts of the hydrological system creates many stakeholders, including other organisms and humans (both current and future generations). The RMA 1991 confirms that future generations are also stakeholders. From Ngāi Tahu's perspective, the present generation has an obligation to pass on healthy water resources to future generations.
- Water should be managed at the local level because most threats to waterbodies are local. Responsibility for management should therefore be delegated to those organisations that have a personal stake in its overall health and condition.

These principles should guide the development of a revised 'One Water' Strategy.

Te Mahere Whakahaere o Muriwai o Whata – Muriwai / Coopers Lagoon Management Plan
This management plan has been prepared by Te Rūnanga o Ngāi Tahu and Te Taumutu Rūnanga to guide and support the management of the bed of Muriwai (Coopers Lagoon), as well as the wider catchment, in line with Ngāi Tahu values. The plan aims to sustain the vitality of Ngāi Tahu culture by restoring resource-centred relationships, and recognising the relationships of Ngāi Tahu and their culture and traditions with the ancestral land and taonga of Muriwai, primarily through enabling the enhancement and gathering of healthy mahinga kai.

The plan contains long-term objectives, policies and methods for effective integrated management of Muriwai. It provides for the management of the Ngāi Tahu lakebed as a primary objective, as well as advocacy for the management of the wider catchment in conjunction with other landowners and agencies.

Mahaanui Iwi Management Plan
The Mahaanui Iwi Management Plan provides a statement of Ngāi Tahu objectives, issues and policies for natural resource and environmental management in the takiwā identified as per Figure 3-3.

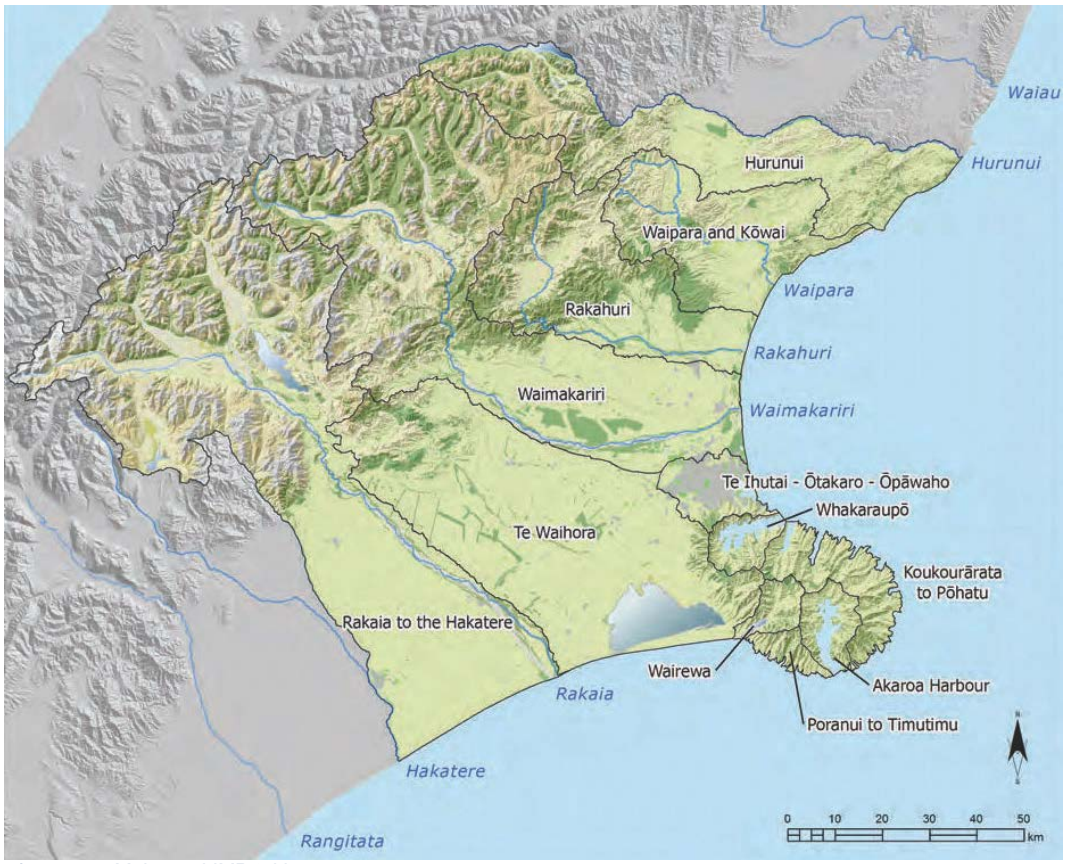


Figure 3-3: Mahaanui IMP takiwā

The IMP sits alongside Selwyn District Plan, the Canterbury Regional Policy Statement (RPS), the Land and Water Regional Plan (LWRP), conservation management plans, strategies and other plans prepared by Te Papa Atawhai/Department of Conservation, and other planning documents, as the voice of Ngāi Tahu in Ngā Pākihi Whakatekateka o Waitaha and Te Pātaka o Rākaihautū.

The Mahaanui IMP confirms the following as ngā kaupapa / policy regarding wai Māori (freshwater):

> **Wai Māori 1.1** Ngāi Tahu, as tāngata whenua, have specific rights and interests in how freshwater resources should be managed and utilised in the takiwā.
>
> **Wai Māori 1.2** Te Tiriti o Waitangi is the basis for the relationship between Ngāi Tahu and local authorities (and water governance bodies) with regard to freshwater management and governance in the takiwā.
>
> **Wai Māori 1.3** Papatipu Rūnanga may have their own policy positions on the commercial use and ownership of water, from that of Te Rūnanga o Ngāi Tahu as the iwi authority, and from other Papatipu Rūnanga.
>
> **Wai Māori 1.4** To require that local authorities and water governance bodies recognise that: (a) The relationship of tāngata whenua to freshwater is longstanding; (b) The relationship of tāngata whenua to freshwater is fundamental to Ngāi Tahu culture and cultural well-being; (c) Tāngata whenua rights and responsibilities associated with freshwater are intergenerational; and (d) Tāngata whenua interests in freshwater resources in the region are cultural, customary and economic in nature.

Wai Māori 1.5 To support the development of a Te Rūnanga o Ngāi Tahu Freshwater Strategy Statement, to further protect, enhance, utilise and develop freshwater resources within the Ngāi Tahu rohe for the benefit and achievement of Ngāi Tahu whānui cultural, environmental, social and economic aspirations and outcomes.

The Plan outlines the environmental and cultural frameworks for managing water quality, the effects of rural land use on freshwater resources, water quantity, regional water infrastructure, and the unnatural mixing of water between and within catchments.

Wider consideration of the Mahaanui IMP, including kaitiakitanga, Tāne Mahuta (mahinga kai and biodiversity), Tangaroa (oceans) and Tāwhirimātea (climate change) is key to the review of the Strategy. This can be facilitated through a co-design approach with Council's rūnanga partners.

Te Waihora Joint Management Plan 2005
The Te Waihora Joint Management Plan is a statutory plan between Te Rūnanga o Ngāi Tahu and the Minister of Conservation. The Plan was prepared following the Ngāi Tahu Settlement to address the integrated management of the lake bed and lake margins of Te Waihora/Lake Ellesmere, and the natural and historic resources within these areas.

3.4.7 Te Mana o te Wai

Te Mana o te Wai is a concept and framework which is derived out of Te Ao Māori and reflects the recognition of freshwater as a natural resource whose health is integral to the social, cultural, economic and environmental wellbeing of communities. The framework of Te Mana o te Wai, as developed by the Iwi Leaders Group, was introduced into the National Policy Statement on Freshwater Management in 2014.

Te Mana o te Wai establishes a set of guiding principles and a hierarchy of obligations and refers to the essential value of water. It recognises a hierarchy of freshwater management to 1) sustain the health and wellbeing of water, 2) provide for human health needs, and 3) support other uses.

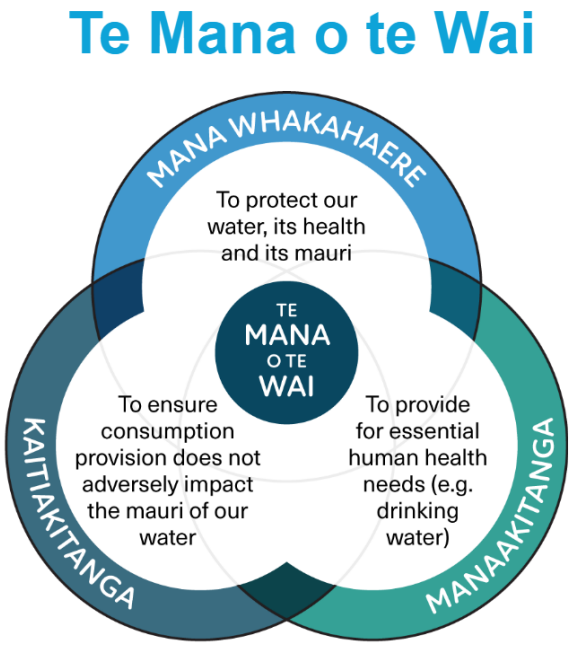


Figure 3-4: Components of Te Mana o te Wai

Figure 3-5: Te Mana o te Wai – mauri of water. Image courtesy of Water New Zealand

3.4.8 Ngāi Tahu and Canterbury Regional Council Co-Governance Arrangements

In December 2012, Canterbury Regional Council, Te Rūnanga o Ngāi Tahu and ngā Papatipu Rūnanga confirmed a relationship agreement which established clear and consistent expectations for how parties will operate.

In recognition of the relationship with Ngāi Tahu and to ensure ongoing contribution and representation, Environment Canterbury appointed two Mana Whenua Experts (Tumu Taiao) on Council in October 2020. The Tumu Taiao provide advice to Council in the interests of mana whenua but do not, under the Local Government Act 2002, hold Councillor decision-making powers to vote at Council meetings.

A Canterbury Regional Council (Ngāi Tahu Representation) Bill was introduced to the House in November 2021 seeking to reinstate direct Ngāi Tahu representation on the Canterbury Regional Council, as occurred under the Transitional Governance Arrangements from 2016 to 2019.

The Regional Council is undertaking these measures to progress the principles of partnership under Te Tiriti.

3.4.9 Te Waihora

Te Waihora / Lake Ellesmere is a nationally significant waterbody. The lake is subject to the National Water Conservation Order 1990 for its outstanding wildlife habitat. Te Waihora/Lake Ellesmere is a wetland of international significance and the largest brackish lake in Selwyn District. It is an area of immense cultural importance to Te Rūnanga o Ngāi Tahu and ngā Papatipu Rūnanga. The boundary between Selwyn and Christchurch City Council traverses the lake.

Te Waihora is highly prized by Ngāi Tahu. The lake was known as Te Kete a Rākaihautū (the food basket of Rakaihautu) because it provided abundant mahinga kai all year round. It is central to Ngāi Tahu values, culture, and social order. Fish, tuna (eels) and a range of birdlife were widespread and abundant. The lake is one of New Zealand's most important wetlands; and is internationally significant for the abundance and diversity of wildlife. The lake is recognised through the Ngāi Tahu Claims Settlement Act 1998 as a Tōpuni. The Act also returned the bed of the Lake to Ngāi Tahu by the Crown.

Te Waihora/Lake Ellesmere is an important ecological link in the chain of coastal lagoons/estuaries of the east coast. Te Waihora/Lake Ellesmere has a catchment of 276,000 ha, including hill and high country, downs and plains. The lake receives inflows from surface runoff, groundwater-fed tributaries, groundwater percolation, seawater inflows, and artesian springs. The lake gathers much of the water running off the Canterbury Plains and consequently is a collection area for nutrients leached and running off. Maintaining natural flows in the rivers and springs that feed Te Waihora/Lake Ellesmere and the quantity and quality of these waters is important for maintaining and improving the mauri/health of Te Waihora/Lake Ellesmere.

Land use activities have impacted on flora and fauna and the natural habitat around the edge of the lake and its wetlands. Lake control and land drainage can have impacts on diminishing the extent of the wetland fringe potentially resulting in adverse impacts on these natural habitats.

Monthly water quality monitoring of the lake began in 1992 and is showing that:

- Phosphorus total has remained static but dissolved Phosphorus has increased substantially. Total Nitrogen and Nitrate nitrogen have decreased over time although the lake is supersaturated in both.
- Less frequent lake openings are leading to a reduction in lake salinity.
- The mid lake area is showing decreased clarity over time.

In addition, water quality, especially water colour and clarity, has affected the growth and productivity of aquatic plants and algae. Management of Te Waihora/Lake Ellesmere includes the regular openings prevent flooding and also maintain fish stocks by allowing ocean-spawning fish (e.g., eels, mullet, flounder) to enter and leave the lake.

In December 2005, Ngāi Tahu and DoC signed a joint management plan (currently under review) for the lake which aims to: "...restore Te Waihora/Lake Ellesmere as a tribal food resource, to protect the conservation values of the area, and to restore and protect Te Waihora for the use and enjoyment of all New Zealanders, now and in the future..." (Te Waihora Joint Management Plan). The agreement provides for the sustainable management of natural and physical resources, and the realisation of outcomes aimed at the restoration and rejuvenation of Te Waihora, including the cultural, biodiversity, mahinga kai, economic, and recreational values. This includes the outstanding values relating to habitat for wildlife, indigenous vegetation and fish and significance in accordance with tikanga Ngāi Tahu in respect of Ngāi Tahu history, mahinga kai and the customary fishery. Restoring and maintaining the natural ecological flows in the tributaries are critical to restoring the mauri of the Te Waihora/Lake Ellesmere.

Te Waihora Co-Governance Agreement

In recognition of the need to restore Te Waihora, a Co-Governance Agreement between Te Rūnanga o Ngāi Tahu and Environment Canterbury Regional Council was signed in 2012, establishing an informal advisory group with the aim to working collaboratively in the interest of Te Waihora and the catchment and for the relationships people hold with the lake and catchment. In 2014, Selwyn District Council became a signatory and partner to the Co-Governance Agreement, followed by Christchurch

City Council in 2016 and Te Papa Atawhai/Department of Conservation in 2019. The Co-Governance Agreement holds the vision of Co-Governance as:

> *the korowai of kaitiakitanga over Te Waihora and its catchment. To be leaders providing direction for all those who have a role in, or responsibility for, restoring the mauri of Te Waihora while maintaining a prosperous land-based economy and thriving communities for current and future generations.*

The Co-Governors, including Selwyn District Council, contribute towards the restoration and rejuvenation of the mauri and ecosystem health of Te Waihora and its catchment through roles in:

- developing strategic direction and alignment for the work of the Parties and others in the catchment
- securing long-term sustainable funding for work programmes to achieve shared outcomes
- ensuring the active involvement of Ngāi Tahu (to the extent they wish) in decision-making processes in relation to Te Waihora and the wider catchment.
- developing ways of tracking and reporting progress in relation to restoring and rejuvenating the mauri and ecosystem health of Te Waihora and its catchment.

3.4 Recommendation

To further develop the relationship with mana whenua through a partnership approach of co-design of the Strategy.

> *The review of the 5 Water Strategy is an opportunity to progress partnership with mana whenua. Co-design with papatipu rūnanga is required to ensure that the Strategy enables genuine engagement with tikanga Māori, mātauranga Māori, Māori values and principles.*

3.5 Growth

Population growth brings demands on water resources – both at a community scheme and individual self-supplier level. The ongoing and very high population growth centred in the Eastern Selwyn area (Prebbleton, West Melton, Lincoln, Springston, and Rolleston) continues to drive capital works including new water facilities e.g., pumpstations, increases in discharged wastewater and impacts on water management (e.g., use of recreation).

3.5.1 Population Growth

Since the development of the 5 Water Strategy in 2008, growth projections have been significantly exceeded, most notably in response to the Christchurch Earthquake in 2011 and subsequent recovery.

The population of the Selwyn District has tripled in the past thirty years, from 20,520 in 1986 to approximately 65,600 in 2019 (currently approximately 73,000). The district has grown by 6% per year since 2013, much higher than the national average of 2%. The population has almost doubled since 2006.

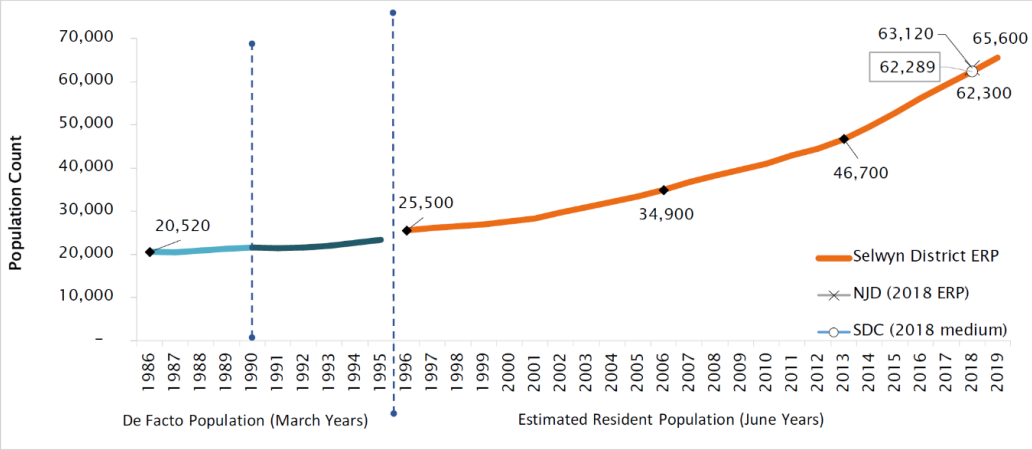


Figure 3-6: Selwyn District Population Size and Growth, 1986-2019[2]

This growth has been from both migration and natural increase, with most migration resulting from regional population movements. In recent years this has accounted for over 80% of total growth. The majority of this migration is coming from Christchurch City (approximately 70% of new residents moving to Selwyn from Christchurch City).

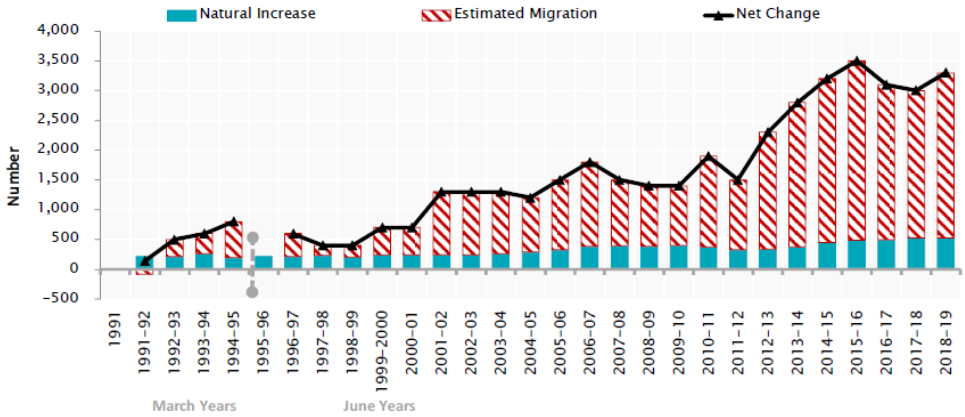


Figure 3-7: Selwyn District Estimated Components of Change (1991-2019)[3]

As part of long term planning, Council prepared a District Growth Model. This model is used to predict the strength and distribution of growth across the district, to understand the infrastructure provision and management requirements. Providing infrastructure in advance of development is the most cost-effective method, but care must be taken to avoid constructing speculative infrastructure to service growth that doesn't eventuate.

The Growth and Demand report which was prepared in advance of the Long Term Plan 2021-2031 outlines population, household and dwelling projections. The model uses household projections as inputs and spatially identifies the capacity to facilitate the growth within the district. These capacity estimates are based on the historic trends of development, which are constrained by the operative District Plan at the time of development.

Figure 3-8 shows the estimated spatial distribution of township growth for Selwyn for the next 10 years. Figure 3-9 looks out the following 20 years. The 10-year and 30-year projections for individual

[2] Jackson, N.O. (2020). Selwyn – 2020 Review of Demographics Report (Part A), extracted from Selwyn District Growth and Demand Report in support of the Long Term Plan 2021-2031.

[3] Jackson, N.O. (2020). Selwyn – 2020 Review of Demographics Report (Part A), extracted from Selwyn District Growth and Demand Report in support of the Long Term Plan 2021-2031.

townships show that the growth is strongest in Rolleston across both periods. Growth is generally stronger in the first 10 years of the projections for most of the other townships with the rates generally levelling in the latter 20 years.

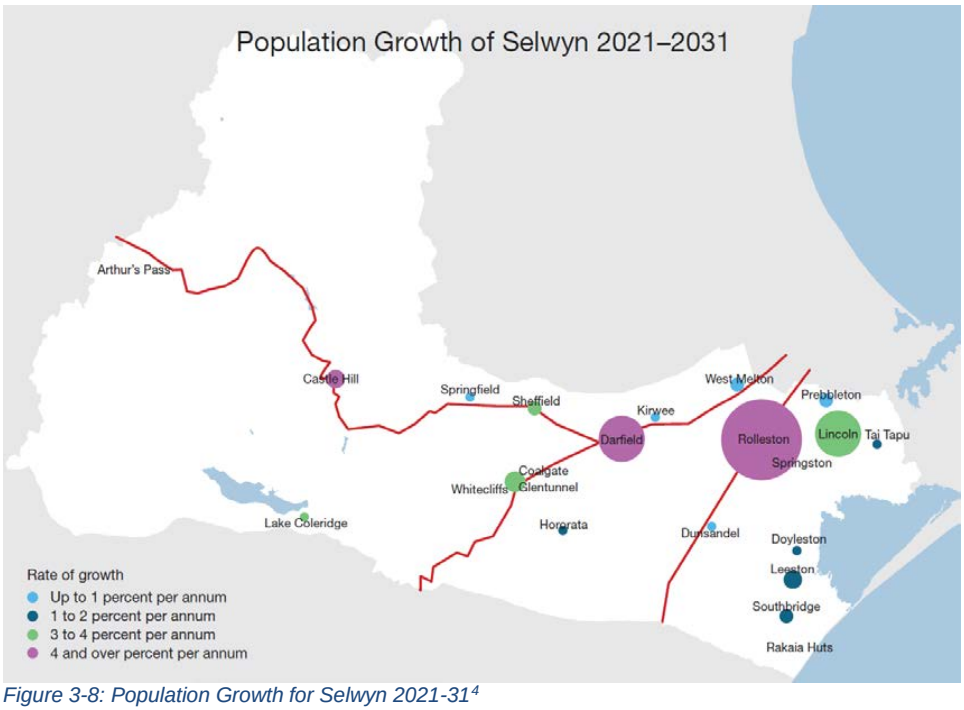


Figure 3-8: Population Growth for Selwyn 2021-31[4]

[4] Jackson, N.O. (2020). Selwyn – 2020 Review of Demographics Report (Part A), extracted from Selwyn District Growth and Demand Report in support of the Long Term Plan 2021-2031.

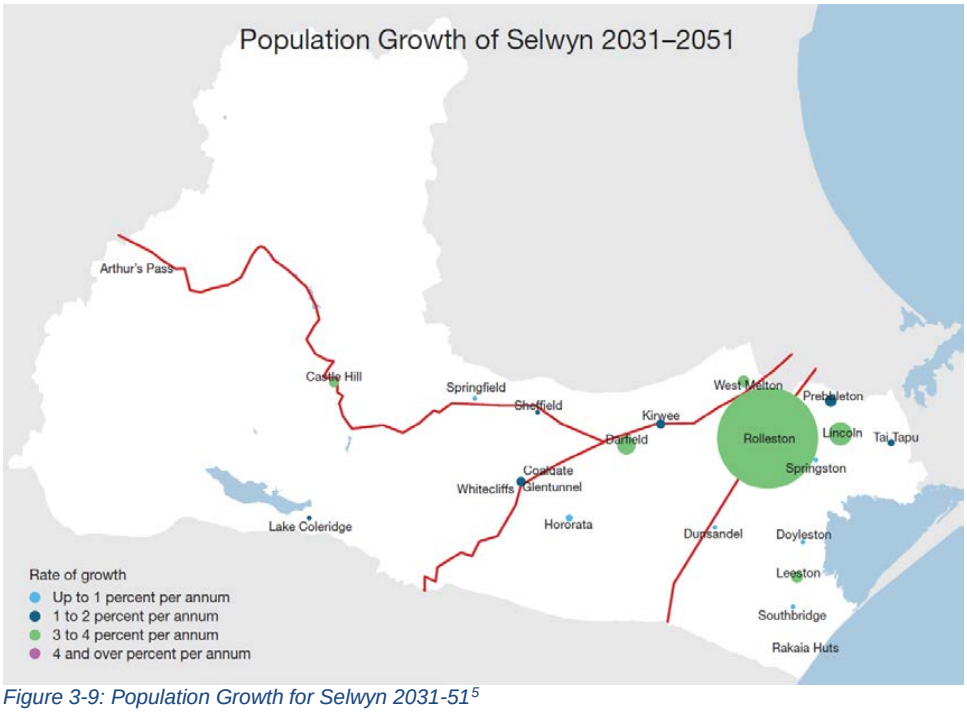


Figure 3-9: Population Growth for Selwyn 2031-51[5]

Through the Greater Christchurch Urban Development Strategy (UDS), the Land Use Recovery Plan (LURP) process and more recently the NPS on Urban Development, the main townships of Lincoln, Prebbleton, Rolleston and West Melton are expected to experience additional growth. These townships are subject to detailed demand planning and will require either new consents/wells or where allowance has already been made, additional new infrastructure to deliver/dispose of the water stream. Over time, existing parts of townships are expected to upgrade their stormwater services to meet consenting limits and requirements. This work is further explored in the 5 Waters Asset Management Plan 2021.

Growth is being enabled through legislative direction including RMA reform (refer Section 3.10). Selwyn District is also experiencing a large number of private plan changes to the District Plan, as developers seek to enable further growth and intensification within and surrounding urban environments. To date 82 Private Plan Change applications have been made, with the majority being for zoning to accommodate additional residential development.

[5] Jackson, N.O. (2020). Selwyn – 2020 Review of Demographics Report (Part A), extracted from Selwyn District Growth and Demand Report in support of the Long Term Plan 2021-2031.

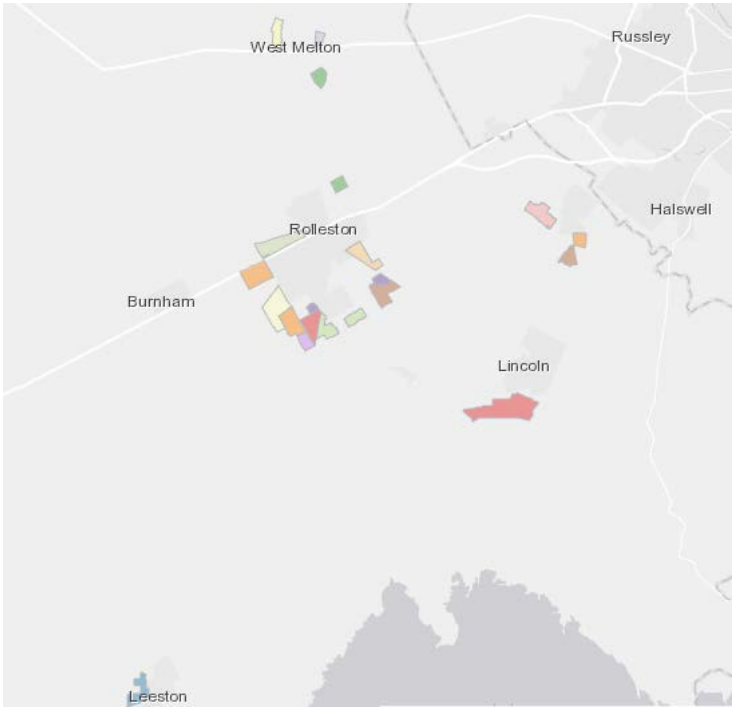


Figure 3-10: Private Plan Changes

3.5.2 Agricultural Intensification

There is a high demand for water for agricultural purposes, particularly irrigation extraction from groundwater and surface water. Water quality and quantity is a significant issue for the District as a result of changes in land use from mixed farming to intensive dairying and subdivision development pressures. Land use change can impact on the water quality of rivers, lowland waterways and groundwater resources. Canterbury had the largest amount of irrigated land (467,000 hectares, 64 percent of New Zealand's total irrigated land area). Irrigation for dominantly dairy farms in Canterbury accounted for 69 percent of the New Zealand total for dairy farming irrigation.

In the District over the last 10 years those employed in the agriculture, forestry and fishing sector has grown by 2700 with further increases is projected at 50 additional jobs per annum making the sector a high growth area.

The cumulative effects of diffuse nutrient discharges from agricultural land on water quality is recognised as a nationally and regionally significant resource management issue. Within Canterbury nutrient concentrations have increased and the ecological health of many water bodies has declined in the same period[6].Shallow groundwater in most of the alluvial aquifers of Canterbury is vulnerable to contamination from the land surface (e.g., phosphorus and nitrogen). A common measure of the quality of groundwater is the drinking-water standards. For the most part, the quality of groundwater in Canterbury is very good.

A number of water-use consents are due for renewal within the period proposed for this Strategy.

[6] Stevenson, M., Wilks, T., Hayward, S. 2010. An overview of the state and trends in water quality of Canterbury's rivers and streams. Report produced by Environment Canterbury.

3.5.3 Central Plains Water

The establishment of the Central Plains Water Enhancement Scheme (CPW) has provided an opportunity to reduce agricultural reliance on groundwater sources within the Selwyn District. The scheme, which was constructed in three stages (including the Sheffield Scheme), offers irrigation to 63,000 hectares of farmland between the Rakaia and Waimakariri Rivers.

CPW has enabled a switch from the predominance of agricultural use of groundwater to alpine sourced, surface storage irrigation, reducing the demand on groundwater aquifers and allowing them to refill and provide recharge into the spring water zones and from there to Te Waihora – a key outcome of the Canterbury Water Management Strategy.

The Sheffield Scheme is physically discrete from the remainder of the CPW infrastructure. The Sheffield Scheme takes water from both the Waimakariri and Kowai Rivers. This scheme includes the 'Sheffield Agreement' where Council provides excess stockwater to the CPW irrigation pond, water is then available from CPW to the Sheffield and Springfield Water Treatment Plants should it be required. Water can also be augmented to Council water races in the event of a drought.

3.5.4 Demand

As population grows and agricultural intensification continues, the District will experience further pressure in managing water resources.

Water allocation restrictions have been imposed on both river catchments and these restrictions tend to reduce river flows at times of highest water demand periods, reducing the viability of surface water use. Similarly, restrictions on groundwater allocations and extractions were heightened. This was brought about, in part due to the necessary development of the Canterbury Water Management Strategy (refer Section 3.11.4). There is increased expectation on efficient water management and to avoid wastage in the District and wider Canterbury region. This reflects a change in the philosophy of waterway management to that of restoration and protection which aims to support ecological, landscape, recreation, heritage and cultural values.

It is anticipated that future water demand (looking out to a 30-year timeframe) in the District will be driven by:

- Growth within the district;
- Changes within water usage patterns;
- Water consumption for domestic, commercial and industrial purposes;
- Increased irrigation resulting from climate variation;
- Water loss rates;
- Conservation strategies;
- Existing and new resource consent conditions and their flow rate limitations; and
- International market e.g., EU requirements to demonstrate minimum carbon/environmental footprint.

The aquifers in the District have been divided into groundwater allocation zones. The Selwyn District contains the Selwyn-Waimakariri and Rakaia-Selwyn groundwater allocation zones. The groundwater resource within the District is considered to be fully allocated (Environment Canterbury red zones – Rakaia-Selwyn and Selwyn-Waimakariri). 94% of the volume of groundwater available to be consented in Canterbury is already consented for use[7] (not necessarily used).

Groundwater abstraction in the catchment has increased steadily from the late 1990s to the point now where, at times, groundwater abstraction exceeds half the volume of recharge to groundwater. This has driven improvements to allocation and management systems, including through the development of the Canterbury Water Management Strategy. Key to this success was the acknowledgement that restrictions could not focus solely on new development, but that existing use needed to change. The Strategy sought to address sustainability limits of water availability, and to manage the cumulative effects of water extraction and land use intensification. New concepts for water availability were introduced including diversions to tributary storage and managed aquifer recharge, as well as land

[7] Land, Air and Water Aotearoa: https://www.lawa.org.nz/

management and biodiversity enhancement actions. Improvements have also been found in managed aquifer recharge (MAR) to avoid adverse impacts on main stems of alpine rivers.

The introduction of CPW, with the move to alpine water (Lake Coleridge) has reduced pressure on groundwater aquifers.

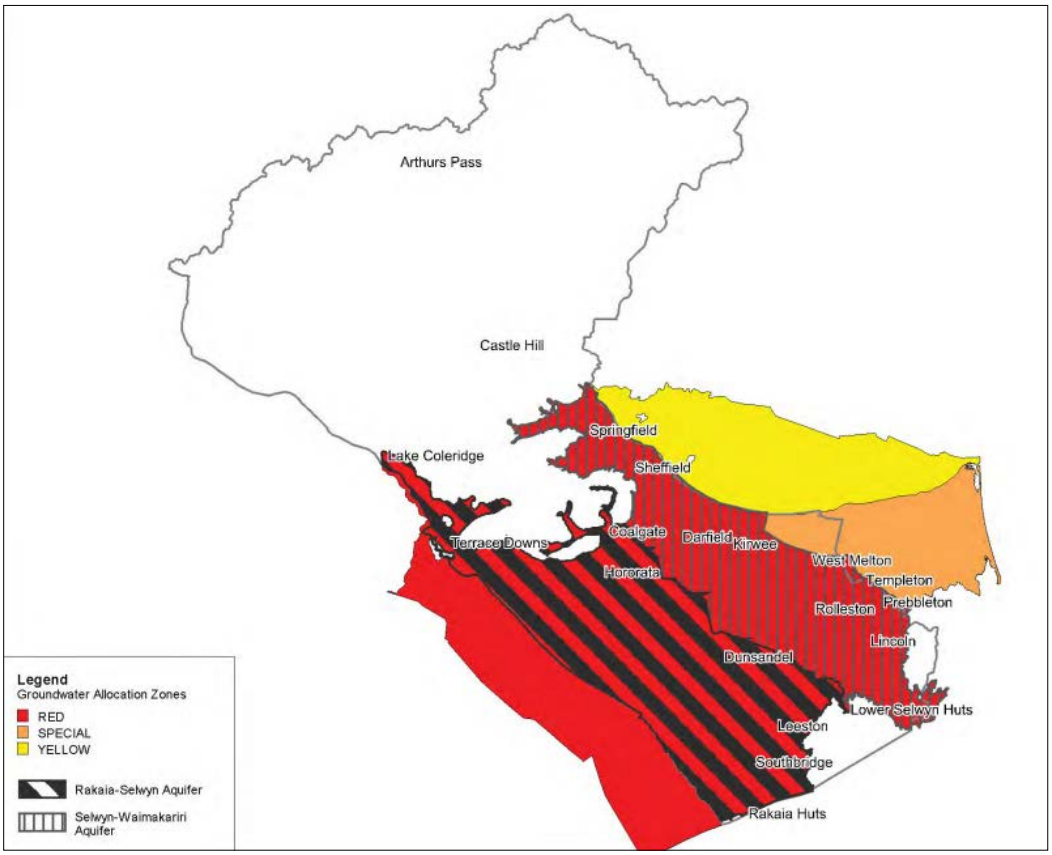


Figure 3-11: Groundwater allocation in Selwyn District

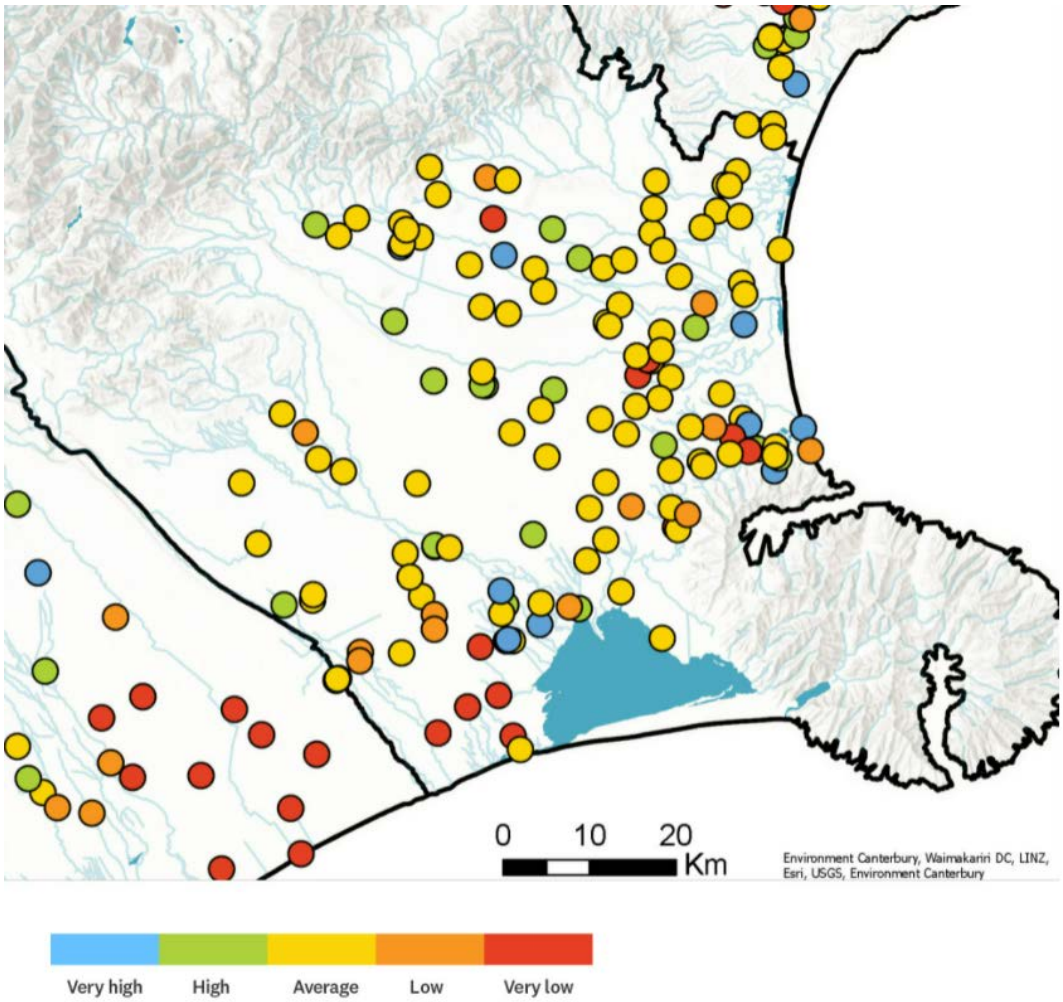


Figure 3-12: Groundwater levels, Spring 2021

Note: Figure 3-12: Groundwater levels, Spring 2021 offers a snapshot in time but trend analysis is required to inform demand and availability and ultimately the Strategy review.

The 2021 5 Waters Asset Management Plan acknowledged that on the basis of current growth trends, demand for water, wastewater and stormwater services has the potential to exceed consented and capacity allowances in some schemes. This assessment has been made on the basis of population information, a detailed review of historical records and forward predictions of use. Climate change, changes to energy costs and engineering staff / contractor knowledge have been factored in.

3.5 Recommendation

Recognising the impacts of urban and rural population growth (reduced quality), integrated "one water" management should be prioritised.

The review of the 5 Water Strategy is an opportunity to realign the strategic intent in light of the level of growth, development and intensification which has occurred since 2009 to ensure that the Strategy is relevant and meaningful to the pressure of integrated water management within the District.

3.6 Climate Change

Climate change is one of the most pressing issues faced by central and local governments worldwide. It is internationally accepted that the climate is changing due to the increase in greenhouse gases in the atmosphere – with changes observed at global and regional levels.

Part 2 of the RMA requires Council to give particular regard to the effects of climate change (s7(i)) resulting in social and legal obligations to incorporate climate change into planning.

3.6.1 Impacts on the District

As well as studies of the impacts of Climate Change on New Zealand, and Canterbury, in 2017 and 2020, Council commissioned Aqualinc to prepare an assessment to analyse trends in climate data and determine the potential impacts on Selwyn's water infrastructure, looking to 2050.

The assessment considers projected changes in climate in the light of historically observed climate cycles and trends and to assess what the impact of those changes could be on Selwyn District Council's water assets. When assessing the impacts, a core philosophy to our approach is that a thorough understanding of local historical climate is an important foundation for understanding future climate. A robust analysis of long-term historical climate (100 years+) allows climate projections to be placed in context. Our approach invests considerable effort in understanding the past because our experience for New Zealand is that for certain climate variables, natural variability is often much greater than climate change effects, particularly for a 32-year horizon.

The study is a high-level risk assessment, to identify the assets that are most likely to be affected by climate change. The environmental factors that were identified as having the greatest impact were:

- Groundwater levels
- Annual rainfall
- Extreme rainfall
- Alpine and foothill river flows (floods and low flows)
- Evapotranspiration
- Sea level rise.

The key conclusions were:

Temperature

- Average temperatures across New Zealand have increased 1°C over the last 100 years.
- By 2048 temperatures are projected to be 0.8°C warmer (on average) compared with the last 20 years (1995 to 2015).

Evapotranspiration

- Evapotranspiration rates are expected to increase by about 3% by 2048.

Mean annual rainfall

- There is no long-term trend observed in mean annual rainfall on the Canterbury Plains, despite a 1°C increase in temperature. Canterbury Plains and foothill rainfall is likely to remain relatively unchanged over the next 30 years. Alpine rainfall may increase by over 5% over the next 32 years.

Extreme rainfall

- There is no observed long-term trend in extreme rainfall events on the Canterbury Plains, despite a 1°C increase in temperature. Based on long term historic trends, we would not expect a statistically significant change in extreme rainfall on the Canterbury Plains over the next 32 years. MFE's generic New Zealand wide recommendation of allowing for an 8% increase in extreme rainfall magnitudes per 1°C increase in temperature is not evident in the historic record for the Canterbury Plains. The near negligible climate change projections of mean annual rainfall for the Canterbury Plains indicate the changes in extreme rainfall magnitudes are unlikely to be large. Current industry design guidelines to allow for an 8 % increase in extreme events per 1 °C warming appear to be conservative for the Canterbury

Plains. We recommend furthermore detailed investigations is required before any changes are made to these guidelines. Extreme rain events in alpine areas (e.g., Arthurs Pass) could increase by 6-8%.

Other climate variables

- Climate change will have a relatively minor impact on the overall amount of snow in the high mountains of the Southern Alps and snow frequency on the Canterbury Plains. Average wind on the Canterbury Plains will remain relatively unchanged, while the number of very windy days could increase by 1 to 2 %.

Groundwater

- We expect climate change will have only a minor impact on groundwater levels over the next 32 years. Central Plains Irrigation has a much greater impact than climate change and will increase groundwater levels. Record low groundwater levels in 2016 are due to a combination of below average rainfall and increased pumping of groundwater for irrigation.

River flows

- Mean annual flows in the alpine rivers (e.g., Waimakariri and Rakaia) could increase by about 8% by 2048, as a result of increased precipitation. Foothill river flows may slightly decrease over the next 32 years, due to a small increase in evapotranspiration. We expect climate change will only have a minor impact on flows in lowland streams and drains.

Sea level rise

- Local sea levels have risen 0.19 m over the last 100 years. Sea levels could rise by a further 0.08 to 0.23 m by 2048. Sea level rise will result in either the Te Waihora/Lake Ellesmere mouth needing to be opened more frequently and/or an increase in lake levels. Without any change in lake management lake levels would rise by 0.08 m to 0.23 m by 2048. This change is 10%- 30% of the Lake's normal operating range. Sea level rise may result in a minor increase in flooding frequency at Rakaia Huts. Sea level rise could have a minor impact on groundwater levels at the coast. Impacts quickly diminish and are very small beyond about 1 km inland.

Te Waihora/Lake Ellesmere

- Te Waihora is artificially managed to maintain a water level well below the lake's natural operating range. Most of the time lake levels are between 0.4 m to 1.2 m amsl, although in an extreme rainfall event level can be up to 1.8 m amsl. Sea level rise will result in either the lake needing to be opened more frequently and/or an increase in lake levels. Without any change in lake management lake levels would rise by 0.08 m to 0.23 m by 2048. A higher lake level would result in more frequent flooding of areas around the lake (including lower Selwyn Huts) and would reduce the effectiveness of SDC's land drainage network. If an outlet weir is installed, lake levels could be managed in a narrower range, which could alleviate some of the flooding problems that have occurred historically. This could more than offset a rise in sea levels of up to 0.23 m.

Rakaia Mouth

- Sea level rise could indirectly increase flooding frequency at Rakaia Huts; and because flooding at the Huts is primarily the result of the Rakaia Mouth dynamics, we expect the sea level rise impacts over the next 32 years will be minor compared with coastal and river processes.

The assessment considered impacts on Council water management under the 5 Waters activity.

Table 3-1: Impact of climate change trends on Council 5Waters, extracted from Aqualinc Impact of Climate Cycles and Trends on Selwyn District Water Assets: 2020 update.

Service	Impact
Community water supplies (drinking water)	Climate change will probably have only a minor impact on most aspects of SDC potable assets over the next 32 years. Higher evapotranspiration may mean 1-2% higher peak water demands. Higher alpine flood flows may have some impact on Arthurs Pass, Castle Hill, and Lake Coleridge water supply intakes.

Wastewater	Climate change will probably have only a minor impact on most aspects of SDC wastewater assets over the next 32 years. Higher alpine rainfall and flood flows may result in an increase in stormwater inflows for the Arthurs Pass, Castle Hill, and Lake Coleridge wastewater systems. An increase in sea level of up to 0.23 m may have an impact on Upper Selwyn Huts, Rakaia Huts and Lakeside wastewater systems.
Stormwater	Climate change will probably have only a minor impact on most aspects of SDC stormwater assets over the next 32 years. Higher alpine rainfall and flood flows may result in an increased occurrence of surface flooding at Arthurs Pass, Castle Hill, and Lake Coleridge. An increase in sea level of up to 0.23 m may have a minor impact on stormwater drainage systems at Rakaia Huts.
Land drainage	An increase in sea level of up to 0.23 m may impact on Lake Ellesmere/Te Waihora levels and parts of the land drainage network. A projected 6-8% increase in flood flows may impact on Arthurs Pass Bealey River flood protection systems. Other aspects of climate change will probably have only a minor impact on land drainage systems over the next 32 years.
Water races	Climate change will probably have only a minor impact on most aspects of the SDC water race system. An increase in alpine flood flows could result in a small increase in flood damage to intakes. Conversely higher alpine flows would improve reliability of supply. A potential minor reduction in flows in the Kowai River might have a small impact on reliability.

Sustainable management of water resources and climate adaptation measures requires holistic management of water.

3.6.2 Council's Climate Change Response

Selwyn District Council was one of the earliest signatories to the New Zealand Local Government Leaders' Climate Change Declaration 2017. As a signatory, the Council committed to developing and implementing plans to reduce greenhouse gas emissions, to engage with mana whenua, and to support resilience within our local communities. This focus requires long-term planning to allow for changes in behaviour and infrastructure locations.

In addition to the impact assessment on water infrastructure, Council is participating in a Canterbury wide assessment to identify risks, opportunities and adaptation work already under way across the region. This project is being undertaken through the Canterbury Climate Change Working Group and the Mayoral Forum Climate Change Steering Group.

In 2020 Council adopted its first Selwyn Climate Change Policy to inform how Council integrates Climate Change into decision-making processes. It brings together several areas of work into a consolidated blueprint for action on climate change and commits the Council to make climate change mitigation and adaptation central to its planning and decision-making. The Policy outlines the principles which will guide this:

- Council will align its activities to reduce carbon emissions across all its areas of influence to create the conditions for a smart, innovative, low-carbon economy that meet or exceed the targets set within the Climate Change Response (Zero Carbon) Amendment Act -2019.
- Council will carry out regular risk/opportunities assessment related to Climate Change and its impact/benefits to the Council's assets, businesses and its communities.
- Council will make Climate Change mitigation and adaptation a core component of its planning and decision making and mainstream it into the Council's function and activities.
- Council will provide consistent and timely information related to Climate Change across its key processes like long term financial planning, assets development and management, strategic planning, service delivery, emergency response, governance, communication, and other community engagement functions, and provide required resources to implement the actions planned to mitigate/adapt to the impacts, harvest the opportunities, and to increase long-term resilience to Climate Change.
- Council will engage with our Iwi (Te Rūnanga o Ngāi Tahu), the local hapū(s) and Tangata Whenua to exchange knowledge of Climate Change, develop understanding of Māori perspective in relation to climate risks/opportunities and collaborate on works related to

Climate Change response and community resilience. This recognises the requirement to consult with Māori in relations to 'Te Tiriti O Waitangi'.

- Council will engage with its communities to increase awareness of Climate Change impacts and opportunities and lead the community resilience planning and Climate Change adaptation.
- Council will engage with the regional and national level authorities, Climate Change forums, workgroups and other stakeholders to actively contribute to the Climate Change related understanding and work, at the local, regional and national level.

3.6 Recommendation

A revised Strategy with a 30-year outlook must give recognition to the impacts of climate change, the need for climate adaptation, including recognition and demonstration of the transition to a carbon neutral district.

3.7 Resilience

The National Infrastructure Plan (2011) defined the concept of "resilience":

> *"The concept of resilience is wider than natural disasters and covers the capacity of public, private and civic sectors to withstand disruption, absorb disturbance, act effectively in a crisis, adapt to changing conditions, including climate change, and grow over time".*

Resilience (and resilient infrastructure) is based on a design philosophy which acknowledges that failure will occur. Resilience requires early detection and recovery, but not necessarily through re-establishing the failed system. Building water resilience means creating, supporting, and expanding the capacity of communities to respond to the impacts of extreme events.

In a global pandemic environment, Council has been exposed to the vulnerability of a highly unreliable global supply chain. This includes availability of specialised equipment and materials. In the context of the One Water Strategy, obtaining national resources could be a key component of reducing Council's carbon footprint.

Where there are high criticality assets (infrastructure) redundancy (duplication) does offer a cost-effective mechanism for building resilience. Resilience requires early detection and recovery, but not necessarily through re-establishing the failed system. Robust systems are designed to prevent failure. Resilience is about the ability to plan and prepare for adverse events, the ability to absorb the impact and recover quickly, and the ability as a community to adapt to a new environment.

Adverse events/natural disasters/climate change and the related impacts cannot be avoided and as a result Council has to factor this into long term planning, civil defence planning and determining the infrastructure requirements moving forward to ensure the community's expectations are met with regard to safe and reliable services and general wellbeing.

The 2010 and ongoing Canterbury Earthquake sequence and subsequent recovery and rebuild, highlighted the need for resilience as a key component of infrastructure provision and planning. As outlined in Section 3.5.1, the rebuild following the earthquakes has resulted in accelerated growth within the District. The rebuild also involved changes to design of infrastructure recognising past earthquake sequences.

Council valuations consider criticality, capacity and performance which factors into funding. Council maintains some critical spares, which allow it to address small scale but generally specialised repairs of assets. Maintenance and operations have begun to be linked to Council's criticality framework – which requires on going requirement to ensure funding is not misdirected to works with lower resilience value.

3.7.1 Lifelines Infrastructure

The Civil Defence and Emergency Management Act 2002 determines specific requirements in relation to Lifeline Utilities as defined by the Act. The Act states the duties of lifeline utilities as:

60. Duties of lifeline utilities

Every lifeline utility must—

a) ensure that it is able to function to the fullest possible extent, even though this may be at a reduced level, during and after an emergency:

b) make available to the Director in writing, on request, its plan for functioning during and after an emergency:

c) participate in the development of the national civil defence emergency management strategy and civil defence emergency management plans:

d) provide, free of charge, any technical advice to any Civil Defence Emergency Management Group or the Director that may be reasonably required by that Group or the Director:

e) ensure that any information that is disclosed to the lifeline utility is used by the lifeline utility, or disclosed to another person, only for the purposes of this Act.

The Council's water supply, wastewater and stormwater networks are defined under the Act as lifelines.

A Utilities Lifelines Response Plan for key Council utility services including the 5Waters, considers the management of lifeline infrastructure following natural hazard events including earthquake, flooding, meteorological (snow/wind) and mass movement (land slip), and takes account of fire and civil disruption events. The principal objectives of the Plan are to:

- Provide a management tool that identifies natural hazards for individual utilities;
- Identify the consequences of natural hazards;
- Identify immediate remedial actions;
- Define restoration levels, priorities and issues;
- Identify long term risk management issues; and
- Ensure that Emergency Management knowledge is retained within Council.

The Lifelines Response Plan details the hazards, possible cascading effects and the interventions that may be applicable. It does not consider the effect on any individual community as these will change with the extent of the hazard (e.g., the depth and extent of snow) and the extent and makeup of the utility service (e.g., if the water supply has a standby generator). Following any natural hazard event that affects any utility, an assessment to ascertain the extent of damage, intervention required, priority of reinstatement and the resource requirements should be carried out at an early stage.

3.7.2 Emergency Levels of Service

In 2016, OPUS undertook an exercise to map out levels of service for water delivery as could be anticipated under a range of severity of impact through to emergency events where this lifeline service may be significantly affected. This assessment is based on a review of the network risk and resilience within the current systems, mapping this through to service delivery to communities.

There would be merit in completing this assessment across the range of 5Waters services.

Water Supply Planning Strategy for Selwyn District Council Supplies

		SUPPLY CLASSIFICATION	A - LARGE TOWN	B - TOWN	C - SMALL TOWN	D - COMMUNITY	E - TANK COMMUNITY	F - RWS COMMUNITY	G - RWS RURAL
		Nature of Community	Projected Population >10,000 Including several of the following: - secondary school, primary school, daycare - hospital facilities, eldery care homes - major commercial centre - major industrial area	Projected Population > 4,000 Including several of the following: - primary school, daycare - eldery care homes - commercial centre	Projected Population > 500 Including primary school	Projected Population < 500	Projected Population < 500	Projected Population < 500	Domestic and Agricultural use
		Nature of Water Supply	Multiple water source/treatment facilities	Two or more water source/treatment facilities	Single water source/treatment facility	Single water source/treatment facility	Unrestricted supply to customer tanks min 24 hours storage	Restricted supply to customer tanks min 72 hours storage	Restricted supply to customer tanks min 72 hours storage
			High ←			Consequence of Water Supply Interruption	→ Low		
		Schemes (current and projected population) *initial classification only - to be confirmed*	Rolleston (12,000 - 24,000) Lincoln (5,000 - 13,000)	Prebbleton (4,000 - 5,000) Darfield (3,000 - 5,000) Leeston & Doyleston (2,500 - 5,000)	West Melton Southbridge Kirwee Tai Tapu Sheffield/Waddington Castle Hill Springfield Springston Dunsandel	Castle Hill Arthur's Pass Rakaia Huts Upper Selwyn Huts Edendale Claremont Lake Coleridge Armack Drive Taumutu	Johnson Road Jowers Road Raven Drive Otahuna Te Pirita RWS	Whitecliffs (MHRWS) Glentunnel (MHRWS) Coalgate (MHRWS) Hororata (SRWS)	Darfield rural Kirwee rural Sheffield/Waddington rural Springfield rural MHRWS rural SRWS rural
OPERATIONAL SCENARIOS		**PLANNING OBJECTIVES**							
NORMAL Day to day operating conditions	High	**Normal Operation** The system should accommodate anticipated operation and maintenance activities while maintaining the stated supply objective with no adverse impacts noticeable to consumers. This includes planned maintenance activities which can be scheduled to avoid disruption, and regular reactive maintenance tasks. Examples: • Monitoring, testing, sampling, calibration, control adjustments • Replacement of consumables – UV lamps, filter cartridges, Cl2 cylinders, batteries • Routine checks, maintenance, adjustment, cleaning, lubrication	**(1) Peak Day Peak Hour (PDPH)** **Ability to meet customer demand and maintain the agreed minimum operating presure at all times.** Schedule maintenance for off-peak demand periods such that sufficient supply capacity can be maintained. Utilise treated water storage to maintain supply during treatment system maintenance. Provide redundency (duplication) to allow components to be taken out of service for maintenance				**(10) Peak Day Volume (PDV)** **Ability to deliver the peak day volume at an average flow rate over 24 hours.** Carry out operation and maintenance activities at off peak times to the extent possible. Utilise treated water storage to maintain supply during treatment system maintenance. Provide redundency (duplication) to allow components to be taken out of service for maintenance *Accept that:* Occasional activities requiring an unavoidable, brief (< 2 hours) shutdown on a peak day will limit available supply to approx 90% of daily demand. Customers have storage.	**(14) Total Allocated Volume (TAV)** **Ability to deliver the allocated maximum daily volume at an average flow rate over 24 hours.** Carry out operation and maintenance activities at off peak times to the extent possible. Utilise treated water storage to maintain supply during treatment system maintenance. Provide redundency (duplication) to allow components to be taken out of service for maintenance Accept that: Occasional activities requiring an unavoidable, brief (< 2 hours) shutdown on a peak day will limit available supply to approx 90% of daily demand. Customers have storage.
IMPAIRED Local events that could occur at any time and impair the ability to maintain normal supply for a period of up to about 24 hours	→ Likelihood (or frequency) of Operational Scenario	**Impaired Operation – Minor - Short Duration (< 4 hours)** A reduced supply capacity may be tolerated for short durations from time to time while minor repairs are undertaken or there is a brief localised power supply interruption. This scenario covers situations that are likely to occur occasionally. Examples: • Loss of power to one facility (< 4 hours) • Failure of surface pump – replaceable within 4 hours • Failure of control system/component – repairable/replaceable within 4 hours • Failure of treatment system/component – repairable/replaceable within 4 hours • Pipework, valve, connection damage or failure – repairable/replaceable within 4 hours	**(2) Peak Day Peak Hour (PDPH)** *As per (1), but:* Provide multiple facilities, treated water storage and /or permenant diesel genset to maintain full supply thorugh short duration localised power outage or short duration repairs. Specify readily replacable 'off-the -shelf' pumps and other equipment and keep spares on hand as appropriate to minimise duration of impaired operation.	**(3) Average Day Peak Hour (ADPH)** **Ability to meet a reduced peak hour demand and maintain the agreed minimum operating presure** *As per (2), but:* Only provide multiple facilities, treated water storage and standby generation capacity sufficient for a reduced level of demand (ADPH). *Accept that:* Supply will be impacted if the period of impaired operation coincides with higher demand periods. Supply pressure will drop, which will to some degree limit demand. Consumers would need to be notified of short-term water restrictions if current expected demand is likely to exceed available capacity.	**(5) Winter Day Peak Hour (WDPH)** **Ability to meet general household demand excluding garden watering and other use outside of the house** *As per (3), but:* Only provide multiple facilities, treated water storage and standby generation capacity sufficient for a further reduced level of demand (WDPH). *Note that:* The further reduced supply capacity will make it more likely that supply will be impacted except during the low demand winter months.	**(9) Supply Interruption for up to 4 hours** No provision made to maintain continuity of supply. Provide tankered water to accessible standpipes for customers to collect water. Provide bottled water deliveries to vulnerable customers on request. *Accept that:* Water supply will be interrupted from time to time, without warning.	**(11) Winter Day Volume (WDV)** **Ability to deliver the winter day volume at an average flow rate over 20 hours.** *As per (10), but* Allows for a shutdown of up to four hours, and delivery of a reduced volume over the balance of the 24 hour period.	**(15) 75% of Total Allocated Volume (75%TAV)** **Ability to deliver the allocated maximum daily volume at an average flow rate over 24 hours.** *As per (14) but* Allows for a shutdown of up to six hours, and delivery of the reduced volume over the balance of the 24 hour period.
		Impaired Operation – Major - Medium Duration (4 -24 hours) Some impact on service may be tolerated for longer durations from time to time while major/complex repairs are undertaken or there is an extended or more widespread power supply interruption. This scenario covers situations that may occur infrequently. Examples: • Loss of power to one facility (4 to 24 hours) • Loss of power to multiple facilities within the scheme (<12 hours) • Failure of a bore pump - replaceable within 24 hours • Failure of control system/component – repairable/replaceable within 24 hours • Failure of treatment system/component – repairable/replaceable within 24 hours • Damage to, or failure of tank (eg small concrete/plastic tank)	**(4) Average Day Peak Hour (ADPH)** **Ability to meet a reduced peak hour demand and maintain the agreed minimum operating presure** *As per (3), but noting:* The extended period of impaired operation makes it more likley that demand will exceed available capacity	**(6) Winter Day Peak Hour (WDPH)** **Ability to meet general household demand excluding garden watering and other use outside of the house** *As per (5), but noting:* The extended period of impaired operation makes it more likely that demand will exceed available capacity			**(12) Supply Interruption for up to 24 hours.** Relies on individual consumers having sufficeint stored water availabe to accomodate and recover from a 24 hour shutdown. Advise consumers to conserve their water supplies. Provide tankered water to accessible standpipes for customers to collect water. Provide bottled water deliveries to vulnerable customers on request.	**(16) Supply Interruption for up to 24 hours.** Relies on individual consumers having sufficeint stored water availabe to accomodate and recover from a 24 hour shutdown. Advise consumers to conserve their water supplies. Provide tankered water to accessible standpipes for residential customers to collect water. Provide bottled water deliveries to vulnerable residential customers on request.
EMERGENCY Adverse operating conditions following major impact on supply that cannot be resolved for more than 24 hours. Other supplies potentially affected also.	↓ Low	**Emergency Operation** A significant impact on service can be accepted as a result of significant, unexpected events which will generally be outside of Council control. It may be necessary to implement contingency plans and put in place temporary solutions to achieve the stated supply objectives. This scenario covers situations that will rarely occur. Examples: • Extended loss of power to one facility (>24 hours) • Loss of power to multiple facilities within the scheme (> 12 hours) • Widespread loss of power to many schemes (> 8hours) • Fire causing extensive damage to critical facility • Storm/flood event resulting in damage to intake • Chemical spill contaminating water source • Damage to, or failure of large reservoir (eg large concrete/steel structure) *Note: This scenario is not intended to include major disaster type events that would trigger implementation of Council's Emergency Management Plan.*	**(7) Winter Day Peak Hour (WDPH)** **Ability to meet general household demand excluding garden watering and other use outside of the house** *As per (5), but noting:* Operation may be impaired for days, weeks or months. Consumers should be notified of on-going water restrictions (no outside water use) until problem is resolved.	**(8) Essential Use Only, Continuous service** **Ability to keep a limited service operational sufficient to meet customers essential needs.** *As per (7), but noting:* Consumers should be notified of on-going water restrictions (essential use only, 250 L/person/day) until problem is resolved.		**(13) Supply Interruption beyond 24 hours.** *As per (12)* Potentially provide tankered water supply direct to customers tanks - sufficient for essential use only	**(17) Supply Interruption beyond 24 hours.** *As per (16)* Potentially provide tankered water supply direct to customers tanks - sufficient for essential use only Essential use includes stockwater.

3.7.3 Eastern Selwyn Sewer System

In response to projected growth, the Eastern Selwyn Sewer System (ESSS) was established for the towns of Prebbleton, Lincoln/Springston and Rolleston (Pines II Wastewater Treatment Plant was completed in March 2013). Prior to this, Council conveyed wastewater from these townships (excluding Rolleston) via pressure mains into Christchurch City. The scheme was developed to ensure a staged approach to the development of wastewater bulk conveyance, treatment and disposal infrastructure while providing equality in the scheme costs for existing residents, new developments and future generations through a centralised system at the Pines.

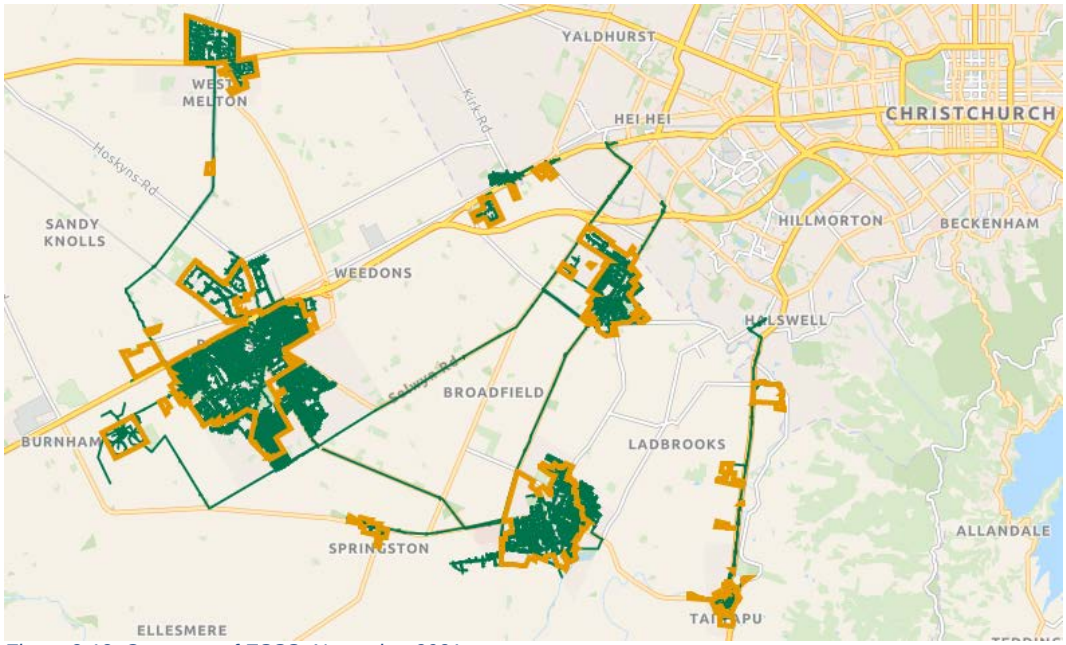


Figure 3-13: Coverage of ESSS, November 2021

Components of the scheme have been designed as staged development to either allow upgrading without compromising ongoing operations or developed in a modular fashion to minimise the impacts of future construction. Staging of the elements of the ESSS are planned within the context of growth predictions, with thresholds determined for modular enhancements.

Revised modelling accounts for connection of additional catchments planned through the Long Term Plan 2021-2031, including Darfield, Kirwee and Ellesmere. It is noted that Burnham (NZDF) was connected in November 2021.

Critically, it is noted that once all connections have been made, excluding further growth within each catchment, at least 66% of the connected population will be discharging direct to the network and therefore the Pines Rolleston Wastewater Treatment Plant (land, air and biosolids discharges). Ongoing reviews of the Pines Treatment System and ESSS confirm resilience and capacity of this system in response to revised growth projections.

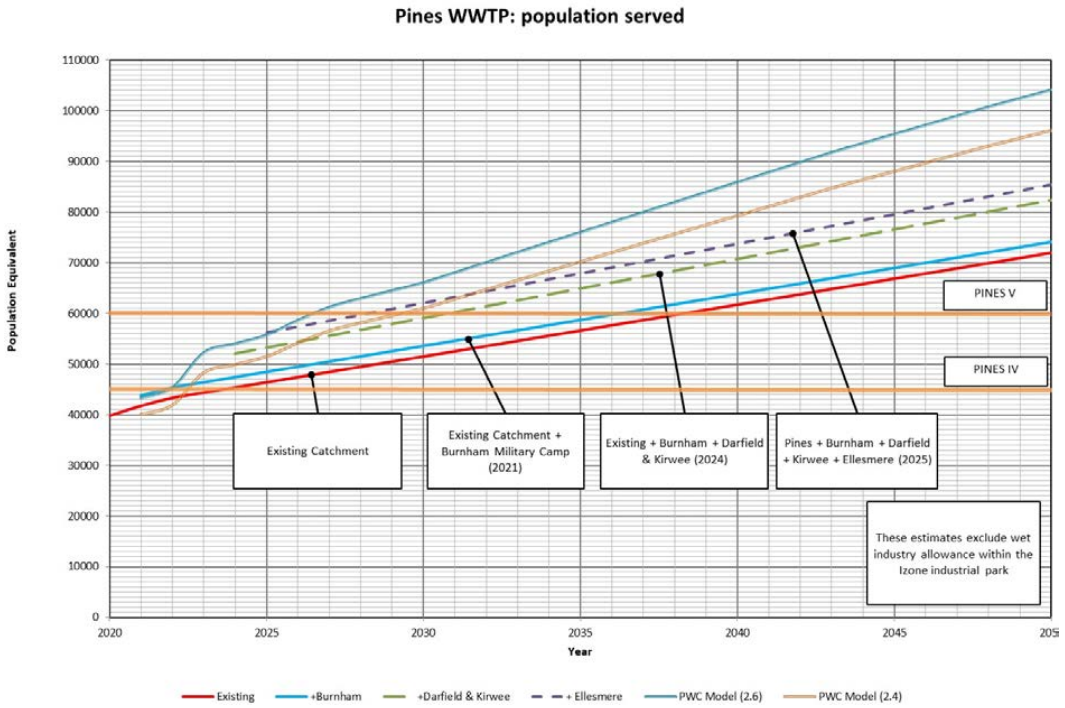


Figure 3-14: Pines WWTP capacity and proposed expansion

While the ESSS has resulted in the linkages of townships within Eastern Selwyn to enhance efficiencies, redundancy in part remains in the scheme through existing connections to Christchurch City Council wastewater systems and associated infrastructure being retained, e.g., Lincoln Pond.

3.7 Recommendation

Resilience of infrastructure, the interconnected aspects of wai, communities and Council need to be a core strand of a One Water Strategy.

3.8 Sustainability

3.8.1 Sustainable Development Goals

Developed by the United Nations, the Sustainable Development Goals (SDGs) offer a shared framework for creating resilient societies. It serves as a global commitment to ending extreme poverty, reducing inequality, and providing planetary protection by 2030. As a member of the United Nations, New Zealand signed up to the attainment of 17 SDGs in 2015. These goals guide all sustainability actions to be taken.

Figure 3-15: UN Sustainable Development Goals 2030

A 'One Planet' approach can be used to frame sustainability measures which embrace the need for infrastructure to stay within socio-ecological limits. This involves recognition of planetary boundaries. Key components for infrastructure include:

- Environmental: Ensuring environmental quality can be preserved and that activities remain within the Earth's limits.
- Societal: Ensuring fair access to services
- Economic: Ensuring that services are provided at an affordable cost with fair distribution.

Within this model, as outlined in Figure 3-16, the One Planet concept can be aligned with the United Nations SDGs 2030 to guide sustainable infrastructure management.

Sustainable infrastructure management is part of the One Planet concept, with the environment being the overarching element. Within this resides the social, and then the economic requirements. The role of infrastructure is to provide for and protect both social and economic needs while ensuring a sustainable environment.

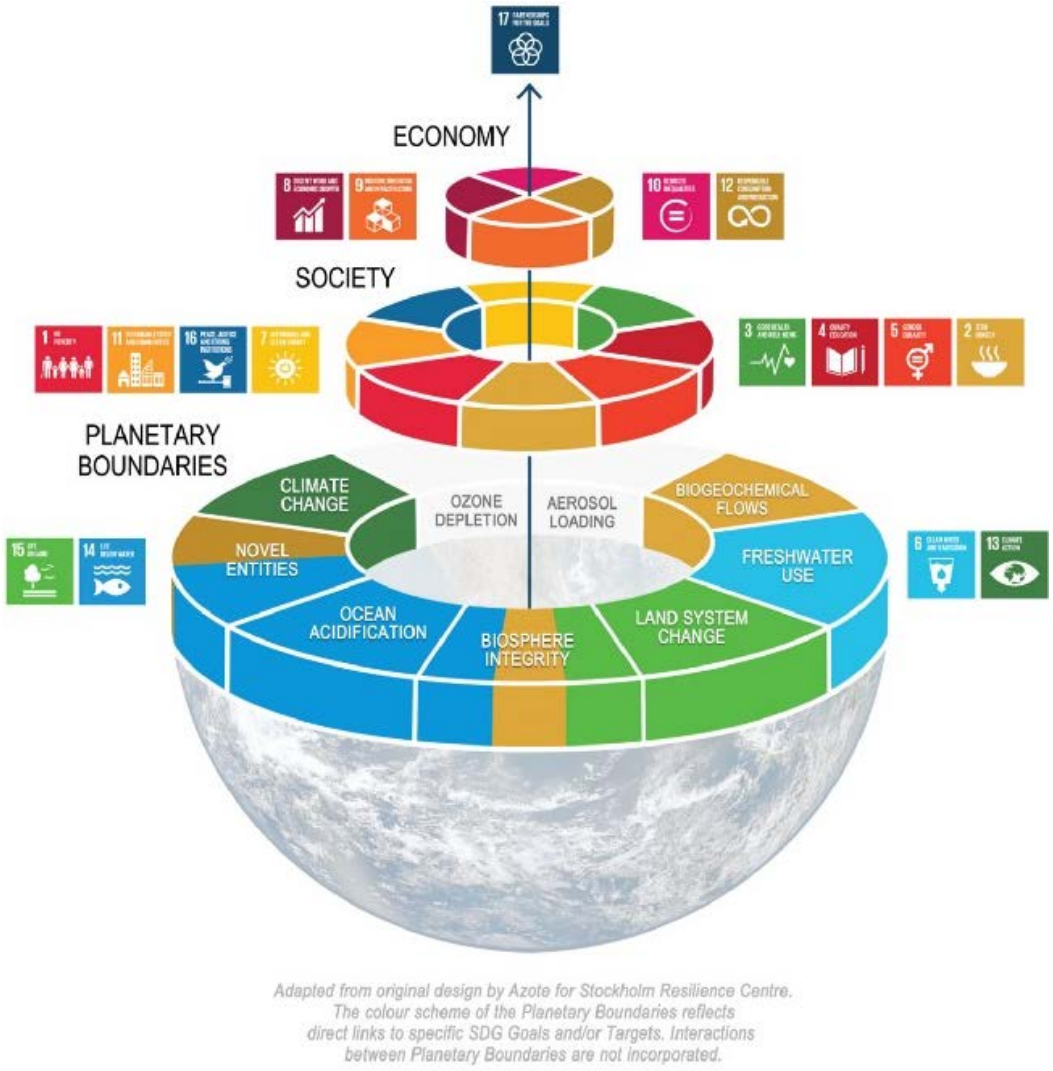


Figure 3-16: Linking the SDG Wedding Cake with Planetary Boundaries, Metzke 2020

3.8.2 Sustainability Principles

In February 2008 Council adopted seven Sustainability Principles to guide planning and management of infrastructure. These principles were a foundation aspect of the 5 Waters Strategy.

> **Principle 1:** ***Make decisions based on the four aspects of well-being.*** *Integrate environmental, economic, social and cultural considerations within Council decision making. Consider both the short-term and long-term effects of the decision.*
>
> **Principle 2:** ***Observe the Precautionary Principle to provide contingency and enable adaptability of our community.*** *Err on the side of caution in the face of scientific uncertainty and a risk of serious or irreversible environmental damage.*
>
> **Principle 3:** ***Seek "intra-generational" and "inter-generational" equity.*** *Improve quality of life and create opportunity for all of the current generation, without compromising the quality of life and opportunity of future generations.*

Principle 4: ***Internalise environmental and social costs.*** *Develop and adopt a system that recognises the true costs and benefits of protecting and restoring environmental/ecological, human, social and cultural resources affected as a result of the services that Council provides.*

Principle 5: ***Foster community welfare.*** *Support and encourage the region to prosper socially and culturally. Our assets are not just our built assets but our people, their skills and the connections between them.*

Principle 6: ***Act to halt the decline of our indigenous biodiversity and maintain and restore remaining ecosystems.*** *Conserve, and sustainably use and manage, the district's biodiversity, recognising the various services that ecosystems provide to humans as well as the environment's intrinsic value.*

Principle 7: ***Consider, and promote the sustainability of our neighbouring communities and work with governing bodies for sustainable outcomes.*** *Recognise that we are part of a whole globe system whether we can physically see the impacts of our actions or not.*

These will be reviewed as part of the Council's proposed Sustainability Strategy due in 2023.

3.8.3 Water Conservation Orders

Water Conservation Orders (WCOs) are designed to recognise and protect the outstanding values of particular bodies of water. There are currently 15 Water Orders within New Zealand, two of which are within Selwyn District.

The Rakaia River National Water Conservation Order (1988) was established to protect the outstanding natural character of the braided river and wildlife, recreation, and fishery of the river. It established specified minimum standards for the management of water quality and quantity within the Rakaia River catchment. The Order was amended in 2013 to enable water in the lake to be stored and used for both irrigation and hydro-electricity generation.

The Te Waihora National Water Conservation Order recognises the habitat for wildlife, indigenous wetland vegetation and fish sustained by Te Waihora; and significance of tikanga Māori in respect of Ngāi Tahu history, habitat for indigenous wetland vegetation and fish and mahinga kai and customary fisheries. The Order also allows for additional lake openings at any level primarily to aid eel migration.

3.8.4 Water Conservation and Demand Management Plan

The Water Conservation and Demand Management Plan (WCDMP) was developed in 2016 to reflect an increasing awareness of the need for sustainable and efficient use of natural water resources, in response to growth pressures, and the need to optimise water services. The WCDMP provides background information and an analysis of water management in Selwyn District and presents a plan for improved water demand management.

As part of the approach to managing demand, a volumetric charging approach was introduced in 2015, including the use of water meters on all properties. A roll-out of smart metering is also being considered.

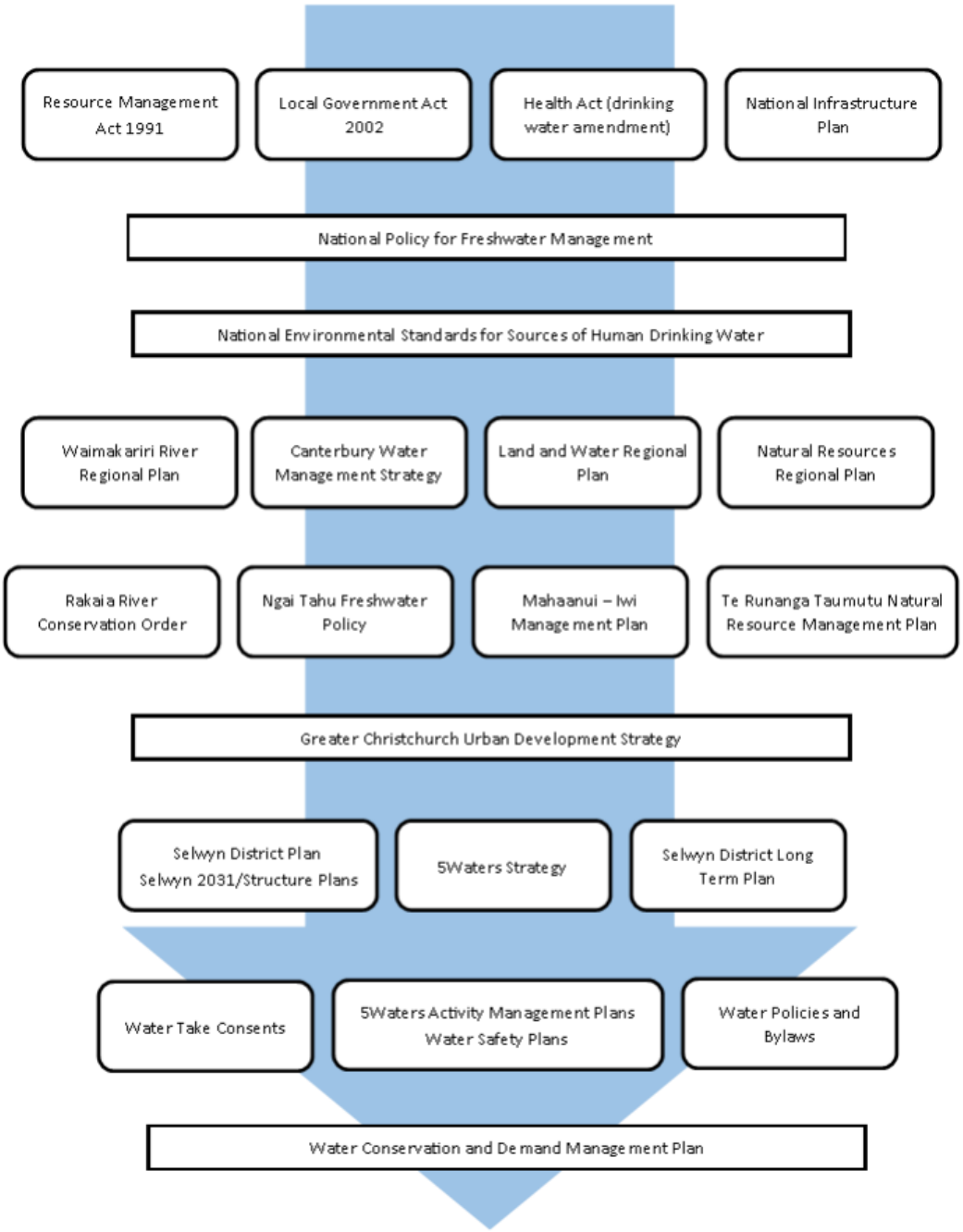


Figure 3-17: Integration of Selwyn District Water Conservation and Demand Management Plan

Note: The Health Act (drinking water amendment) identified in Figure 3-17, has been replaced by the Water Services Act 2021 gaining royal assent 4 October 2021. The top level of this diagram should also be read as including the proposed economic and entity management.

3.8.5 Nitrate Removal

While the Selwyn-Rakaia area nitrogen levels are below the 50% level (5.7mg/l) of the maximum acceptable value in the Drinking Water Standard, there is a growing awareness of the potential impacts

of nitrates on drinking water. It is also anticipated that maximum levels to be set under drinking water standards may involve a reduction on current levels. To better understand options for managing this, Council commissioned BECA to review the options and costs of nitrate removal for public water supplies in readiness of potential future regulatory requirements. While three removal technology options were considered, the report recommended Ion Exchange. The Report produced concept designs for nitrate removal systems at three sizes.

Description	Small WTP Scheme	Medium WTP Scheme	Large WTP Scheme
Flowrate through treatment unit (l/s)	30	100	300
Gross Construction Total	$ 4,250,000	$ 7,000,000	$ 13,130,000
Gross Construction Budget	$ 6,310,000	$ 10,400,000	$ 19,500,000
Operational Annual Cost	$ 360,000	$ 1,050,000	$ 2,650,000

3.8.6 Water Re-Use

Water reuse (commonly known as water recycling or water reclamation) reclaims water from a variety of sources then treats and reuses it for beneficial purposes such as agriculture and irrigation, potable water supplies, groundwater replenishment, industrial processes, and environmental restoration. Water reuse can provide alternatives to existing water supplies and be used to enhance water security, sustainability, and resilience.

Water re-use has a range of applications, including:

- Irrigation for agriculture and landscaping
- Water supplies
- Process water for hydroelectricity and industry
- Domestic uses (e.g., toilet flushing)
- Dust control or surface cleaning (e.g., roads, construction sites, and other trafficked areas)
- Construction processes (e.g., concrete mixing)
- Environmental restoration.

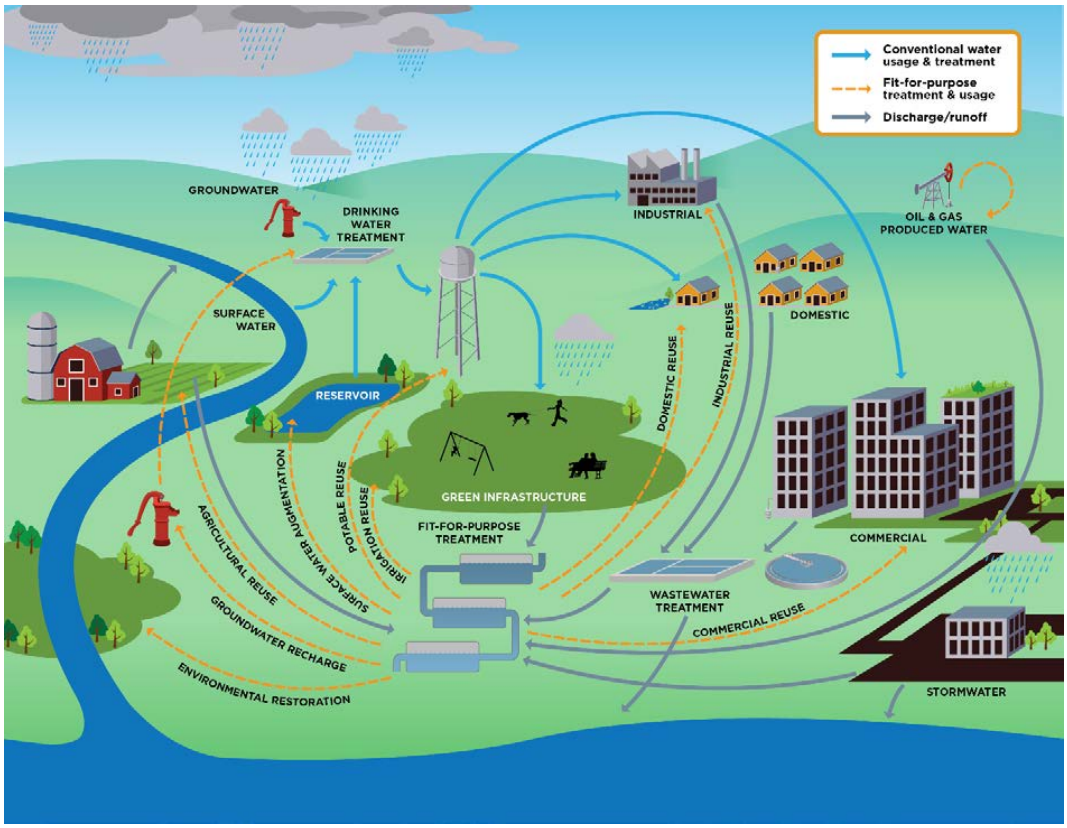


Figure 3-18: Examples of water sources and use applications, EPA

The current application of water use with New Zealand is largely restricted to the application of treated wastewater and stormwater to land, however a 30-year outlook with an emphasis on water management, sustainability, and resilience merits consideration of future developments within a revised Strategy.

3.8 Recommendation

Sustainability needs to be a core strand of a One Water Strategy.

3.9 Biodiversity

Water is an ecosystem service. Well-functioning ecosystems – forests, grasslands, soils, rivers, lakes, streams, wetlands, aquifers, estuaries and coastal waters – provide services that influence the availability of water and its quality. Effectively managing and restoring biodiversity is an essential component to sustainable water management within the District and its protection is key to the health of the District's communities and environment.

Selwyn District is ecologically diverse, with 16 ecological districts covering parts of Banks Peninsula and the unique Te Waihora/Lake Ellesmere, across the Canterbury Plains, and through the foothills to the crest of the Main Divide. The District includes significant conservation parks such as Arthur's Pass National Park, Craigieburn Forest Park and Korowai/Torlesse Tussocklands Park. The District is home to a number of at risk and threatened native flora and fauna species, including the Canterbury Mudfish (Neochanna burrowsius), Australasian bittern (Botaurus poiciloptilus), Longfin eel (Anguilla dieffenbachia), Swamp Nettle (Urtica perconfusa) and Matagouri- tūmatakura (Discaria toumatou).

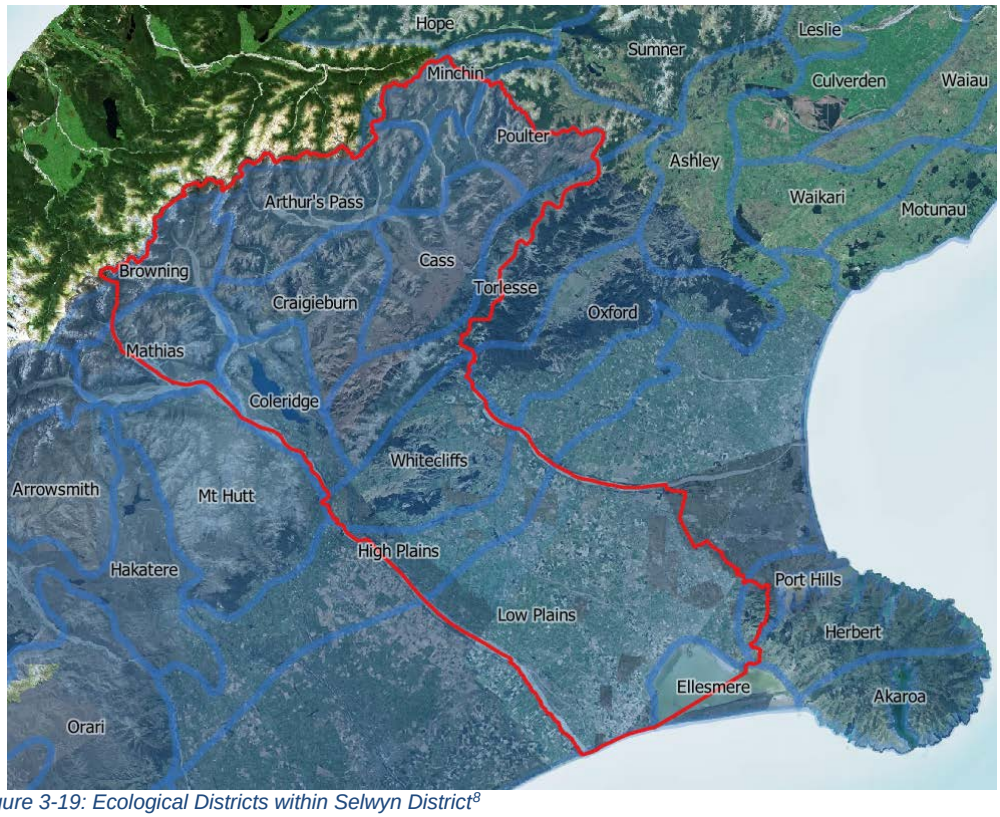


Figure 3-19: Ecological Districts within Selwyn District[8]

Native vegetation of the Canterbury Plains has been highly modified since human occupation with most of the original swamp land having been drained for pasture conversion and the clearance of shrublands and forests. Only isolated pockets of indigenous vegetation remain. The introduction of exotic species has further modified indigenous environments. These loses continue to diminish habitat for native wildlife; including insects, birds and lizards.

Selwyn District Council and Environment Canterbury share responsibilities relating to biodiversity under a range of legislation including the RMA 1991, Local Government Act 2002, Local Government Act 1974, Land Drainage Act 1908, Soil Conservation and Rivers Control Act 1941, Reserves Act 1977 and Biosecurity Act 1993. Responsibilities are also held by Central Government, including the Ministers of Conservation and Environment. Te Papa Atawhai / the Department of Conservation has the primary responsibility for biodiversity protection under a number of statutes. There are a number of private and not-for-profit groups, including the QEII Trust which contribute to national, regional and local positive outcomes for biodiversity.

3.9.1 Proposed NPS on Biodiversity

The proposed National Policy Statement on Indigenous Biodiversity (NPSIB) is a draft policy which will guide councils on how to protect nature in their regions. Prior to this, there was no central guidance or common means for valuing and protecting biodiversity, resulting in mixed outcomes and biodiversity losses throughout New Zealand. The NPSIB will provide standardised criteria and policies for areas identified as Significant Natural Areas.

The draft NPSIB is due to be gazetted at the end of 2021.

[8] Data sourced from Canterbury Maps

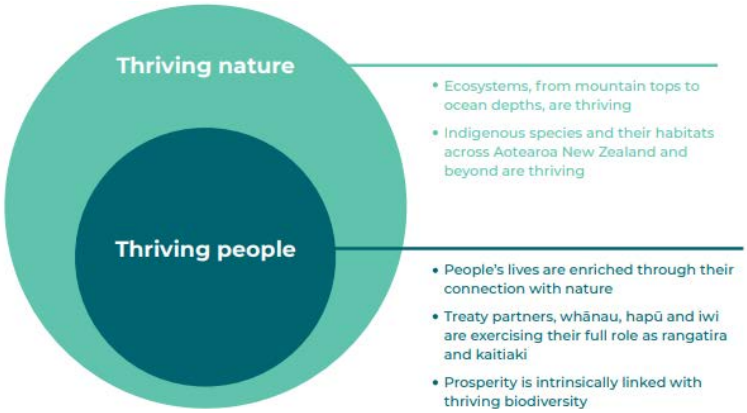
3.9.2 Te Mana o te Taiao, the Aotearoa New Zealand Biodiversity Strategy

Te Mana o te Taiao (launched in August 2020) sets out a strategic framework for the protection, restoration and sustainable use of biodiversity, particularly indigenous biodiversity from 2020 to 2050. The next stage of work involves the development of an Implementation Plan which collectively with Te Mana o te Taiao, will form the Aotearoa New Zealand Biodiversity Strategy.

The development of Te Mana o te Taiao was led by the Department of Conservation on behalf of Aotearoa New Zealand. It was built on the advice and ideas of Treaty partners, 43hanau, hapū, iwi, Māori organisations, communities, individuals, stakeholders, non-governmental organisations (NGOs), industry organisations, and central and local government.

At the heart of Te Mana o te Taiao is the recognition that people are part of nature, with people as kaitiaki of the natural world, and the natural world as kaitiaki of the people. To achieve a future where both nature and people are thriving, transformational change is needed. Key areas of focus are:

- Tūāpapa – putting the right systems in place to tackle the biodiversity crisis,
- Whakahau – empowering action across Aotearoa New Zealand, and
- Tiaki me te whakahaumanu – addressing the direct pressures causing biodiversity decline.



Te Mana o te Taiao is supported by a companion report – Biodiversity in Aotearoa which provides the evidence base, summarising the present state, trends and pressures of Aotearoa New Zealand's plants, animals and ecosystems on land, in fresh water and at sea. The report highlights the interconnected nature of biodiversity management and the impacts of water.

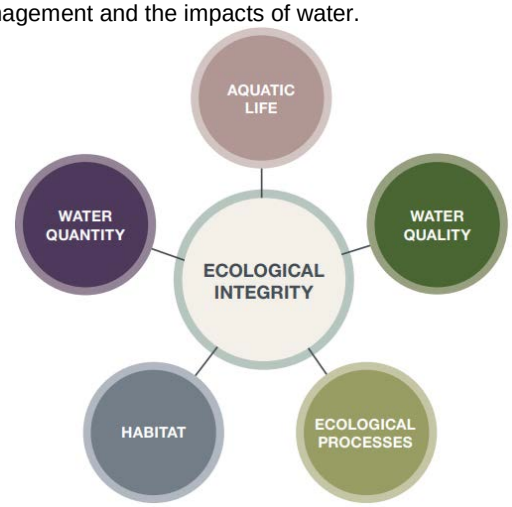


Figure 3-20: Freshwater ecosystem framework[9]

[9] , Clapcott et al. (2018), reproduced from the Biodiversity in Aotearoa Report

Te Mana o te Taiao – Aotearoa New Zealand Biodiversity Strategy 2020

The vision

Te Mauri Hikahika o te Taiao

The mauri of nature is vibrant and vigorous

Why this is important

People are part of nature and nature supports life and human activity. All aspects of our wellbeing, physical, cultural, social and economic, are dependent on nature and the services that it provides. Natural wellbeing underpins our lives, lifestyles and livelihoods. Nature is valuable for its own sake (intrinsic value) and is linked to our identity as New Zealanders. Our vision for a future with nature that has thriving, vibrant, vigorous mauri will result in thriving wellbeing for the people of Aotearoa New Zealand.

The problem

We are in a biodiversity crisis - Papatūānuku, Ranginui and their offspring are in serious trouble, and we urgently need to do a better job at looking after them. Nature in Aotearoa New Zealand, and across the rest of the world, is declining, and directly under threat from pressures, including changes in land, freshwater and sea use, introduced species, exploitation for food and resources, pollution, and the increasing threat of climate change. Indirect pressures, such as not having the right 'systems' in place, people not having enough knowledge or resources to act, and a disconnect between people and nature, are causing and contributing to these direct pressures. Here in Aotearoa New Zealand, we are already successfully taking action to protect and restore nature, and this strategy sets out how we can expand and build on the strong foundation we have already built to allow our natural world, and the people in it, to thrive.

What we are aiming to achieve by 2050

Outcome 1

Ecosystems, from mountain tops to ocean depths, are thriving

- The mauri of ecosystems is thriving
- A full range of indigenous ecosystems are protected and secured for future generations
- The health, integrity and connectivity of ecosystems have been maintained and/or restored, including in human-dominated areas

Outcome 2

Indigenous species and their habitats across Aotearoa New Zealand and beyond are thriving

- The mana of taonga species is restored
- All indigenous species are protected and s ecure, and none are at risk of extinction due to human activities
- Species' populations are healthy, genetically diverse and have increased resilience to future threats including climate change
- Migratory species and their habitats are secured across international boundaries

Outcome 3

People's lives are enriched through their connection with nature

- Everyone in Aotearoa New Zealand is connected with nature, and supports and actively contributes to its protection and restoration
- Connection with nature is improving people's physical, spiritual and mental health and quality of life
- Future generations inherit restored, thriving nature

Outcome 4

Treaty partners, whānau, hapū and iwi are exercising their full role as rangatira and kaitiaki

- Resilient biodiversity enables cultural practices and mahinga kai, contributing to the regeneration of mātauranga Māori
- Restored nature uplifts mana
- Treaty partners, whānau, hapū, iwi and Māori organisations are central to the biodiversity system and recognised as leaders

Outcome 5

Prosperity is intrinsically linked with a thriving biodiversity

- Thriving biodiversity provides the services that underpin our prosperity
- Biodiversity resources are managed sustainably to provide ongoing economic benefits
- Economic activity has neutral or beneficial impacts on biodiversity
- Thriving biodiversity plays a central role in our approach to mitigating climate change

Central to our work between now and 2050 are three pou (pillars) *which provide direction and focus to guide us towards the transformational change needed to achieve the strategy outcomes. Objectives are identified within each pou.*

TŪĀPAPA
Getting the system right

We need the right systems in place to tackle the biodiversity crisis. These cross-cutting objectives set out how we will ensure this.

What our 2050 objectives are:

1. Governance, legislation and funding systems are in place and enable delivery of the strategy outcomes
2. Treaty partners, whānau, hapū, iwi and Māori organisations are rangatira and kaitiaki
3. Biodiversity protection is at the heart of economic activity
4. Improved systems for knowledge, science, data and innovation inform our work
5. Mātauranga Māori is an integral part of biodiversity research and management
6. Aotearoa New Zealand is making a meaningful contribution to biodiversity globally

WHAKAHAU
Empowering action

We need all New Zealanders to help to protect and restore our biodiversity. These cross-cutting objectives set out how we will ensure that everyone is empowered to act.

What our 2050 objectives are:

7. All New Zealanders have the skills, knowledge and capability to be effective
8. Resourcing and support are enabling connected, active guardians of nature
9. Collaboration, co-design and partnership are delivering better outcomes

TIAKI ME TE WHAKAHAUMANU
Protecting and restoring

We need to address the direct pressures causing a decline in biodiversity, ensure the sustainable use of biodiversity, and restore biodiversity in areas where it has been lost. These objectives set out what we will do to ensure biodiversity is resilient and secure.

What our 2050 objectives are:

10. Ecosystems and species are protected, restored, resilient and connected from mountain tops to ocean depths
11. Management ensures that Biological threats and pressures are reduced through management
12. Natural resources are managed sustainably
13. Biodiversity provides nature-based solutions to climate change and is resilient to its effects

Implementation

Each of the objectives has measurable and time-bound goals. The goals are set at 2025 for Tūāpapa and Whakahau and at 2025, 2030 and 2050 for Tiaki me te whakahaumanu. The cross-cutting goals in these first two priority areas will enable us to achieve the longer-term goals detailed in Tiaki me te whakahaumanu. Implementation planning will set actions for achieving the goals for the shorter term. Progress on actions and goals will be evaluated, and the actions and goals will be reviewed and revised to ensure we are on track to achieving the outcomes.

Measuring success:

Progress towards the strategy outcomes will be regularly assessed. Progress reporting will focus on both the delivery of implementation actions (output monitoring) and progress towards the outcomes (outcome monitoring). A progress review will take place every 5 years, and this will be followed by a review and update of the strategy and the development of the next 5-yearly implementation plan. A full set of indicators to measure progress will be developed as part of the initial phase of implementation. A table of potential indicators for the five outcomes is provided in Appendix 4.

How we work together:

We all have roles to play in protecting and restoring the mauri of nature. The strategy has a set of underlying values and principles to guide how we work together to make decisions and deliver action. These will form the basis of implementation planning.

Figure 3-21: Te Mana o te Taiao – Aotearoa New Zealand Biodiversity Strategy 2020

3.9.3 Significant Natural Areas

Significant Natural Areas (SNAs) are set under the Resource Management Act 1991 to identify important remnants of significant indigenous vegetation and significant habitats of indigenous fauna. The NPS-IB provides additional guidance to the declaration of SNAs.

As at April 2020, 73 Selwyn sites covering many different habitats (dryland, wetland, forest remnants) have been confirmed as SNAs.

3.9.4 District Plan Provisions

The Operative and Proposed District Plans set out objectives and policies for the protection of significant biodiversity values.

Objective B1.2.1 of the Operative Plan: *Significant areas of indigenous vegetation and habitats of indigenous fauna are recognized and protected and enhancing areas of indigenous vegetation is encouraged.*
Objective EIB-01 of the Proposed District Plan: *Indigenous biodiversity within the district is managed through the exercise of kaitiakitanga and stewardship, in order that:* *1. Areas of significant indigenous vegetation and significant habitats of indigenous fauna are protected to ensure no net loss of indigenous biodiversity, and* *2. Other indigenous biodiversity values are maintained and enhanced, and* *3. The restoration and enhancement of areas of indigenous biodiversity is encouraged and supported.* Policy EIP-P1 of the Proposed District Plan: *Schedule in the District Plan areas of significant indigenous vegetation and significant habitats of indigenous fauna by applying the criteria and determining significance as set out in EIB-SCHED1, and identify these significant natural areas on the Planning Maps and in EIB-SCHED4, where as agreed by the landowner.*

3.9.5 Biodiversity Strategy

A biodiversity strategy for Selwyn District is currently planned for development in mid-2023. The One Water and Biodiversity Strategies will be highly complementary to each other, with aligned development recommended.

3.9.6 Land Drainage Committees

Council manage and maintain nine classified Land Drainage schemes with the support of local land drainage committees: Osbornes Drain, Greenpark, L2, Ellesmere, Leeston, Taumutu, and Culverts, Wairiri Valley, Hororata River Drainage, and Bealey River flood protection.

In November 2021, Council established a District Land Drainage Committee to:

a) provide clear and decisive leadership with respect to the provision of land drainage management in the Selwyn District; and
b) foster a collaborative approach between drainage committees and stakeholders to achieve integrated decision-making.

The District Land Drainage Committee comprises 14 members, inclusive of a representative from each of the scheme Land Drainage Committees, two mana whenua representatives from Te Taumutu Rūnanga, and Selwyn District Councillors and the Mayor as an ex-officio member. Advisors from Fish

and Game, Environment Canterbury, Te Papa Atawhai / Department of Conservation and Selwyn Distrct Council support the Committee.

It is noted that a number of existing drainage and water races within the District have become streams-like environments with native plants and fauna re-establishing themselves, including Canterbury Mudfish, creating some biodiversity hotspots within infrastructure intended for the conveyance of water. Future management of this infrastructure requires holistic consideration of wider values and possible funding mechanisms to recognise this district benefit.

3.9.7 Opportunities for Enhancing Biodiversity with Selwyn District

Where appropriate, Council encourages development and built infrastructure to be managed in a manner which promotes or supports biodiversity outcomes. This includes requirements for biodiversity planning to be included in Outline Development Plan to be submitted in support of Private Plan Changes to the District Plan, which may detail restrictions on earthworks and development within proximity to water bodies etc.

Constructed wetlands for stormwater management are also encouraged in support of enhanced biodiversity values and appropriate water re-use. One example is the construction of the Lincoln wetland which serves a 160Ha catchment on the eastern boundary of Lincoln.

Sustainable infrastructure development which supports biodiversity outcomes should continue to be encouraged, with Council demonstrating best practice.

To encourage biodiversity projects and help to reduce the decline of native species, Council has established a contestable Selwyn Natural Environment Fund. This fund is intended to assist landowners with voluntary work that benefits the natural environment and to support the continued identification and protection of on-farm biodiversity.

One particular enhancement programme which is delivering biodiversity gains is the Ararira-LII River catchment work. The Ararira/LII River is a significant spring-fed tributary of Te Waihora/Lake Ellesmere. The catchment for the Ararira-LII River includes headwater springs, two remnant wetland areas and an extensive network of drains and waterways. Water quality within the catchment is degraded from its natural state due to higher levels of suspended sediment, nutrients (phosphorous) and faecal coliforms. These environments, although degraded provide habitat for native flora and fauna.

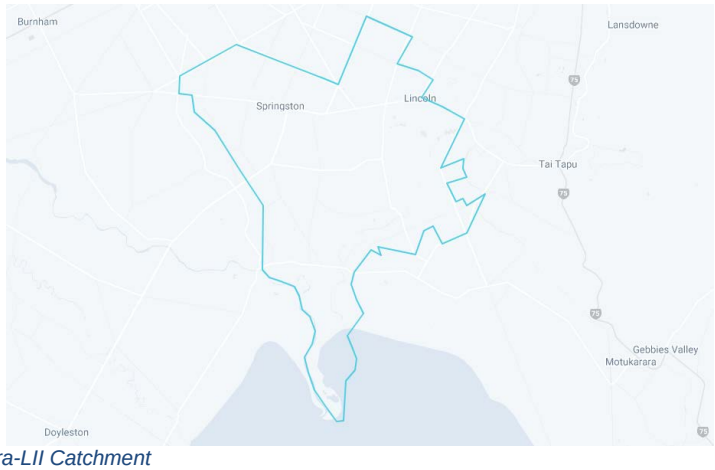


Figure 3-22: Ararira-LII Catchment

Living Water, a partnership between Te Papa Atawhai/Department of Conservation and Fonterra, are progressing a number of key projects, with the vision of transforming the drain and water network into a healthy freshwater ecosystem in this productive agricultural landscape.

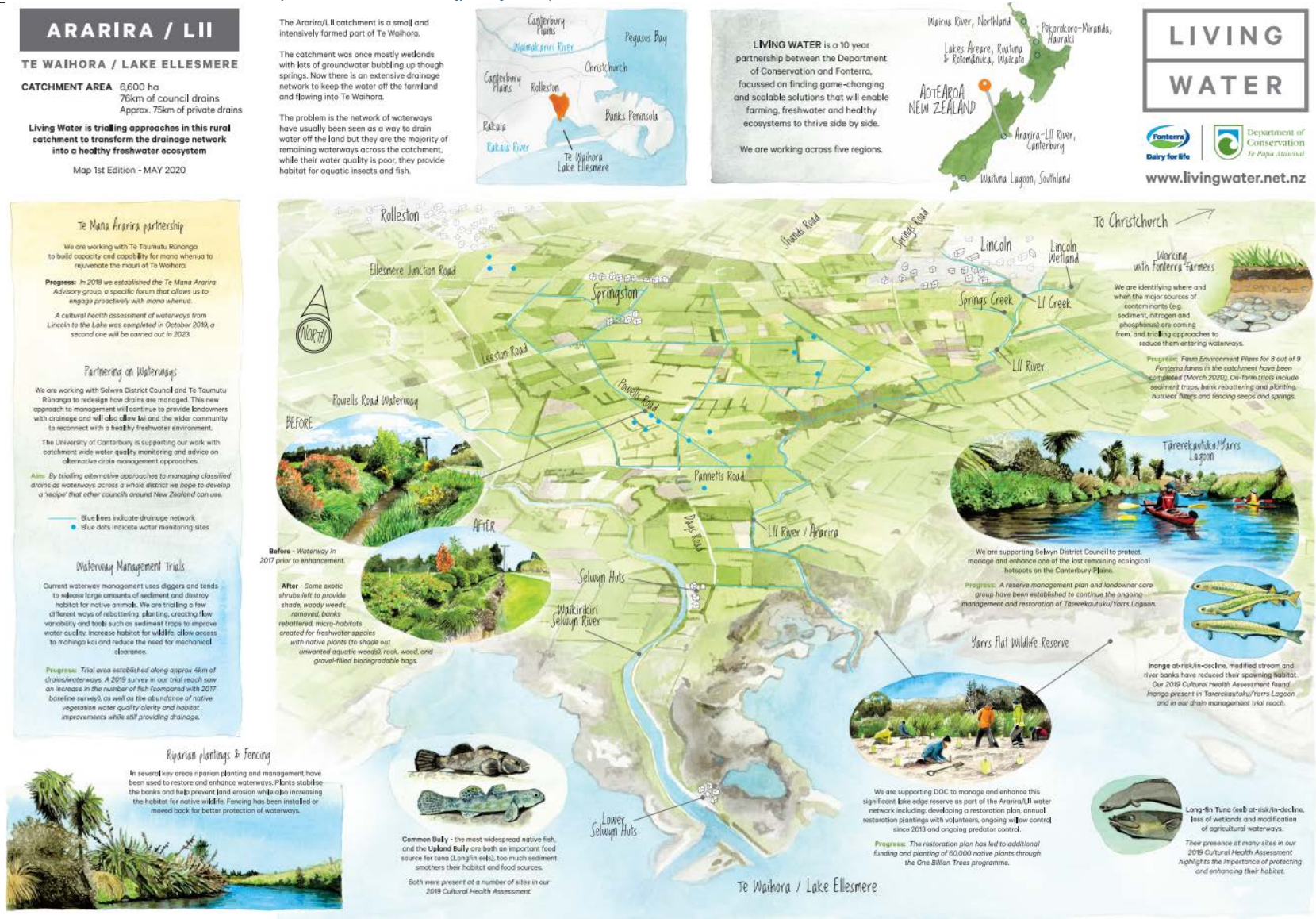


Figure 3-23: Ararira-LII, Canterbury Progress Map

3.9 Recommendation

To consider the value (and weighting) of biodiversity within the wider management of One Water.

3.10 Legislative Change

3.10.1 Three Waters Reform

There are three pou (pillars) in the water reform programme:

- Establishment of a dedicated water service regulator, Taumata Arowai;
- Creation of water entities to manage water service delivery
- Creation of an economic regulator and regulation primarily to provide customer protections

To date, the legislation to transfer and centralised water regulation – the Water Services Act 2021 (WSA 2021) has been passed. Amongst the key changes from the WSA 2021 are:

- Drinking Water and wastewater network risk management is required – requiring evidence that the whole of organisation "buy-in" is occurring. NB wastewater risk management planning is a new requirement
- Water and Sanitary Service Assessments should be undertaken and where a non-council supply cannot manage Council may be required to take over the supply (water, wastewater, stormwater)
- Environmental and Infrastructure performance measures will be implemented, and the regulator will maintain a watch on Regional Councils where they have authority i.e., monitoring of wastewater and stormwater consents.

In November 2021, Government stated that Councils would have 3 Waters service delivery transferred into Entities from 2024. The reasons for this transfer are outlined in Governments "A case for Change" documents. While governance arrangements are yet to be confirmed, legislation formalising the Entity arrangement is expected to be developed in 2022. A transfer of staff to the Entity and future consolidation of service delivery contracts e.g., CN 1241 Water Services Management is anticipated from 2024. There is the potential that attraction to and employment of staff into Council while the Entity formation is occurring will be difficult. This is despite Governments statement that 6-9,000 additional people will be required in the water sector.

Feedback on economic regulation design is currently underway. The intent is to ensure that focus is placed on ensuring consumer protection is enabled. There is a strong electricity sector perspective to the discussion currently, while acknowledgement that water is a fundamental need. Internationally, water poverty is becoming a significant issue, where a cohort of society are unable to pay for this basic resource (UK, America)). The regulation design is subject to feedback.

While planning for the transition, including the development of a transition policy is underway, it is not considered that this deflects from the need for local policy setting for the strategic approach to one water within the District.

It could be considered appropriate to delay any One Water Strategy update until an Entity is created. Given the immediate needs of the community (growth, water quality), expectations that Council meaningfully engage with mana whenua on water matters. Farriersweir, one of Governments reform consultants stated that should entities be created, then there would be a need for local policy and strategy to reflect local needs. While decisions on the form and shape of governance are yet to be determined, enabling the opportunity for strong community engagement is considered prudent.

Council has the opportunity to strengthen its relationships with its community therefore investing responsibility

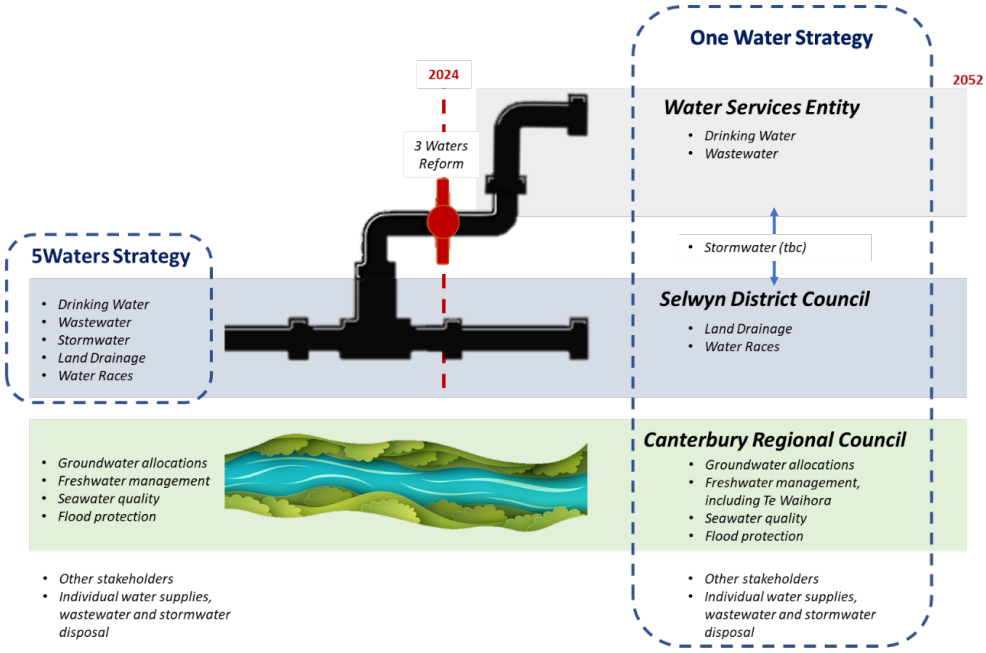


Figure 3-24: Water Reform – Water Management Responsibilities

The current Strategy specifically excludes discussion of 'governance issues such as who managed water resources and what role SDC has'. This is a specific recognition that the holistic view to a water strategy crosses management boundaries and remains appropriate within the current three waters reform.

3.10.2 Freshwater Management

Essential Freshwater, launched by the Ministry for the Environment, effective from September 2020 is part of a new national direction to protect and improve our rivers, streams, lakes and wetlands. The Essential Freshwater package aims to:

- stop further degradation of our freshwater
- start making immediate improvements so water quality improves within five years
- reverse past damage to bring our waterways and ecosystems to a healthy state within a generation.

Inclusive within this package is the new National Policy Statement (NPS) Freshwater Management and National Environmental Standard. The NPS Freshwater Management (NPS-FM) and National Environment Standard are about strengthening Te Mana o te Wai and improving ecosystem health and water quality to provide further protection for freshwater taonga.

The new NPS-FM strengthens and clarifies Te Mana o te Wai through requiring councils:

- to set a long-term vision (intergenerational) for the water that is informed by aspirations of tāngata whenua[10] and communities for what the waterbodies should look like in the future, an understanding of current pressures and an understanding of the waterbodies' history
- to report on progress towards the long-term vision
- to investigate options for tāngata whenua involvement such as joint management agreements, and publicly report on decisions around whether to use these options.

[10] The use of tanagata whenua for the purposes of the NPS-FM, and much legislation includes the status of Ngāi Tahu as manawhenua (holding customary authority exercised by an iwi or hapu in an identified area)

3.10.3 Climate Change Response Act 2002

The Climate Change Response Act, inclusive of the Climate Change Response (Zero Carbon) Amendment Act 2019, provides a framework within which New Zealand can develop and implement clear and stable climate change policies, to enable New Zealand to contribute to global reductions and to prepare for and adapt to the effects of climate change. Key elements include:

- setting a domestic greenhouse gas emissions reduction target for New Zealand to:
    - reduce net emissions of all greenhouse gases (except biogenic methane) to zero by 2050
    - reduce emissions of biogenic methane to 24–47 per cent below 2017 levels by 2050, including to 10 per cent below 2017 levels by 2030
- establish the Climate Change Commission (He Pou a Rangi) as an independent agency to provide evidence-based advice to government on climate issues. The Commission is also responsible for monitoring and reviewing progress towards the country's goals for reducing emissions and adapting to a changing climate.

The setting of greenhouse gas emissions is particularly important with respect to wastewater treatment (Pines Wastewater Treatment Plant) and maintenance service delivery i.e., fuel quantities used for vehicle fleet and all materials including plastic pipes.

3.10.4 National Policy Statement on Urban Development

The National Policy Statement on Urban Development 2020 (NPS-UD 2020) is an update to the National Policy Statement on Urban Development Capacity 2016 (NPS-UDC). It brings several changes to the planning regime promoting affordable housing and streamlined processes.

The NPS-UD 2020 requires councils to plan well for growth and ensure a well-functioning urban environment for all people, communities, and future generations. This includes:

- ensuring urban development occurs in a way that takes into account the principles of the Treaty of Waitangi (te Tiriti o Waitangi)
- ensuring that plans make room for growth both 'up' and 'out', and that rules are not unnecessarily constraining growth
- developing, monitoring and maintaining an evidence base about demand, supply and prices for housing and land to inform planning decisions
- aligning and coordinating planning across urban areas.

The NPS-UD 2020 contains objectives and policies that councils must give effect to in their resource management decisions. It is noted that not all of the NPS-UD 2020 objectives and policies apply to all councils

Although 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, the NPS-UD 2020 adopts a tiered regime. This means that some policies apply only to tier 1 or tier 2 councils. Selwyn District is confirmed as containing a Tier 1 urban environment (in line with Greater Christchurch).

3.10.5 Resource Management Reform

Ahead of the detailed Reforms to the Resource Management Act 1991 (RMA), parliament is progressing a bill to amend the RMA to rapidly accelerate the supply of housing where the demand for housing is high. The Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill is in its second reading. The Bill introduces a new planning process to support tier 1 councils (including Selwyn District Council) to implement the NPS-UD's intensification policies. The amendment also clarifies the application of the NPS-UD for Tier 1 Councils, confirming the focus solely on accessibility rather than accessibility and demand, and is more prescriptive on how these accessible areas will be identified.

The wider RMA Reform will be the most significant, broad-ranging and inclusive review of the resource management system since the RMA was enacted. Three new pieces of legislation are proposed to replace the RMA. These are detailed as follows.

1. **Natural and Built Environments Act (NBA) Bill**

   This is the core piece of legislation to replace the RMA. The purpose of this Act is to enhance the quality of the environment to support the wellbeing of present and future generations. It will include an environmental test that will protect biophysical values to enable the restoration of the natural environment and facilitate more development within environmental limits.

   This would be achieved by:
   - promoting positive outcomes for both the natural and built environments
   - ensuring that use, development and protection of resources only occur within prescribed environmental limits
   - ensuring adverse effects of activities on the environment are avoided, remedied or mitigated.

   Under the Act, central government's proposed new National Planning Framework will provide a set of mandatory national policies and standards on specified aspects of the new system. These will include environmental natural limits, outcomes and targets.

2. **Strategic Planning Act (SPA) Bill**

   This Act provides a strategic and long-term approach to how we plan for using land and the coastal marine area. Long-term spatial strategies in each region would be developed to identify areas that:
   - will be suitable for development
   - need to be protected or improved
   - will need new infrastructure and other social needs
   - are vulnerable to climate change effects and natural hazards such as earthquakes.

   The regional strategies would enable more efficient land and development markets to improve housing supply, affordability and choice, and climate change mitigation and adaptation.

   The Strategic Planning Act will integrate functions under the RMA, Local Government Act 2002, Land Transport Management Act 2003 and the Climate Change Response Act 2002 to enable clearer and more efficient, long-term strategic decision-making and investment for infrastructure planning and growth.

3. **Climate Change Adaptation Act (CCA) Bill**

   This Act would support New Zealand's response to the effects of climate change. It will address the complex legal and technical issues associated with managed retreat and funding and financing of climate change adaptation.

The NBA and SPA are anticipated to work together as core parts of a revised resource management system, with all three Bills being progressed through parliament in 2022.

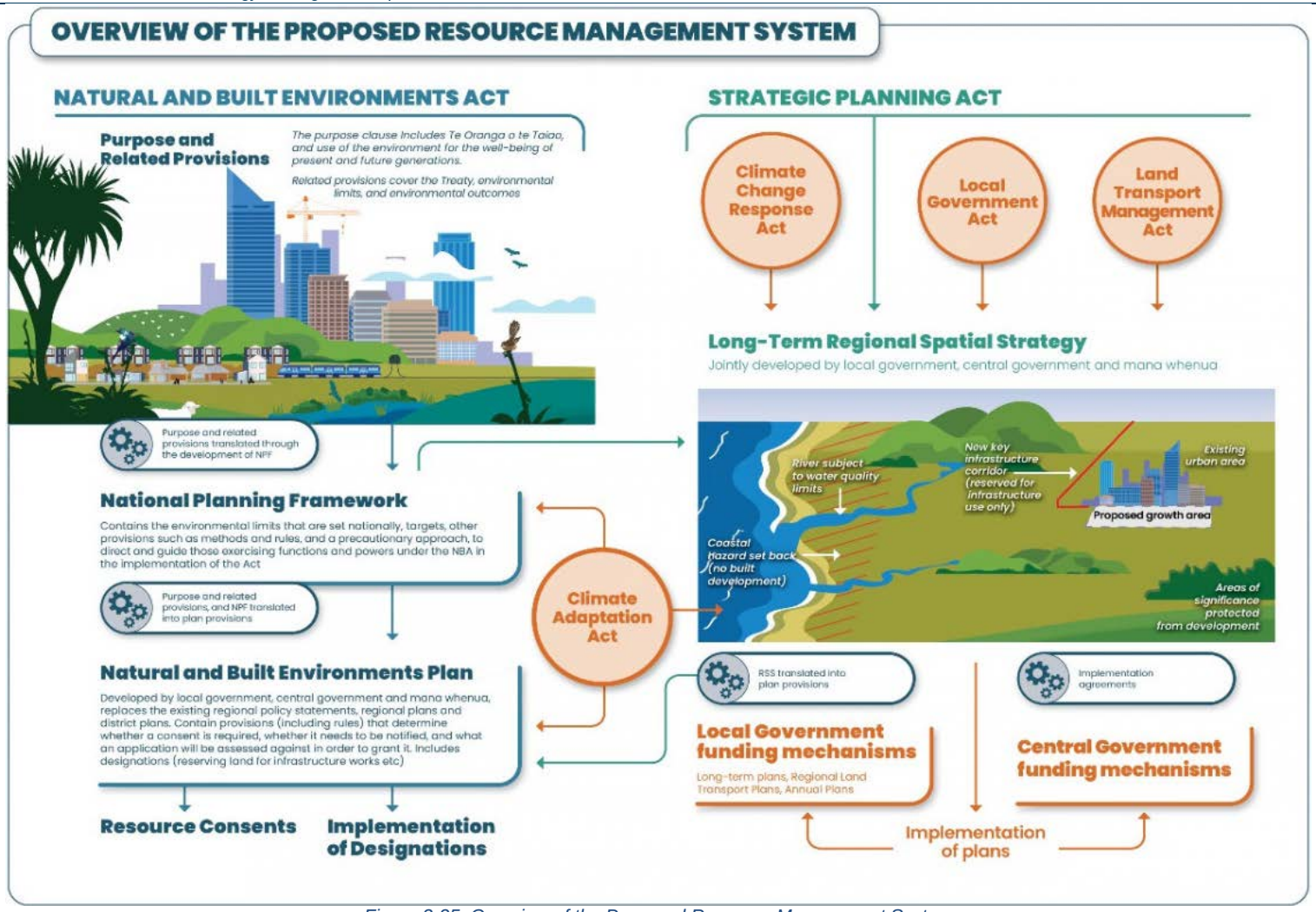


Figure 3-25: Overview of the Proposed Resource Management System

3.10 Recommendations

That a review of the Strategy be undertaken, acknowledging the 3 Waters Reform and setting community expectation for water management within the District irrespective of management responsibilities.

Ensure inclusion / allowance for performance monitoring against new and reasonably anticipated legislation in every aspect of the water cycle / one water strategic approach.

3.11 Canterbury Regional Planning

The Canterbury Regional Council (Environment Canterbury) have legislative responsibilities including managing the effects of using freshwater, land, air and coastal waters, by developing regional policy statements and the issuing of consents, managing rivers, mitigating soil erosion and flood control, and marine pollution.

The Regional Council requirements of the Resource Management Act 1991 are implemented by Environment Canterbury through the resource consent procedure, and the regional plans. Key regional plans as relating to Selwyn's Transportation activity are discussed below.

The resource management functions of the Regional Council, and Selwyn District Council should be considered in light of the proposed reforms to the Resource Management Act as discussed in Section 3.10.5.

3.11.1 Canterbury Regional Council's Regional Policy Statement

The Canterbury Regional Policy Statement (CRPS) 2013 gives an overview of the significant resource management issues facing the region, including issues of resource management significance to Ngāi Tahu. The purpose of the CRPS is to set out objectives, policies, and methods to resolve these resource management issues and to achieve the integrated management of the natural and physical resources of Canterbury.

In response to growth pressures, Environment Canterbury have prepared a Proposed Change to the CRPS to address land use and urban growth management in Greater Christchurch until 2041. Proposed Change 1 enables land within Future Development Areas to be rezoned by the Selwyn and Waimakariri District Councils, if required, to meet their medium term (ten year) housing needs. It also sets out which land is to remain rural for natural resource protection or other reasons. This process has been undertaken through the Streamlined Planning Process, with Change 1 gaining approval from the Minister for the Environment on 28 May 2021. The change to the CRPS was made operative in July 2021.

3.11.2 Land and Water Regional Plan (LWRP)

Under the Resource Management Act 1991, the Regional Council must achieve integrated management of the natural and physical resources of the region, including control over the use of land and freshwater. The Canterbury Land and Water Regional Plan (1 December 2015) aims to provide clear direction on how land and water are to be managed in the region. The operative LWRP is inclusive of plan changes 1-6. A 7th

On 17 November 2021, Environment Canterbury adopted decisions on recommendations of independent hearing commissioners on Plan Change 7 to the LWRP. This region-wide Plan Change aims to improve freshwater outcomes for the whole of Canterbury, through enabling greater protection of biodiversity values, recognition and consideration of Ngāi Tahu values in a wider range of activities, enabling the use of managed aquifer recharge across the region. The Plan Change extends the industry agreed "Good Management Practice" established in prior Plan Changes as the minimum standard for all farming activities.

The LWRP recognises the importance of integrated planning and management of all water resources and land activities. Taking an integrated approach allows competing demands to be more equitably and effectively managed, to better achieve the outcomes of sustainable management of land and water within the District.

This principle should apply to all water management, including that which falls within the 5 Waters activity.

Of particular relevance to the Selwyn District, is Plan Change 1 to the LWRP which recognised the Selwyn Te Waihora sub-region and identified a Cultural Landscape/Values Management Area, encompassing Te Waihora/Lake Ellesmere, its margins and wetlands. The Cultural Landscape/Values Management Area recognises the significance of Te Waihora/Lake Ellesmere to Ngāi Tahu.

The Area is managed as a single integrated freshwater mahinga kai system with outstanding values in order to:

- Protect mahinga kai, wāhi tapu and wāhi taonga
- Restore the health of the lake
- Recognise the cultural and ecological sensitivity of the Area to discharges of contaminants and the taking and use of fresh water.

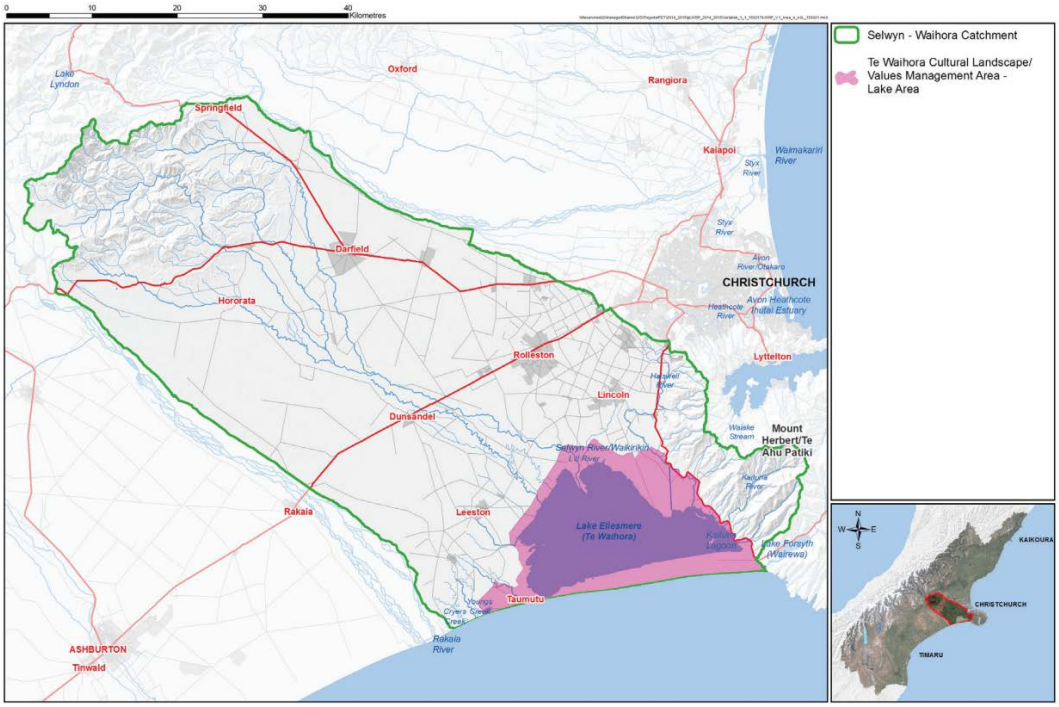


Figure 3-26: Selwyn Waihora Cultural/Landscape Values Management Area

3.11.3 Canterbury Natural Resources Regional Plan (NRRP)

The Canterbury Natural Resources Regional Plan (operative 2011) assists Environment Canterbury to carry out several of the functions set out in section 30 of the RMA. These relate to the integrated management of Canterbury Region's natural and physical resources, and include, but are not limited to, the control of the use of land for various specified purposes.

3.11.4 Canterbury Water Management Strategy

The Canterbury Water Management Strategy (CWMS) provides a path toward improving the management and use of Canterbury's water resources. The Strategy takes a regional approach to achieving collaborative and sustainable water management. The CMWS, initiated in 2005 by the Canterbury Mayoral Forum, is a collaborative process between the Canterbury Regional Council, the ten territorial authorities of Canterbury and Ngāi Tahu, as well as key environmental and industry stakeholders. The CWMS addresses critical water management issues: the declining health of both surface and groundwater, habitats and ecosystems, an ongoing loss of cultural value and recreational opportunities as well as the declining availability and reliability of water for agricultural and energy use. Water management in Canterbury has become increasingly adversarial as the availability of water and the cumulative effects of water use reach environmental limits. The CWMS provides a strategic approach to water management that aims to restore community expectations as well as the trust and confidence between the various interests in water resources.

Each Water Zone Committee prepares a Zone Implementation Programme (ZIP) which outlines an action plan for integrated water management within the water catchment area. The ZIP identifies key areas of management and under each of these are specific recommendations being actions, tactics, or strategies to address the CWMS targets. The recommendations form an integrated approach to water management and are not to be considered in isolation. There is overlap between chapters, and recommendations appear in the section they are most relevant to, with no prioritisation in the order of the following sections. The aspect column signifies the subject of the recommendation and the responsibility column, those agencies who are responsible for delivering on the recommendation.

The Selwyn District resides within both the Selwyn-Waihora and Christchurch West-Melton Water Zones.

Selwyn-Waihora Water Zone

Priority Outcomes:

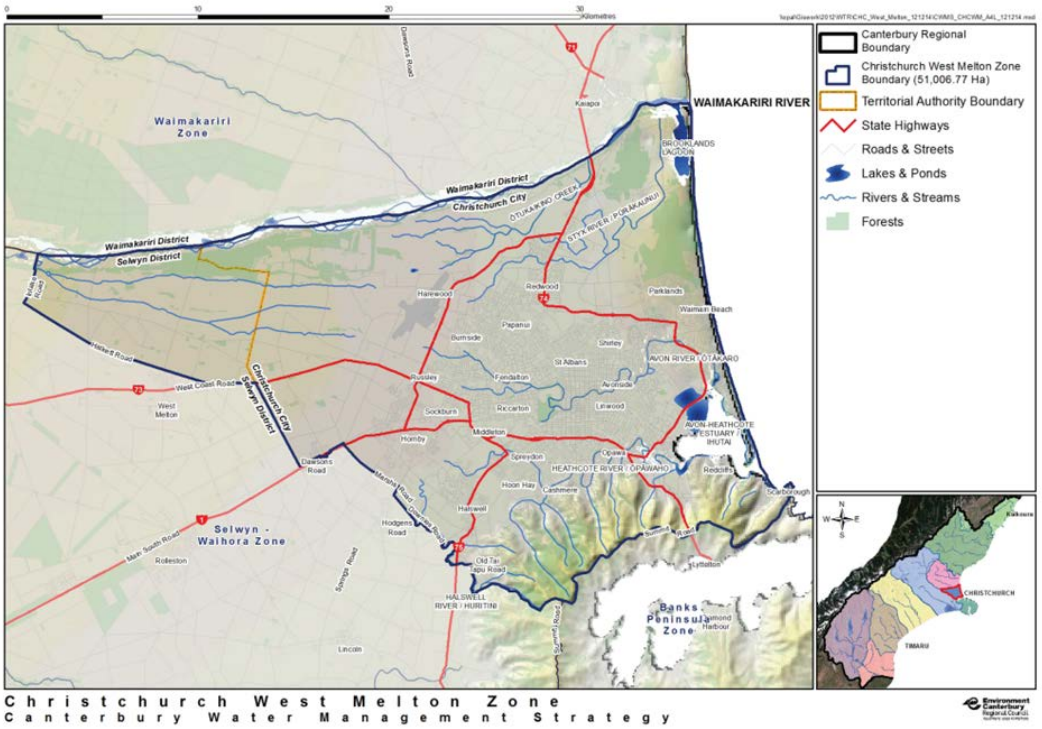
- Thriving communities and sustainable economies
- High quality and secure supplies of drinking water

- Best practice nutrient and water management
- Kaitiakitanga is integrated into water management in the Zone
- Healthy lowland streams
- Te Waihora is a healthy ecosystem
- Hill-fed waterways support aquatic life and recreation
- Alpine rivers and high-country values are protected
- Enhanced Indigenous Biodiversity across the Zone.

The Selwyn-Waihora ZIP made a number of key recommendations on water management within the catchment, focussing on:

1. Nutrient and water management
2. Water Supply
3. Te Waihora and Lowlands
4. Braided rivers, High Country, Upper Plains
5. Biodiversity.

Christchurch-West Melton Water Zone



Priority Outcomes:

- Safeguarding groundwater quality and flows for multiple uses.
- Enhancing and managing waterways for recreation, relaxation, and amenity.
- Improving surface water quality and safeguarding surface water flows.
- Enhancing degraded ecosystems, indigenous biodiversity, valued introduced species and landscapes.
- Making efficient use of water and managing demand.
- Kaitiakitanga
- Better integration of plans and collaboration between agencies and groups.
- Earthquake Recovery Programmes help to implement the CWMS in the Zone Christchurch. West Melton Zone Implementation Programme (ZIP).
- Local people are involved in improving water management.

- The effects of improving flood management are beneficial to a spectrum of waterway values.

The Christchurch-West Melton ZIP made a number of key recommendations on water management within the catchment, focussing on:

1. Safeguarding groundwater quality and flows for multiple uses
2. Enhancing and managing waterways for recreation, relaxation, and amenity
3. Improving surface water quality and safeguarding surface Water flows
4. Enhancing degraded ecosystems, indigenous biodiversity, valued introduced species and landscapes
5. Making efficient use of water and managing demand

3.11.5 Canterbury Biodiversity Strategy

In 2008, a 22-strong, multi-interest advisory group developed the first region-wide, collaborative vision for maintaining and enhancing this natural heritage. The Biodiversity Strategy for the Canterbury Region is a non-statutory document that establishes a framework of goals and priorities for undertaking biodiversity initiatives. The biodiversity strategy fosters a coordinated and cooperative approach and recognises the importance of shared responsibility and working together to achieve the strategy's vision.

> *The Canterbury community values and cares for the region's biodiversity and accepts the shared responsibility to work together to ensure it is sustained and enhanced, both now and into the future.*
>
> *As a result, there is a full range of healthy ecosystems stretching from the mountains to the sea, reflecting the unique and diverse natural character of the Canterbury region. Our indigenous biodiversity is an integral part of our everyday lives and landscapes, it complements the productivity of our sustainable economy and working lands, and where appropriate, it supports sustainable harvest.*

The Strategy identifies six goals to progress towards achievement of the vision.

Figure 3-27: Canterbury Biodiversity Strategy Goals

3.11 Recommendation

The Strategy should be aligned with and informed by regional and local policy settings and objectives.

4.0 OPPORTUNITIES FOR THE STRATEGY

A review of the 5 Waters Strategy offers the opportunity to prepare a second-generation Strategy for the integrated management of 'One Water'.

An updated One Water Strategy will leverage the current and well understood 5Waters Strategy, recognising a number of new or developing drivers outlined in this background report, including Te Mana o te Wai, Te Tiriti o Waitangi, DIA Three Waters review, Climate Change and Sustainability.

There have been significant advancements in legislation, understanding of the environmental and growth pressures, along with stronger recognition of mana whenua values. Other drivers include:

- Recognition that water quality is reducing while demand is increasing
- Wastewater loads and flows are increasing while demand on 'just-in-time' treatment infrastructure is challenged by global supply chains stopping/being highly unreliable
- Skills shortages and transition to a Water Entity with a return to easier international travel will stress availability of an appropriately qualified workforce
- The affordability of these core services is challenging for some of the community to meet – economic regulation must address this.

The development of a One Water Strategy as a second-generation to the 5Waters Strategy offers the opportunity to support increased engagement with Te Taumutu Rūnanga, the Selwyn community, Canterbury Regional Council (Ecan) and neighbouring Councils. The outcomes of this include:

a. confirming the direction of one water management within the District, and
b. mapping out the priorities for integrated water management within Selwyn district over the next thirty years (aligning with the Infrastructure Strategy horizon).

A possible development framework for the One Water Strategy is outlined in the following figure.

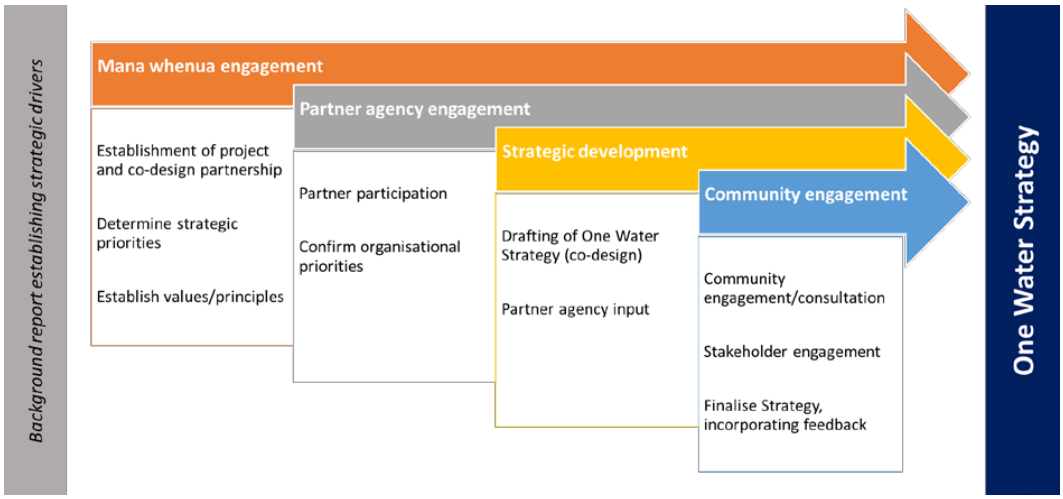


Figure 4-1: Proposed One Water Strategy Development

5.0 Glossary

For the purposes of supporting clarity of this report, the following definitions have been provided as common translations/definitions of terms. It is noted that many of the Te Ao Māori concepts included exceed the ability to succinctly translate and these terms and values should be determined by mana whenua in the proposed Strategy.

5Waters	*Council management of community water supplies (drinking water), wastewater, stormwater, water races, and land drainage*
Ahi ka roa	*long burning fires of occupation, continuous occupation leading to rights of mana whenua*
Atua	*ancestor with continuing influence, god, deity*
Awa	*river, stream, creek*
Biodiversity	*the variability among living organisms from all sources, including land, marine and freshwater ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems*
DIA	*Department of Internal Affairs*
Iwi	*the largest social unit within Māori society. Ngāi Tahu are the iwi whose takiwā includes Selwyn District*
Hapu	*sub-tribe, kinship group, consisting of a number of whanau with a shared ancestor, the collective of which form an iwi*
He Pou a Rangi	*Climate Change Commission*
Kaitiaki	*guardians*
Kaitiakitanga	*guardianship, protection, a means of environmental management*
Ngā Pākihi Whakatekateka o Waitaha	*the Canterbury Plains*
Ki uta ki tai	*from the mountains to the sea, integrated management approach*
National Policy Statement (NPS)	*issued under the RMA, national policy statements provide national direction for matters of national significance relevant to sustainable management.*
Mahinga kai	*the value of natural resources that sustain life, a principle of sustainable management of natural resources including traditional food (kai) and gathering places for traditional food*
Manakitanga	*the process of showing respect, generosity, and care for others*
Mana Whakahaere	*governance, authority, jurisdiction, management, mandate, power*
Mana whenua	*territorial rights, power from the land, authority over land or territory*
Mātauranga	*Māori knowledge system*

Mauri	*life principle, life force, vital essence*
Moana	*sea, ocean, large lake*
One Water	*integrated management of water based on the interconnected principles of the water cycle*
Papatipu rūnanga	*regional rūnanga, which represent the rights and interests of local Canterbury whanau within their respective takiwā. Ngā Rūnanga have come to be known as 'Papatipu Rūnanga' because of their connection to papatipu marae. Affiliated to hapu, with a representative of each forming Te Runanga o Ngāi Tahu*
Papatūānuku	*Earth, Earth mother and wife of Ranginui, from which union originate all living things*
Place Making	*a multi-faceted approach to the planning, design and management of public spaces. Placemaking capitalizes on a local community's assets, inspiration, and potential, with the intention of creating public spaces that promote people's health, happiness, and well-being*
Pou	*pole, post, pillar*
Rākaihautū	*Chief Rākaihautū, ancestor of Waitaha, explored and named Te Waipounamu*
Ranginui	*atua of the sky and husband of Papatūānuku, from which union originate all living things*
Rohe	*boundary, district, region, territory, area, border (of land)*
Rūnanga	*sub-structure of Te Rūnanga o Ngāi Tahu, represent the rights and interests of local Canterbury whanau within their respective takiwā, have come to be known as Papatipu Rūnanga*
Significant Natural Areas (SNAs)	*areas containing significant indigenous vegetation or significant habitat of indigenous fauna that must be protected to ensure the ongoing biodiversity in the District*
Takiwa	*district, area, territory*
Tanagroa	*atua of the sea and fish and one of the children of Ranginui and Papatūānuku.*
Tane Mahuta	*atua of the forests and birds and one of the children of Ranginui and Papatūānuku.*
Taonga	*treasure including socially or culturally valuable objects, resources, phenomenon, ideas and techniques, an object or natural resource which is highly prized*
Tāwhirimātea	*atua of weather and one of the children of Ranginui and Papatūānuku.*
Te Ao Māori	*the Māori world view acknowledges the interconnectedness and interrelationship of all living and non-living things*
Te Kete a Rākaihautū	*traditional name for Te Waihora, meaning the food basket of Rākaihautū – the legendary ancestor who helped form the landscape of the area*
Te Mana o te Wai	*refers to the vital importance of water., a principle used in freshwater management to ensure the health and well-being of the water is protected and human health needs are provided for before enabling other uses of water*
Te Papa Atawhai	*the Department of Conservation*

Te Pātaka o Rākaihautū	*Banks Peninsula*
Te Waipounamu	*the South Island*
Tikanga	*the customary system of values and practices that have developed over time and are deeply embedded in the social context*
Tino rangatiratanga	*self-determination, sovereignty, autonomy, self-government, domination, rule, control, power*
Tōpuni	*a concept within the Ngāi Tahu Settlement Act to confirm and place an 'overlay' of Ngai Tahu values upon a piece of land owned and/or managed by the Crown, while not overriding the powers and obligations of the Crown to manage that land for the purpose for which it is held*
Tumu taiao	*mana whenua experts appointed to Canterbury Regional Council*
Wai	*water*
Wai Māori	*freshwater*
Wahi taonga	*areas, places or sites that are significant to Māori*
Wahi tapu	*a sacred place in the traditional, spiritual, religious, ritual, or mythological sense*
Water cycle (hurihanga wai)	*the cycle of processes by which water circulates between the oceans, atmosphere, and land (surface water and groundwater), involving precipitation as rain and snow, drainage in streams and rivers, and return to the atmosphere by evaporation and transpiration*
Whakapapa	*genealogy, a taxonomic framework that links all animate and inanimate, known and unknown phenomena in the terrestrial and spiritual worlds, connects all things*
Whanau	*extended family, family group, a familiar term of address to a number of people - the primary economic unit of traditional Māori society*

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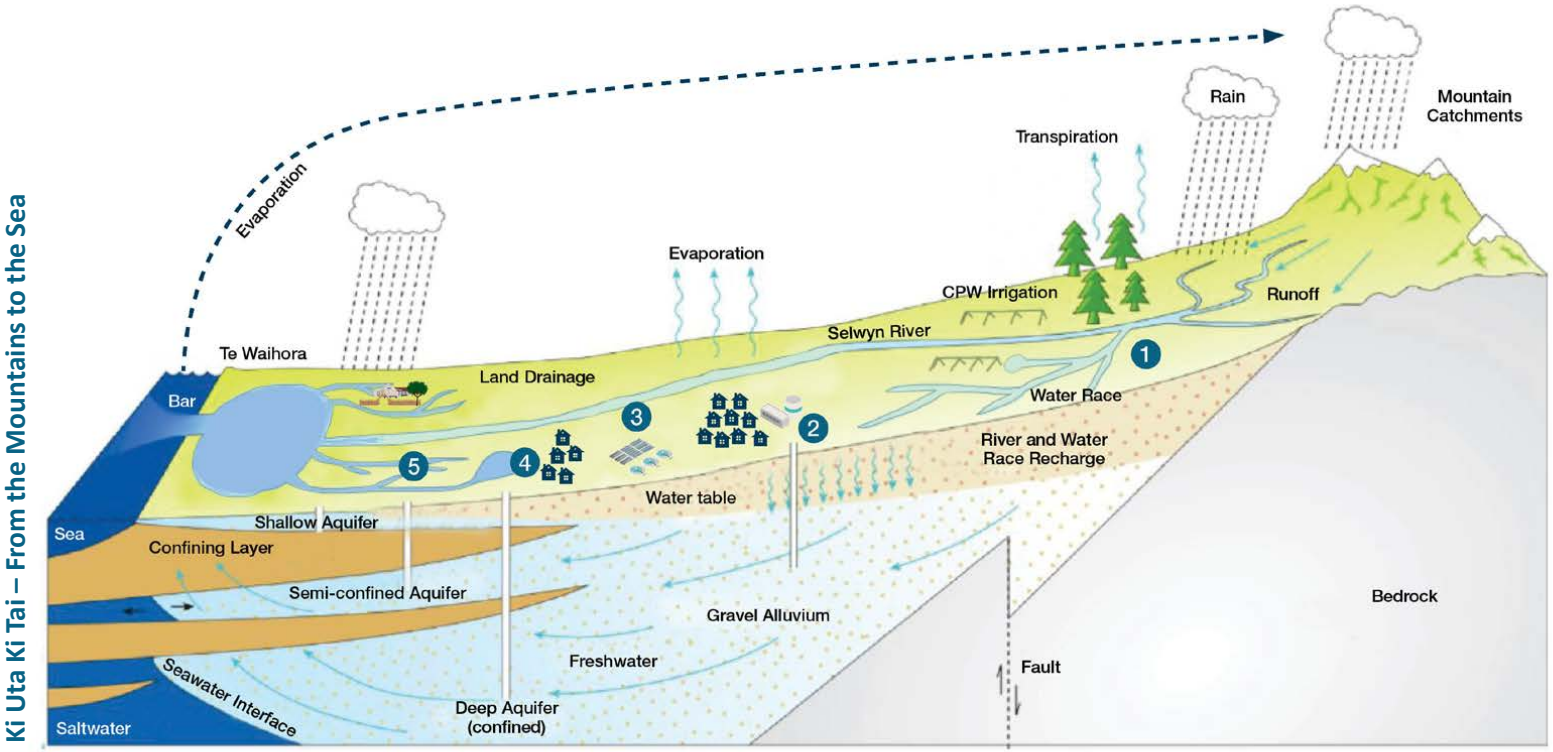
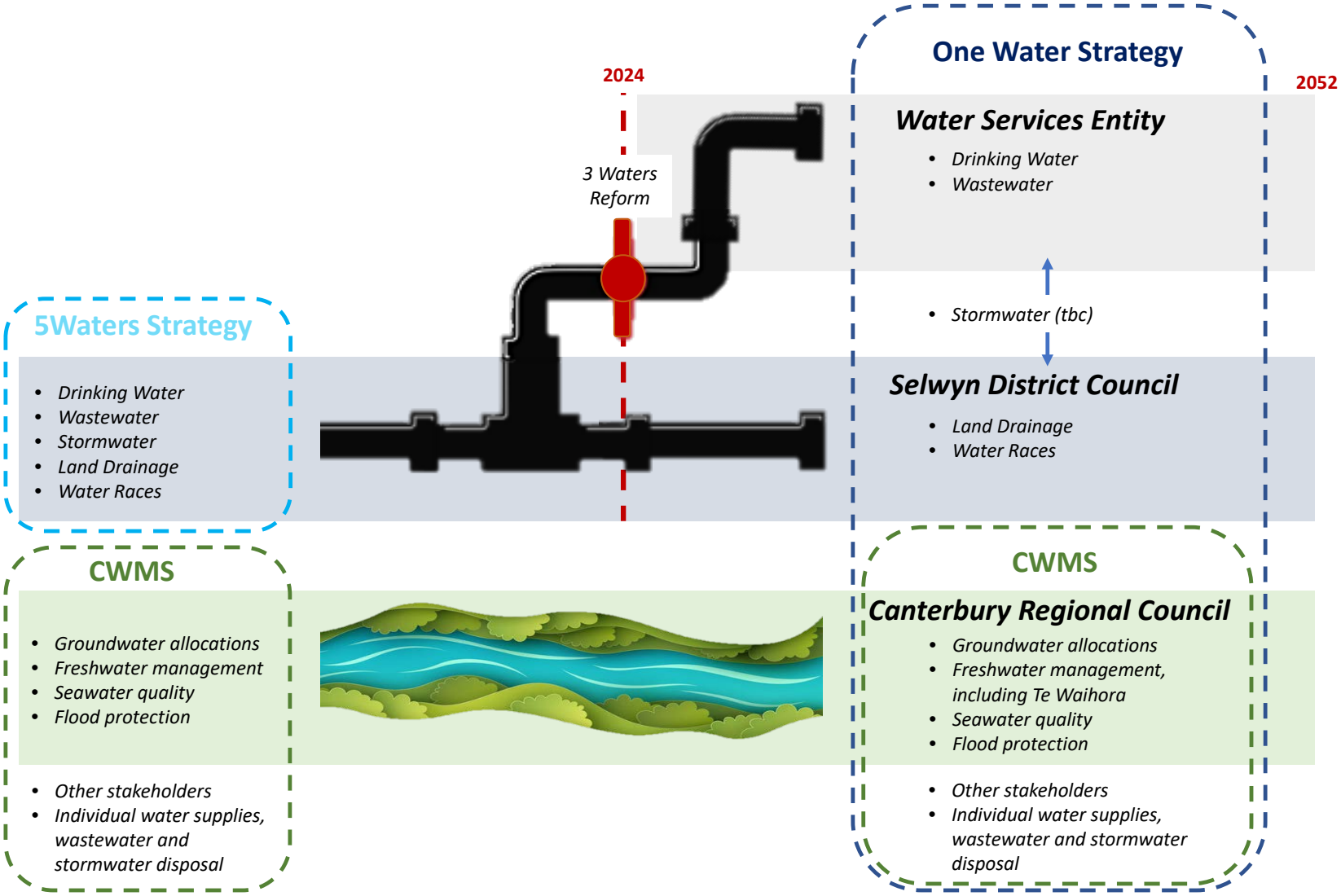
Selwyn DISTRICT COUNCIL



5Water infrastructure components of the One Water Cycle:


One Water Strategy
2024
2052
Water Services Entity
• Drinking Water
• Wastewater
3 Waters Reform
• Stormwater (tbc)
5Waters Strategy
• Drinking Water
• Wastewater
• Stormwater
• Land Drainage
• Water Races
Selwyn District Council
• Land Drainage
• Water Races
CWMS
CWMS
Canterbury Regional Council
• Groundwater allocations
• Freshwater management
• Seawater quality
• Flood protection
• Groundwater allocations
• Freshwater management, including Te Waihora
• Seawater quality
• Flood protection
• Other stakeholders
• Individual water supplies, wastewater and stormwater disposal
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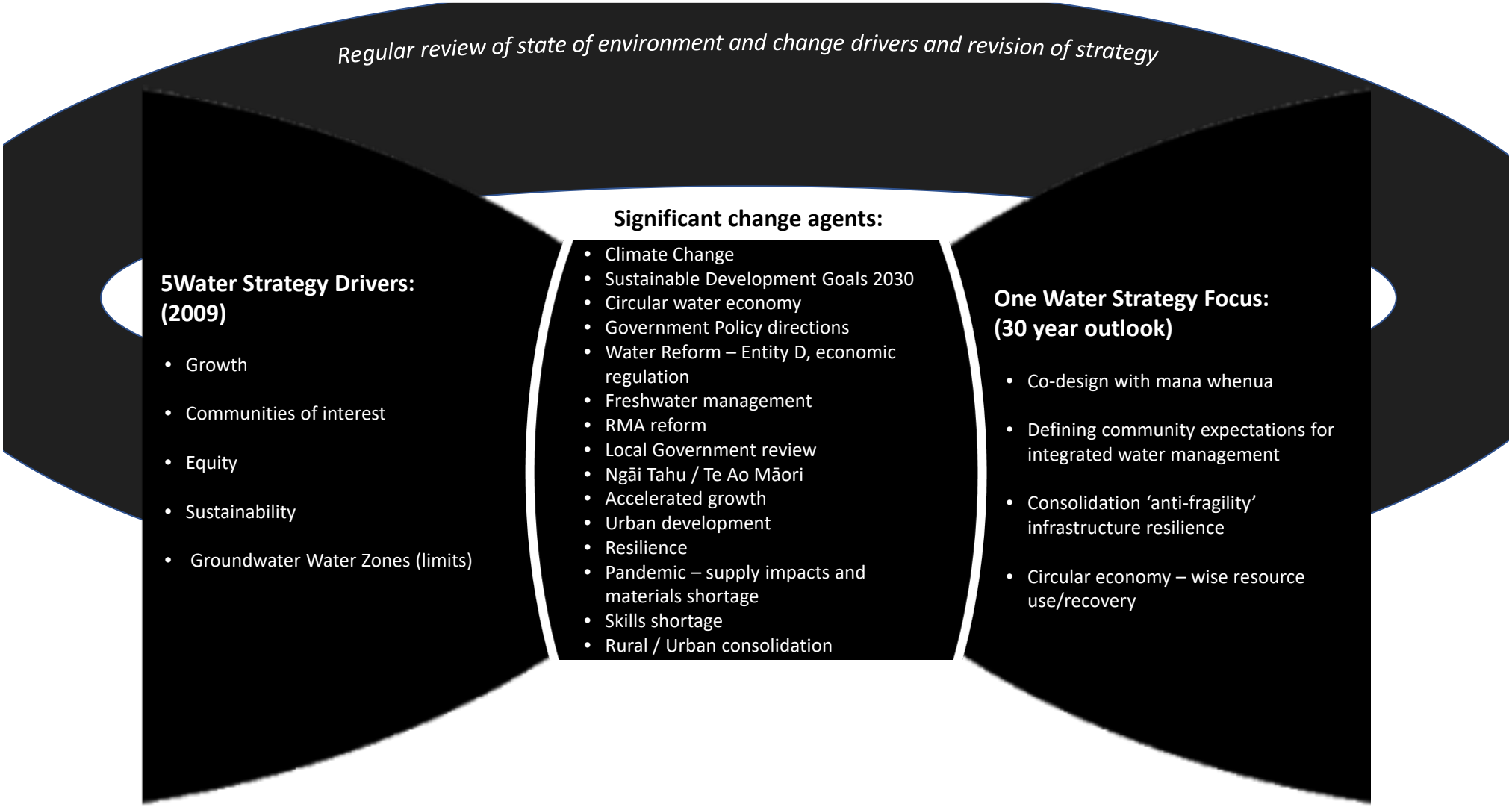
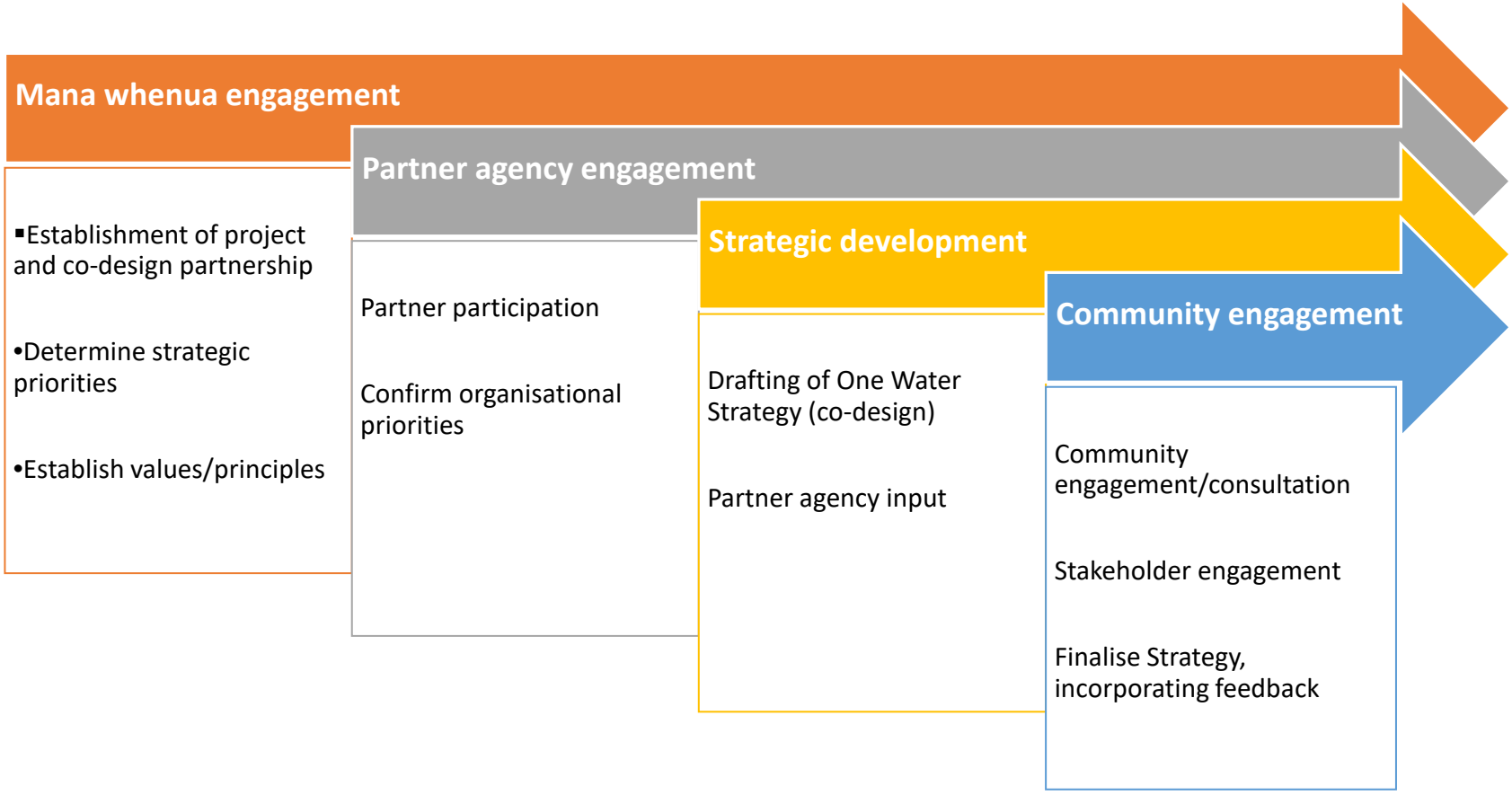
• Individual water supplies, wastewater and stormwater disposal


Regular review of state of environment and change drivers and revision of strategy
5Water Strategy Drivers: (2009)
Growth
Communities of interest
Equity
Sustainability
Groundwater Water Zones (limits)
Significant change agents:
Climate Change
Sustainable Development Goals 2030
Circular water economy
Government Policy directions
Water Reform – Entity D, economic regulation
Freshwater management
RMA reform
Local Government review
Ngāi Tahu / Te Ao Māori
Accelerated growth
Urban development
Resilience
Pandemic – supply impacts and materials shortage
Skills shortage
Rural / Urban consolidation
One Water Strategy Focus: (30 year outlook)
Co-design with mana whenua
Defining community expectations for integrated water management
Consolidation 'anti-fragility' infrastructure resilience
Circular economy – wise resource use/recovery

Background report establishing strategic drivers



One Water Strategy

Selwyn DISTRICT COUNCIL

Council's Vision is
"To achieve excellence in the management of resources and the provision of services for the people of Selwyn District

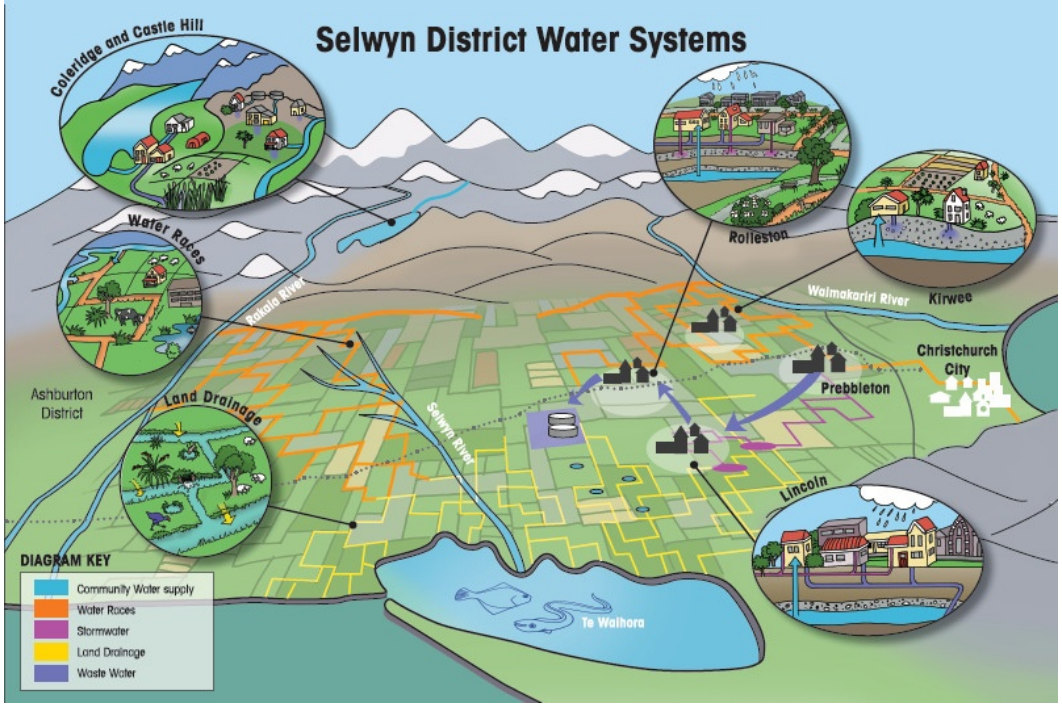
SELWYN DISTRICT COUNCIL

FIVE WATERS STRATEGY

August 2009

The Future for:

Community Water Supplies, Wastewater Waterraces, Land Drainage and Stormwater



SELWYN DISTRICT COUNCIL

FIVE WATERS STRATEGY

August 2009

Issue Information	
Issue Purpose	Final
Issue Date	26 August 2009
Version Number	1.0
Prepared By	Hugh Blake-Manson
Approved By	Anne Greenup
Next Review Proposed	2011

SDC Five Waters Strategic Plan

Future Position of Water Supplies

BACKGROUND

Selwyn District is unique. Water from the sky, rivers and aquifers supports the urban and rural communities, providing for economic wealth, social health and cultural diversity. Use of water resources and the need to protect the environment for future generations creates tensions in some areas.

The Selwyn District Council and the community have the ability to consider all the Five Waters issues in a coordinated manner. To achieve this, over 2008-9 Council has developed a Strategy focusing on the ongoing management of the District's water.

1 INTRODUCTION

Water has been described as the "gold of this century". The water footprint of societies may be more important than the carbon footprint to ensure a sustainable future. This draft document has been prepared in recognition of the importance of water to Selwyn, and how the continued use of the water resources are affected by:

- Globalisation
- A growing population
- Increasing pressure on existing services
- Rising costs
- Regional strategies
- The need to provide Management Plans

This **Strategy** outlines the strategic vision for Selwyn District Council's (SDC) **five waters**[1] **community** services the "Five Waters". This Strategy also covers **private** water services to an extent identified within legislation[2].

SDC has adopted seven sustainability principles for the purposes of strategic planning over the Five Waters. Sustainability should be regarded as a continuous journey to seek a balance between meeting local and global perspectives, along with economic, cultural, environmental and social well-beings. While we personally may view this with different values, we all seek to achieve a sustainable place where we, and future generations can use and thrive in.

The sustainability principles help by providing a foundation for a long term strategy for which community feedback is sought. We will also use them to gauge how successful we are on this journey.

In this document, these guiding principles will be consulted on and is intended to:

- Describe the long-term desired position of SDC with respect to the Five Waters in the next 60 years – to the period when others require the environment to live
- Describe opportunities to improve integration of water services
- Identify what we need to do to achieve long term goals
- Support Councils' vision

[1] Water Supplies (Urban and Rural), Wastewater Schemes, Waterraces, Land Drainage and Stormwater
[2] Local Government Act 2002 – Part 7

This Strategy does not:

- Contain financial assessments - these will be developed and delivered via the Five Waters Activity Management Plans (AcMP)
- Discuss governance issues such as who manages water resources and what role SDC has

Strategic direction is being developed across the Five Waters in a consistent way. The generic water inter-relationship in townships is shown in ***Figure 1*** and where possible, across the district's rural and urban areas.

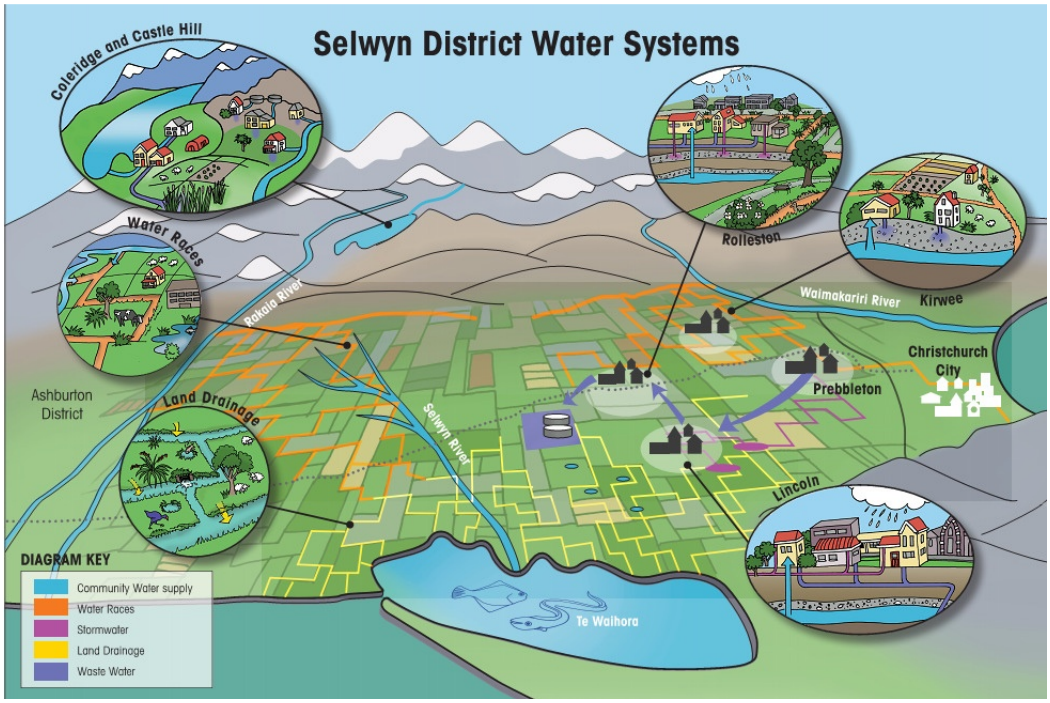


Figure 1 - Five Waters Generic Interrelationships

Take the "Rolleston" example, water is drawn from deep aquifers for community use, while stormwater is discharged into the gravels above. Wastewater is piped to centralised treatment and disposal areas, with proposed future inflows from other townships. Waterraces flow through, and alongside, the township.

2 RELATIONSHIP WITH THE ACMP

The AcMP views the Five Waters as inter-dependant activities for the community of interest.
The AcMP:

- Outlines how SDC will undertake the management, delivery and operation for the Five Water services for the communities in Selwyn over the next 10 years
- Outlines the approach to achieve "Levels of Service"
- Contains expenditure programmes, determined by prioritising works and activities that must, and could be funded by ratepayers, e.g. meeting mandatory standards, promoting water saving devices

The AcMP is a living document and is revised at least every three years in time to support the Selwyn Community Plan - the LTCCP.

Before any AcMP review can be completed, the strategic direction should be determined. This Strategy will in effect, create the **vision** and **boundaries** for the AcMP implementation and will be reviewed at least every six (6) years in line with the review of Selwyn's Community Outcomes. Community input strengthens the process by clarifying and prioritising issues, hence consultation is a key part of its validation.

3 INPUTS INTO THE STRATEGY

Strategic planning for the use of Five Water resources is undertaken at a number of levels. ***Figure 2*** demonstrates the potential sources of influence on the Strategy.

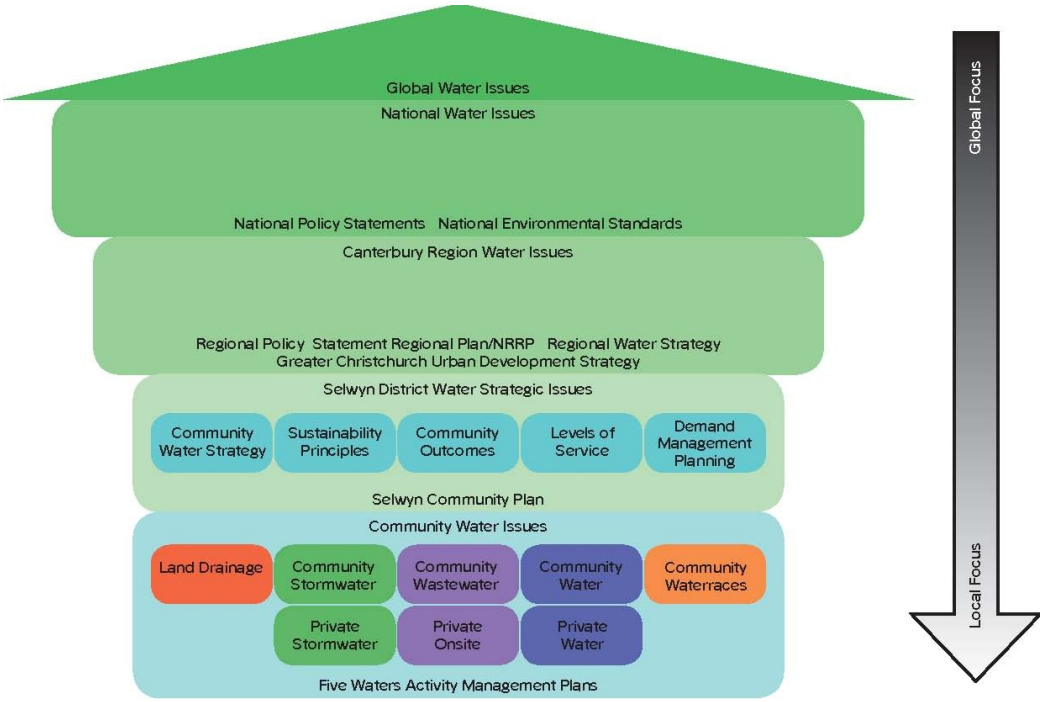


Figure 2 - Potential sources of influence on the Strategy

While the Strategy targets district issues, it must do so in a way that accounts for the relevant issues at all other levels.

The Strategy seeks to direct and support the district in a consistent, cohesive and cooperative way. However, it is recognised that in the real world there are tensions between the desires of global, national, regional and inter-district water allocation, use and management. For example, our urban communities' well-being relies on a strong rural economy, but could suffer from long term environmental impacts of that rural land use.

The Strategy is also challenged at a district level by the need to take into account diverse and sometimes, opposing social, economic, cultural and environmental values for different communities in the District. Other challenges arise from the impacts of any one of the Five Waters on the others.

4 PROPOSED FIVE WATERS STRATEGY INITIATIVES

Council recognises that rapid improvements (0-3 years) can be made in some areas, while longer term gains (3+ years) can only be brought about after investigation and review – the "possible future". Initiatives for the possible future are identified for the urban areas serviced by community schemes and other areas that are not serviced by community schemes.

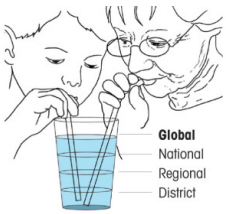
The initiatives are identified and graded to indicate priority. It is possible that an initiative may sit at several levels, e.g. global or national, and a decision has been made on the "best fit". Where any of the Five Waters may be affected, they are noted by abbreviation.

COMMUNITY SCHEMES		PRIVATE SCHEMES	
W	Water	WP	Private Water
WW	Wastewater	WWP	Onsite Wastewater
WR	Waterraces		
LD	Land Drainage	LDP	Onsite Drainage
SW	Stormwater	SWP	Onsite Stormwater
ALL	All Community Schemes	ALLP	All Private Schemes

All initiatives are indicated below as "Our… .. Strategy Initiative(s) and presented in total on the impact summary sheet. The proposed priority and how they will be addressed will be developed through the Activity Management Plan and Long Term Council Community Plan.

5 GLOBAL INITIATIVES

Global events may move faster than national and regional policy and legislation can currently adapt to. Legislative mechanisms in their current form are regarded as inflexible.



5.1 SUSTAINABILITY

The decision by SDC on 27th February 2008 to formally adopt seven sustainability principles was made after consideration of a number of factors including international concerns around climate fluctuations.

Principle 1:

Make decisions based on the four aspects of well-being

Principle 2:

Observe the Precautionary Principle to provide contingency and enable adaptability of our community

Principle 3:

Seek "intra-generational" and "inter-generational" equity

Principle 4:

Internalise environmental and social costs

Principle 5:

Foster community welfare

Principle 6:

Act to halt the decline of our indigenous biodiversity, and maintain and restore remaining ecosystems

Principle 7:

Consider, and promote the sustainability of our neighbouring communities and work with governing bodies for sustainable outcomes

The principles encompass the NZ Government's current commitment to the Kyoto Protocol, and Council's continuing advances in meeting Local Government legislation.

OUR SUSTAINABILITY STRATEGY INITIATIVE(S):

ALL ALLP	**SDC will** have regard to these principles when making any significant decision that affects changes to the installation, renewal, management and operation of the water infrastructure
ALL	**SDC will** monitor current and forecast fossil fuels prices and associate effects on its asset management and operation annually. It will identify effective and efficient opportunities to reduce usage and reliance on this energy source, and seek reliable and sustainable alternatives as they arise

5.2 CLIMATE CHANGE

There is international concern regarding the impact of climate fluctuations/effects. SDC sees the effects as:

- Local changes to climate that impact the availability of the water used for supply
- Changes to international demand for food products that are produced in Selwyn District that use water for production, and change the availability of the resource for community use

OUR CLIMATE CHANGE STRATEGY INITIATIVE(S):

ALL	**SDC will** proactively undertake studies to better quantify the potential impacts of climate change on demand and availability as it affects its District
ALL ALLP	**SDC will** minimise use of, and conserve energy, as far as practicable, while still meeting agreed Levels of Service. This will extend to all private services in time where a need is recognised
ALL	**SDC will** undertake to identify and reduce carbon emissions where a benefit is shown, through more efficient use of materials and services
W WW WR	**SDC will** establish, and where appropriate, implement demand strategies and water loss reduction programmes

5.3 DRINKING WATER STANDARDS

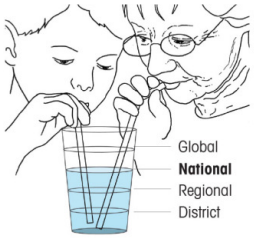
Drinking water quality standards in New Zealand have been adopted in line with World Health Organisation guidelines. The Standards acknowledge the mobility of waterborne diseases, and the potential impact of organisms that are "imported" into New Zealand.

OUR DRINKING WATER STRATEGY INITIATIVE(S):

W	**SDC will** regard with importance, the protection of groundwater and surface water quality that is delivered to its urban communities
WP	**SDC will**, with support from Regional and Ministry of Health officials, maintain and advise private users regarding drinking water health issues

6 NATIONAL INITIATIVES

National initiatives are generally developed and promoted by central Government. They can result from global issues which have been applied to the New Zealand environment, or ones which have been developed to meet the countries unique demands.



6.1 THE HEALTH (DRINKING WATER) AMENDMENT ACT 2007

The Act assigns obligations to SDC as a community water supplier to:

- Take all practicable steps to comply with the Drinking Water Standards
- Introduce and implement Public Health Risk Management Plans (PHRMPs) for the water supply

Specific obligations and timelines vary according to the population served by the supply.

OUR HEALTH (DRINKING WATER) ACT 2007 STRATEGY INITIATIVE(S):

ALL	**SDC will** work to achieve compliance through the implementation of PHRMPs and the planning of upgrades to water abstraction and treatment facilities

6.2 SUSTAINABLE WATER PROGRAMME OF ACTION (SWPOA) AND RESOURCE MANAGEMENT REFORMS

The Government has initiated a strategy to improve the management of fresh water, protect our freshwater resources into the future, and acknowledge the fundamental importance of water to all New Zealanders. The strategy focuses on three national outcomes for fresh water:

- Improve the quality and efficient use of fresh water by building and enhancing partnerships and providers e.g. SDC and rural and urban communities
- Improve the management of the undesirable effects of land use on water quality through increased national direction and partnerships with communities and resource users
- Provide for growing demands on water resources and encourage efficient water management through increased national direction, working with local government to identify options for supporting and enhancing local decision making, and developing best practice

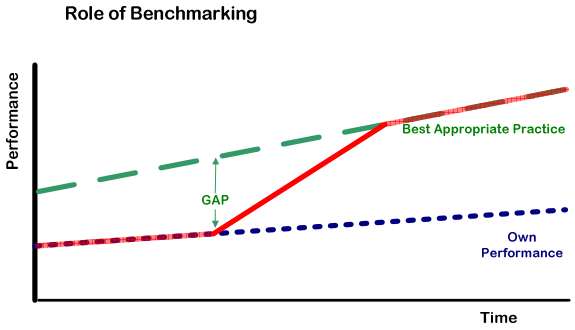
OUR SWPoA STRATEGY INITIATIVE(S)

ALL	**SDC will** engage with those parties undertaking the SWPoA to understand, apply and sustainably protect the interests of the urban community. This will include submission and representation by Council from time to time

6.3 BENCHMARKING PERFORMANCE

Benchmarking refers to the methodology and tools required to identify, measure and respond to key performance indicators of any particular water asset. Benchmarking can be undertaking to allow comparison with neighbours or other utility providers within New Zealand or overseas.

For example, how efficiently SDC is providing or using water could be compared with areas in Australia with a similar climate. Adaptable benchmarking is a key aid in identifying opportunities for improvement, learning "best practices", maintaining stimulus for continuous improvement, and measuring success in closing the gap.



OUR BENCHMARKING STRATEGY INITIATIVE(S):

ALL	**SDC will** proactively collect and analyse performance data to establish better comparable performance
W	**SDC will** collect water quality and water quantity data and present the data in a way that allows assessment of changes to upstream activities on its water supplies

6.4 SUPPLY SECURITY AND EMERGENCY PREPAREDNESS

Water supply is an essential service. The consequences of losing a water supply to a community can have catastrophic consequences. There are legislative requirements such as the Civil Defence Emergency Management (CDEM) Act 2002 that place obligations on SDC to protect the water quality and the continuity of supply to its customers. As well as water supply the effectiveness and resilience of the Wastewater, Waterraces, Land Drainage and Stormwater schemes contribute to the communities ability to manage through emergency events.

The CDEM was provided to:

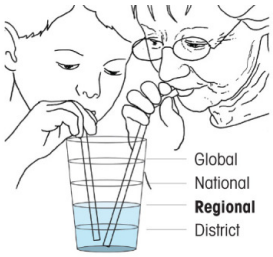
- Improve and promote the sustainable management of hazards to contribute to the well-being, the safety of the public and the protection of property
- Encourage and enable communities to achieve acceptable levels of risk by applying risk management
- Provide for planning and preparation for emergencies, and response and recovery in the event of an emergency
- Require local authorities to coordinate CDEM through regional groups
- Encourage the coordination of emergency management across emergency sectors

OUR EMERGENCY PREPAREDNESS INITIATIVE(S):

ALL	**SDC will** regularly participate in Lifelines processes
ALL	**SDC will** assess the consequences to the community if key components of water supply infrastructure were taken out of service
ALL	**SDC will** implement design standards and operational practices to minimise the risk of failing to deliver a safe continuous supply of water to communities
ALL	**SDC will** undertake risk management processes that comply with statutory requirements and in accordance with the Council's Asset Management Policy
ALL ALLP	**SDC will** develop and implement an emergency response plan that outlines inter-dependencies with other service providers, and responsibilities for restoration of supplies following hazard events
W WW WR	**SDC will** plan and provide new and upgraded water supply infrastructure to reduce the risks of interrupted or contaminated supply during hazard events

7 REGIONAL INITIATIVES

Regional initiatives are those which may have been developed as a result of global or national processes. Generally they focus on particular issues which affect the environmental quality in the particular geographic area.



7.1 NATIONAL ENVIRONMENTAL STANDARD FOR SOURCES OF HUMAN DRINKING WATER

The National Environmental Standard (NES) requires Regional Councils to ensure that effects on drinking water sources are considered in decisions on resource consents and regional plans. Specifically, Councils will be required to:

- Decline discharge or water permits that are likely to result in community drinking water becoming unsafe for human consumption following existing treatment
- Be satisfied that permitted activities in regional plans will not result in community drinking water supplies being unsafe for human consumption following existing treatment
- Place conditions on relevant resource consents requiring notification of drinking water suppliers if significant unintended events occur (e.g. spills) that may adversely affect sources of human drinking water

OUR NES STRATEGY INITIATIVE(S):

W	**SDC will** seek to ensure that ECan protects the interests of SDC when consenting water abstractions or discharges that can impact on its supplies

7.2 CANTERBURY REGIONAL POLICY STATEMENT (RPS) AND NATURAL RESOURCES REGIONAL PLAN (PNRRP)

The draft RPS and the proposed NRRP signal many changes to the way in which Council and the community will manage their activities and the environmental effects of those activities. The pNRRP recognised the significance of Te Waihora and other lowland ecosystems. Some pNRRP rules such as requiring sewage network utilities operator's licences and land drainage/stormwater discharge consents already have an effect, others require the plan to be operative.

OUR pNRRP STRATEGY INITIATIVE(S):

ALL *ALLP*	**SDC will** engage with the Regional Council at a political and technical level, to continue promotion of the issues brought by this document as they affect primarily, the Five Waters and secondly, private services
ALL	**SDC will** seek to deliver 100% compliance with all existing consents

7.3 REGIONAL WATER MANAGEMENT STRATEGY

The Canterbury Mayoral Forum has recognised the need for the development of a Regional Water Management Strategy and a greater degree of collaboration across the water management sector. Environment Canterbury are supporting of the Regional Water Management Strategy which will cover all water resources in the region and it is expected the outcomes of the Regional Water Management Strategy will be incorporated into Environment Canterbury's planning and regulatory regime.

OUR REGIONAL WATER MANAGEMENT STRATEGY INITIATIVE(S):

ALL ALLP	**SDC will** proactively give input into the preparation of this strategy to protect existing and future water abstraction requirements for its community schemes and private systems
ALL ALLP	**SDC will** demonstrate that future actions to develop and manage water supply consents and systems are consistent with its adopted sustainability principles

7.4 IRRIGATION SCHEMES

Current irrigation scheme proposals are indicative of the continued demand by farmers to extend irrigation within Selwyn District. The proposed schemes are likely to come from river sources – noting that groundwater is fully allocated. The schemes will involve river abstraction and storage.

OUR IRRIGATION SCHEME STRATEGY INITIATIVE(S):

ALL	**SDC will** be vigilant in the early planning phases of irrigation schemes and seek to ensure there is adequate protection of its water supplies from adverse effects, including declining water quality, significant changes to groundwater levels and adequate reservation of water allocation to provide for future community and private domestic use growth

7.5 URBAN DEVELOPMENT STRATEGY

The Greater Christchurch Urban Development Strategy (UDS) provides the basis for a collaborative approach to managing the pressures arising from growth. SDC is a partner to this strategy and has responsibilities to implement the Strategy.

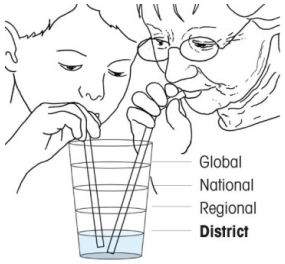
The responsibilities include provision of water, wastewater and stormwater infrastructure to the communities within Selwyn District and covered by the study area.

OUR UDS STRATEGY INITIATIVE(S):

ALL	**SDC will** take account of all its UDS Five Waters obligations including those it has direct responsibility to lead, as it continues planning and implementing the sustainable development and operation of those communities within the Metropolitan Urban Limits
ALL ALLP	**SDC will** control growth patterns via Regional and District plans to protect its Five Waters. It will review costs and cost recovery to ensure users pay directly

8 DISTRICT INITIATIVES

District initiatives are those which generally provide specific local solutions to locally recognised issues. These reflect the values of the people and the environment they live in. The district has a diversity of environments but generally there are similar issues across it. These are referred to as "communities of common interest".



8.1 COMMUNITY OUTCOMES

The Selwyn Community Plan 2006-2016 "LTCCP" contains the key Community Outcomes for each of the four well-beings. Many of these outcomes support or rely on management of the Five Waters:

- Air, land, water and general environment to be kept in a healthy condition
- A living environment where the rural theme of Selwyn is maintained
- Access to community and public health services
- Coordination of community/social services
- A safe living environment
- Educated Community
- Business-friendly environment
- Effective and accessible transport system
- An ability to experience cultural activities

In the revised AcMP, these outcomes have been linked directly with the four well-beings and the levels of service for each of the Five Waters. Integrated reporting against the contribution towards the achievement of the community outcomes and the four well-beings is included in the annual report.

The levels of service or service targets for each of the Five Waters are:

1 The community is provided with water services to a standard that protects their health and property
2 Customers are provided and fairly charged for water services that meet their reasonable needs
3 Nuisance effects of water services are minimised
4 Water services are provided in a cost effective manner
5 Problems with water services are addressed in a timely manner and prioritised according to risk and need
6 Service capacity is provided to accommodate growing communities, where this growth is sustainable
7 Adverse effects of water services on cultural and heritage values are minimised
8 Adverse effects of water services on the environment are minimised.
9 Greenhouse gas emissions from the provision of water services are minimised.

OUR COMMUNITY OUTCOMES INITIATIVE(S):

ALL	**SDC will** ensure Council's Five Waters policies and practices comply with statutory and best practice requirements
ALL	**SDC will** adopt a policy on the appropriate level of asset management and develop practices that deliver this policy

8.2 KAITIAKITANGA, TIKANGA

For Maori, linking the past, present and the future is an important concept of life. There is much value in learning from the past in planning for the future. Kaitiakitanga – safe guarding our future (guardianship) and Tikanga (protocols) are two powerful concepts embodied in Maori culture.

OUR MAORI INITIATIVE(S):

ALL	**SDC will** seek to understand and exercise the principles of Kaitiakitanga so those who follow can enjoy what we enjoy today
ALL	**SDC will** seek to establish the right Tikanga that will enable us to deliver water services in an integrated and sustainable way

8.3 INTEGRATION OF COMMUNITY WATER SUPPLY SCHEMES

There are currently 30 physically separate community water supply schemes within SDC. Many of these schemes service people who are within the same **Community of Interest**. Those scheme's "level of service" expectations are likely to be the same.

Changes to water treatment and wastewater disposal standards, operational costs, as well as service requirements arising from community growth, and the need for increased security of supply can mean that water sources, treatment plants and networks need to be reconfigured. Sometimes the complete or partial integration of schemes provides an optimal long term solution.

OUR INTEGRATION INITIATIVE(S):

ALL	**SDC will** regularly review the optimal provision of its community water services and provide for these changes in the Activity Management Plan and Strategy

8.4 ALLOCATION LIMITS

Groundwater allocation reports prepared in 2004 for Environment Canterbury provide technical and policy information to guide decisions on applications for resource consents for groundwater in highly allocated groundwater zones – including Selwyn District. However, there is currently no allocation, particularly in "red zones" for Community Drinking Water Supplies. Environment Canterbury have indicated future consideration of appropriate allocation for community drinking water supplies/community stockwater schemes.

OUR ALLOCATION INITIATIVE(S):

ALL	**SDC will** seek to secure future community water allocation

8.5 WATER DEMAND AND DEMAND MANAGEMENT, INCLUDING GROWTH

Per capita water demand in Selwyn is high compared to other communities in New Zealand. Undoubtedly, climate and free draining soils are contributing factors to high water use. Fully allocated water resources, community growth and increased operating costs will provide increased incentive to understand the reasons for this high demand and then to implement techniques to reduce it.

OUR WATER DEMAND MANAGEMENT INITIATIVE(S):

W WW WR	**SDC will** evaluate and implement appropriate demand management initiatives that contribute to future protection of water resources that are abstracted for supply to communities
W WW WR	**Recycling and Reuse**: **SDC will** undertake studies to understand the water use patterns in communities
ALL	**Conservation**: **SDC will** implement demand strategies and water loss reduction programmes with reference to the outcomes of these studies

8.6 AGEING INFRASTRUCTURE

The water supply infrastructure is comprised of above ground and below ground assets. The extent, capacity, age and condition of these assets is summarised within the Five Waters AcMP.

Replacement budgets are determined from current knowledge of assets and an understanding of their performance, criticality and their ability to deliver levels of service.

OUR AGEING INFRASTRUCTURE INITIATIVE(S):

ALL	**SDC will** undertake appropriate condition assessments of all services on a regular basis in accordance with Council's Asset Management Policy, and fund, via depreciation or other methods, for the services replacement

8.7 AFFORDABILITY AND PRICING

Current water supply charges are based on cost recovery within those water supply schemes. Charging systems vary between schemes; some pay according to use, and others pay fixed annual charges.

OUR AFFORDABILITY AND PRICING INITIATIVE(S):

ALL	**SDC will** review charging mechanisms with a view to ensuring that the charges fund the annual operating costs, and contribute to the depreciation or renewal costs of the service.
ALL	**SDC will** regularly review funding mechanisms (including user-pays, development contributions, metering, trade waste bylaw and charging)

8.8 TOURISM

Increased tourism in an area can have two significant impacts on water supply infrastructure:

- Increased demand on services without any supporting source of funding to provide the expanded services
- Elevated risk of transmitted waterborne disease into and out of the District; especially where tourists are in contact with untreated or partially treated water

OUR TOURISM INITIATIVE(S):

ALL	**SDC will** seek additional funding for any water supply upgrade or new installation that has demands placed on it by tourism
ALL	**SDC will** provide adequately treated water to facilities that are utilised by tourists and connected to the water supply network

8.9 UNSERVICED AREAS

The Local Government Act 2002 requires SDC to complete a Water and Sanitary Services Assessment that is reviewed from time to time. The first assessment was completed in 2005.
An integrated approach to Five Waters Management and Resource Management Planning as executed through the Selwyn District plan is essential. Improvements have resulted from that work as below.

OUR UNSERVICED INITIATIVE(S):

ALLP	**SDC will** continue to investigate and deliver options for improving the knowledge and management of private supplies
ALL	**SDC will** participate in the Ministry of Health Technical Advisory Programme to assist private suppliers to understand and manage the risks to their systems
ALLP	**SDC will** instigate a drinking water monitoring programme for those settlements not currently serviced by a council scheme
ALL	**SDC will** ensure infrastructure planning and district planning proceed in an effective integrated manner

8.10 STANDARDS - STORMWATER AND LAND DRAINAGE

Stormwater and Land Drainage is managed locally in accordance with agreed LoS for flood, stream and contaminant management, potential for significant local use as outlined in the AcMP.

Regionally and locally, low impact urban design including stormwater attenuation is being implemented, as it is becoming increasingly unacceptable to discharge stormwater directly into streams and rainwater drainage services. Integrated stormwater and land drainage planning should be supported where required, with all treatment and disposal separated from Council wastewater and private wastewater services. This can be assisted by design standards.

OUR STORMWATER AND LAND DRAINAGE INITIATIVE(S):

ALLP	**SDC will** implement integrated stormwater and land drainage planning where appropriate, and in accordance with its sustainability principles
ALL	**SDC will** apply low impact urban design principles in accordance with the District and Regional Plan, and local community consultation

9 MONITORING AND REVIEWING THE STRATEGY

This Strategy has been developed and will be kept current with the objectives of the community in mind. It covers a range of issues across the Five Waters with updates occurring at least every six years to match the review of Selwyn's community outcomes. An earlier review maybe necessitated by changes in national legislation or policy, or changes in policy or planning directives at the regional level.

As community expectations and the context of the strategy change, the strategy will be reviewed in part or in its entirety. While setting framework for the future, the strategy needs to be flexible and adaptable to circumstances as they occur. Where substantial changes are required, broad consultation will be undertaken; while focused consultation is regarded as appropriate for specific changes.

A framework to monitor the achievement of the initiatives identified in this strategy. Achievement towards the success of the Strategy will be monitored annually and reported in a summary format through the Annual Report.

OUR MONITORING AND REVIEWING INITIATIVE(S):

ALL ALLP	**SDC will** review this strategy every six years or earlier if necessitated by changes in the national or regional planning or regulatory regimes
ALL ALLP	**SDC will** establish a framework to implement initiatives within this strategy, and monitor and report on the achievement of these initiatives annually

REPORT

TO: Council

FOR: Council Meeting on 23 March 2022

FROM: Chief Executive & Group Manager Infrastructure

DATE: 14 March 2022

SUBJECT: **THREE WATERS UPDATE REPORT**

RECOMMENDATIONS

'That Council:

1. *receives this report;*

2. *reviews the forty-seven (47) recommendations of the Working Group on Representation, Governance and Accountability of New Water Services Entities to assess their potential impact on the delivery of three waters services across the Selwyn District;*

3. *reaffirms its views that the government has not yet communicated the need for, and benefit of, this reform to the Selwyn community;*

4. *requests staff continue to pursue outstanding information on rural / private schemes, charging regime, and development contribution commitment; and*

5. *does not join the Communities for Local Democracy Group, as Council wishes to positively influence the Transition Unit which it will be better able to do using its own voice.'*

PURPOSE

This report has been prepared to allow Council to further consider issues and options specific to the future of three waters service delivery across the Selwyn District from 1 July 2024.

In writing this report, it is acknowledged that a lot of questions have been asked by Council, but we have not received all of the specific answers that we are seeking.

The report references questions asked by Council, Council's previous stated position, and acknowledges the work of the Working Group on Representation, Governance and Accountability of New Water Services Entities (Working Group).

It is important that Council's decision is based on fact, not on perception.

BACKGROUND

Council's publicly-stated position on the three waters proposals is that it will not agree to transfer any water, wastewater or stormwater assets to any proposed new entity without undertaking a full engagement and feedback process with the Selwyn community. Since making this decision, the Government has moved to an all-in-approach. There is now no opportunity to be outside the currently proposed reforms.

At the outset we need to again remind the community that three waters is a government proposal – not a Council proposal.

OUR GENERAL OVERVIEW

The outcomes that Council is seeking from this reform are safe, affordable, environmental friendly water services for all Selwyn communities into the future. Some of the assumptions that we agreed on through the various strands of work that have been undertaken in recent months include:

- Our support for Taumata Arowai
- Acceptance of Te Mana o Te Wai being integral to the Selwyn Water Strategy
- Our acceptance that further investment is required in three waters services nationally, impacting on some TAs to a greater degree than others
- Iwi have an important role under Te Tiriti and acknowledged to Ngāi Tahu through their settlement agreement
- The avoidance of privitisation
- Support for ongoing environmental outcomes

Equally however, there are some things that remain of concern including:

- Our overall disappointment with the entire process
- The lack of communication from government to the community justifying the proposed change
- Difficulty in seeing any near-term benefits for Selwyn District residents
- An acknowledgement that costs are increasing and households can expect to pay more
- Current government rules monitoring and enforcement have not been up to an acceptable standard and this has contributed to the current situation
- Changes in water reform would have best been done as part of a wider future for local government piece rather than in isolation

It is incumbent on us that the Selwyn Water Strategy work that staff have made significant investment in is aligned with our future outcomes (noting this is subject to a separate discussion on today's agenda).

We acknowledge that the Working Group has addressed many concerns. Outside the terms of reference was the number and size of each entity. Why four entities has been proposed is a matter that has not yet been clearly answered.

RESPONSES TO COUNCIL QUESTIONS

In 1 October 2021, Council wrote to the Minister of Local Government outlining our response to the Government's proposed three waters reform. That letter contained a number of

unanswered questions which we have been awaiting response, and is *attached* as **Appendix A**.

On 7 March 2022 we received a response from the Department of Internal Affairs acknowledging our October 2021 letter and containing response to those questions that we had asked. A copy of that letter is *attached as* **Appendix B** to this report.

During discussion today we will consider those responses received, express our acceptance, or identify additional information that may be required.

MATTERS FOR FURTHER CONSIDERATION

The Government three waters proposal raises a significant number of important decisions for our community and Council as we assess what is best for the future of Selwyn District. This is not a simple discussion as evidenced by the bulk of commentary contained within, and attachments to this report.

1. Financial impact

Council's water assets are target-funded. Money collected for water is only spent on water. Post transfer, our assets value will reduce; our expenditure will reduce; and our rating income will also reduce.

Council's current net equity is $2.0bn. Transferring three waters assets will remove $713m (optimised depreciated replacement cost based on valuation at 30 June 2020) from our balance sheet. Most significant, is the impact of stranded overheads that are normally applied against these assets and will have to be absorbed by other rating activities. Conservatively we estimate the value of this to be in the vicinity of $2.4m in the initial year, albeit acknowledging this will diminish to around half that value over a longer period of time.

Whilst for individual properties this will mean a dramatic reduction in rates, especially if connected to both a water supply and reticulated wastewater system, a new charge will be introduced to each household from the new entity providing these services.

The manner of household charging has not yet been determined, although we would be hopeful that a volumetric charging system will be implemented over time to get everyone to where Selwyn currently is.

In July 2021, Council staff prepared some notes with graphical representation identifying cost impact between Council projections and WICS projections. These are *attached* to this report for reference as **Appendix C**.

2. Transition

The transition date of 1 July 2024 is looming fast and there is a lot of work to be completed by those engaged to undertake activities for the new entities. The transfer of assets is a complex exercise in itself, particularly as ownership parameters, condition assessments, and service agreements are unraveled and understood.

There will be a number of liabilities transferred which will require in-depth discussion, particularly where loans are currently funded in-house.

The matter of service agreements will need to be understood by the new entities and consideration given to how current contracts will be honoured. In the case of Selwyn we have a 10-year agreement in place with Corde and that company will have expectations that the terms of that agreement are honoured.

Consideration will need to be given to land-use arrangements, where for example, treatment plants which will automatically transfer to the new entity, operate on land owned by Councils.

The Transition does not recognise asset value, and as such, we need to ensure appropriate lease agreements are put in place for these situations.

Attached to this report as **Appendix D** is a copy of the proposed Transition Roadmap.

3. Resource impact

Of significant concern to Council management is the placement of resources into the new entity and the potential impact this will have on our (in fact all Councils) ability to complete our work programme through to 30 June 2024.

It is acknowledged that there is currently a significant shortage of resources across the three waters disciplines. Equally, we are aware of the Transition Unit's advice that all staff currently engaged principally in three waters services activities will be offered similar employment within the new entities.

It stands to reason however, that at some stage in the not too distant future that the new entities will be looking to engage resources to undertake those activities I have eluded to in the paragraphs immediately above. That will mean that staff will start exiting from the local government sector and joining the entities between now and 30 June 2024 in order that they are positioned to commence their new roles with purpose on 1 July 2024.

The number of Selwyn District Council staff affected in water services is 17 FTE, and in related support roles (asset management systems, infrastructure management, communications, finance, and property) is currently estimated at 6 FTE. A caveat on that is that figure is likely to be well understated without full assessment of the impact of overhead re-spread is completed.

With increasing water services standards, and greater compliance and monitoring by Taumata Arowai and Regional Councils, combined with loss of key staff this will represent a heightened risk of not meeting the required levels of service. Any failure in delivery of required outcomes may be viewed as confirming the unsuitability of local authorities to manage water services.

4. Development contributions

Of continued concern to the authors of this report is the lack of response that has been received from government agencies in respect to development contributions which are a significant matter for Selwyn District Council. Previous correspondence on this matter is *attached* to this report as **Appendix E**.

5. Private schemes and Taumata Arowai

We are aware of the time period by which private schemes will have to be identified / registered. What is not clear however is where the responsibility to bring those schemes up to minimum standard by the required date lies. Is it with the owner, the Council, or the entity?

Under the Water Services Act 2021 unregistered suppliers (most of private suppliers) have four years to register from date of assent and have seven years to provide a drinking water safety plan or comply with an acceptable solution option.

The Water Services Act (October 2021) was passed before the legislation establishing Water Services Entities has been introduced to the house. The Act contains provisions that place responsibility on local government which will logically need to pass to the new entities.

These include the requirement under the Local Government Act s125 to assess the access that each community has to drinking water services and if necessary, take action, but does not require a territorial authority to provide a reticulated supply.

6. Financial assumptions

The WICS material focuses heavily on financial benefit. The data shows that the costs for Selwyn households are continuing to lift quickly. This is true regardless of reform. By exactly how much depends on our commitment to capital investment programme and escalating operating costs factored against additional revenue from a growing rate base.

What we do know with certainty however is that you simply cannot forecast 30 years in advance with any degree of certainty whatsoever.

Under all scenarios, costs will increase – this will be primarily as a result of general inflationary pressures aligned with an ongoing raising of standards.

The Entity model D predicted that with reform, the projected household costs would be $1640 at 2051 compared with $4970 without reform. These are considered exaggerated when looking at our capital/renewal requirement over that period, but there should be savings from reform due to economies of scale, integrated asset management and systems, and staff expertise.

7. Iwi engagement

Council has been in discussions with fellow Canterbury Councils and Te Rūnanga o Ngāi Tahu in respect to potential future models, roles and responsibilities. We must emphasise upfront that Iwi have consistently stated they do not want any ownership of three waters assets. They hold rangitiratanga over their Takiwa and have a kaitiaki role. Co-governance outcomes are a national progression of decision-making under Te Tiriti o Waitangi.

Selwyn District Council has a very strong relationship with Te Taumutu Rūnanga (Taumutu) which we would very much like to continue on a wide-range of activities beyond just three waters. In acknowledging this relationship, we must ask ourselves what constitutes a genuine partnership. We would like to retain the ability to develop

and co-design solutions for the future and believe it is imperative that we work with government and mana whenua in achieving mana-enhancing outcomes.

The Selwyn Water Strategy and future focus of work will take a partnership approach and work with Te Mana o Te Wai.

Both parties are much richer as a result of relationships at present and it is important that we acknowledge this relationship in any decision that we make on the future of three waters.

MINISTERIAL COMMENT

It is widely accepted by all Councils that change must happen. The legislation around standards is already with us, and will put pressures on staffing and our expenditure programmes. The government is committed to the four entity model.

In her letter of 11 February 2022 the Minister for Local Government noted:

"However, I have not been presented with any alternatives that would deliver the range of objectives and ambitions we are seeking for all New Zealanders or do so in a way that could be applied across the country without resulting in large geographic differences in service delivery outcomes and cost.

For example, Standard and Poor's has advised that use of a CCO model would not achieve the financial independence and balance sheet separation that will enable water services entities to fund the significant capital investment programme needed to address the infrastructure deficit.

The challenges facing three waters in Aotearoa are complex and have been put in the too hard basket for 20 years at both national and local levels. I have watched with interest as councils have grappled with options for water management, and I am no longer prepared to let local politics get in the way of solving these issues."

GOVERNMENT SUPPORT PACKAGE

As part of the Government release of its intentions last year it provided details of the Three Water Reforms Support Package.

The total support package is $2.5bn and broken down to:

- $2 billion of funding to invest in the future of local government and community wellbeing, while also meeting priorities for government investment (the "better off" component)
- $500 million to ensure that no local authority is financially worse off as a direct result of the reform (the no "worse off" component)

In addition, there is a $296m contingency fund allocated in the 2021 budget.

Selwyn District Council's share of the "better off "component is $22.35m.

25% of the 'better-off' component will be made available from 1 July 2022 and we expect the funding application process to open soon. Council's share of that would be $5.59m.

Councils will need to engage with iwi/Māori in determining how to use their funding allocation. Funding will be available to:

- support communities to transition to a sustainable, low-emissions economy, including by building resilience to climate change and other hazards; and
- support the delivery of infrastructure and services that enable housing development and growth and/or support local placemaking and improvements in local wellbeing.

RISK TO COUNCIL

In making a decision on how to proceed on this matter, we must give thought to the potential risk to Council's ability to continue to maintain our three waters service for our community. This extends to legislative compliance (are we able to adequately invest in a system that operates to minimum standards), resourcing across our sector including contractors, and affordability on a long-term basis.

Earlier in the report it was noted that we must base decisions on fact not perception. A risk assessment will ensure that a factually based approach is recorded by Council. This will include highlighting to our community, those issues that we are satisfied with under the potential Government model, and those where we see there are currently gaps in the information which would expose us to risk.

We must be guided by work that is being undertaken by expert working groups on a range of issues who are taking a New Zealand-wide approach to three waters service delivery based around continuity of delivery, appropriate standards, and the health of our communities.

The key outstanding issues that remain for the authors of this report are:

- satisfaction levels around a local Selwyn voice at the governance table for any proposed entity;
- clarity around the cost associated with bringing rural / private schemes up to expected standard in order that our communities understand cost and process;
- the charging regime that will be applied our district for three waters services in order that realistic financial comparison can be made;
- clarity around development contribution commitment noting the significant sums that Selwyn District Council receive annually from developers, and the expectation that investment will be made in required services within a reasonable timeframe.

RECOMMENDATIONS FROM THE WORKING PARTY

The Working Party on Representation, Governance and Accountability of New Water Services Entities (the Working Party) recently released its report containing 47 recommendations.
A copy of that report is *attached* as **Appendix F**, with a list of the 47 recommendations, *attached* as **Appendix G**.

These recommendations were further discussed during the Zone 5 & 6 meeting on Monday 14 March 2022 with a request that all Councils consider these recommendations to understand how they will impact on our respective communities.

The salient point from this report is that these recommendations have been prepared to address concerns raised by the Local Government sector. We must consider these and form

a view as to whether they do or they do not. The outcome to that discussion will then be the basis for any decision that this Council may take.

COMMUNITIES FOR LOCAL DEMOCRACY

A number of Councils have elected to join this Group to challenge Government proposals. One of the outcomes from today's discussion will be whether we wish to go down that path or take a more measured view to understand outstanding issues firstly, and in doing so, reserve judgement as to whether membership of this Group would afford greater benefit to our communities than our own ability to respond to outstanding issues.

Council staff do not support joining Communities for Local Democracy for the following reasons:

- Council wants to positively influence the Transition Unit
- The Government have clearly stated their intention, and have the majority to make it happen
- Any result from the Group will not be dependant upon our participation
- Local Government is not the opposition of Government – but rather its role is to work within the law for the best outcome for Selwyn and our ratepayers
- Local Rūnanga do not support Selwyn joining the Group.

Whilst we acknowledge some Councils believe this group offers them benefits, we are focused on the unique Selwyn situation and the fact that using our own strong voice at the discussion table will ultimately provide greater benefit and outcomes for our communities.

We are committed to achieving outcomes that preserve our current strong position.

OPTIONS

The following options exist:

1. Receive the report and adopt the recommendations; or
2. Follow an alternative path.

David Ward
CHIEF EXECUTIVE

Murray Washington
GROUP MANAGER INFRASTRUCTURE

LIST OF APPENDICES

Appendix A	Letter to Minister Mahuta, dated 1 October 2021
Appendix B	Response from DIA incorporating answers to Council's questions
Appendix C	Analysis of three waters costs (cover email and chart)
Appendix D	Proposed Transition Roadmap
Appendix E	Email to Taumata Arowai Chief Executive regarding Development Contributions
Appendix F	Working Party on Representation, Governance and Accountability of New Water Services Entities Report containing recommendations
Appendix G	List of Working Party recommendations

APPENDIX A

1 October 2021

Hon Nanaia Mahuta
Minister of Local Government
Parliament Buildings
WELLINGTON

Tēnā koe Minister,

RESPONSE TO GOVERNMENT'S PROPOSED THREE WATERS REFORM

Selwyn District Council has spent considerable time discussing and analyzing Government's proposed three waters reform programme over many months. Our review is aimed at understanding Government's proposal for a national case for change, the implications of those changes for our community, and transition and future engagement requirements should the proposals proceed.

We are particularly interested in understanding where any perceived benefits may accrue to our respective communities over and above the cost and quality of service delivery currently provided for our three waters activities.

Council's Position

Council has held a number of meetings to receive staff reports and discuss Government's three waters proposals. We have also taken the opportunity to engage with representatives from both DIA and LGNZ on numerous occasions.

Council's publicly-stated position on the three waters proposals is that it will not agree to transfer any water, wastewater or stormwater assets to any proposed new entity without undertaking a full engagement and feedback process with the Selwyn community.

Council is currently seeking more information from Government on its three waters proposals. It is also committed to consulting with the community before the end of the year on these proposals. Along with other members of the Canterbury Mayoral Forum, we have called for a pause in the Government's reform process to enable those outstanding issues that we need to consult with our community on, to be formally addressed.

There are a significant number of unanswered questions that we have posed to Central Government officials. Until we receive definitive response to these, it will not be possible for us to consult with our communities in a meaningful way.

Council's three waters assets are clearly identified in our Significance Policy and to make decisions about their future ownership or operation without full community engagement could potentially mean we are in breach of our statutory obligations.

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The Selwyn Story

Water

Over the past ten years, Selwyn District has undertaken considerable work to improve all of our 27 water supplies to a high level of compliance. This has included a significant number of plant upgrades including risk based chlorination residual disinfection, filtration systems and UV disinfection. Consolidation of our schemes continues with 5 small schemes decommissioned and now served by larger schemes. We have structured our rating district-wide so that all consumers pay the same targeted access charge.

All of our urban schemes are fully metered (99.3%), and consumers are charged on a volumetric charge which is one of the lowest in the country at $0.60 per m3. This is a key part of our water demand strategy which has allowed Council to match the requirements as one of the fastest growing district in the country.

We have undertaken and submitted 20 water safety plans to the Canterbury District Health Board, and have one of only a few nationally approved WSP which is for the Hororata Rural water Supply scheme. The process of review /approval has appeared to have stalled with the District Health Board.

Wastewater

In 2013 we commissioned the Eastern Selwyn Sewerage Scheme which now serves six major communities with a Rolleston based treatment plant which discharges high-quality treated wastewater to land. Designed for a population equivalent of 60,000, plans are underway to upgrade to 120,000.

This will not only meet our growth demands for the future but will allow five more communities to join in the coming years. Two of those communities Darfield and Kirwee are possibly the largest communities in the country without reticulated sewage with a combined population of approximately 5,000 residents.

With the welcome assistance of the three waters stimulus funding ($10.66m), council has funded the construction of a 26.5km pipeline which will be commissioned in mid-2022 to meet development demand with progressive connection of the Darfield / Kirwee communities over the next 10 years.

Council Services and Delivery

Selwyn District Council manages three waters assets valued at $610 million on behalf of its community, categorized as follows:

<u>Drinking water</u>

- Asset value $202.3 million
- 1,356km of pipes
- 8.8 million m^3 of drinking water supplied to households annually

Wastewater

- Asset value $329.8 million
- 573km of pipes
- 3.4 million m^3 of wastewater treated annually

Stormwater

- Asset value $78.4 million
- 89 stormwater basins / wetlands

Independent assessments show that Selwyn's water services and costs compare very well with other districts. Some key facts:

- Low cost to ratepayers – volumetric charge for water per 200m3 is the lowest in Aotearoa.
- $882 – average total household rates paid for drinking and waste water in 2020.
- Good condition – some of the newest drinking and wastewater infrastructure in Aotearoa.

We set our work programme through the annual and long-term plans, which include consulting with the community. The work programme is funded by a mix of development contributions (payments made by developers to provide infrastructure) and rates.

In the past 10 years the Council has made significant investment in maintaining and upgrading these water assets – including more than $60 million in maintenance and upgrades in the past five years alone:

- $31.95 million in drinking water
- $28.86 million in wastewater
- $2.51 million in stormwater

We continue to plan and invest for future growth and improvements to our water services:

- $104 million – budgeted in the current Long-Term Plan for major three waters projects over the next 10 years.
- $440 million – forecast assets to be built by developers and vested to the Council for future management over the next 30 years.

Community Engagement

Council has taken an approach based around informing our community of what is being proposed, what the reform would mean for Selwyn, and identifying some of the matters that we are still seeking clarification on to allow both Council and our community to better understand what the future for Selwyn might look like in respect to three waters asset ownership and service delivery.

A copy of Council's information package is *attached* to this letter together with an analysis sheet prepared at high level from WICS figures. It is clear from community response received thus far that the potential loss of a local voice is a significant issue for our community.

Based on the information received so far, the community is overwhelmingly voicing its disapproval of the Government's proposals and wishes Council to continue three waters asset ownership and asset delivery.

There is concern about the impact of the reforms across our rural sector both in the loss of local knowledge, and the control on how water services are provided. This impacts particular on smaller contractors who not only employ local people, but who are often key sponsors for local events and activities.

The following feedback was received from one of our rural schemes:

"SDC has been doing a good job of building and maintaining our local water assets. Sometimes, the economic arguments of supply costs are less important than responsive supply and reliability. This applies especially to the farming community where water is critical for livestock welfare."

Currently, ratepayers have a direct link through elected members who are available to hear community views. The proposed governance structure will result in less connection to local decision makers, and therefore mean our community has less of a say in how three waters services are provided. The lack of connection to decision-makers, and the loss of a democratic say, was one of the key concerns raised by the community in the feedback that was received.

Financial Considerations

Over many years, the ratepayers of Selwyn have significantly invested, through their rates, funds to maintain and provide for replacement of three waters assets. In many instances there are reserve funds held for future investment in asset replacement. It is imperative to ensure that these funding pools are retained for use across the area from which funding has been received.

Currently ratepayers in Selwyn pay an average annual rate contribution per property of $1,190 for three waters services. The WICS proposal is that this increase to $3,480 in 2051 without reform, and to $1640 with reform. However, of concern is that financial comparisons are being made between costs of today against those which will be paid in 30 years' time. In addition the WICS analysis has made assumptions relating to future water standards being the same as European standards.

The Council estimates reflect the current standards. It is extremely difficult - indeed probably impossible - to accurately forecast any financial projection 30 years from now.

Selwyn has for a number of years been a very high growth district enhanced in no small way by the ability of developers to have a single point of contact in respect to infrastructure provision for their proposed development.

It is uncertain from the proposed model how that continued advantage will be afforded to developers in the future as it would appear as if conversations would be required with Council for roading and reserve development and the Entity for three waters development. This conversation may be with either the developer or with staff of the Entity.

Projections through the WICS model are that through balance sheet separation, and the removal of debt from local authority balance sheets, the sector will have greater ability to borrow and potentially at a cheaper rate. This is subjective on two counts: firstly any proposal by a local authority to borrow funds will be subject to the Annual Plan / Long Term Plan consultation process as there will be cost implications. Secondly; it fails to recognise the credit rating of a strong performing Council such as Selwyn which has maintained an AA+ Fitch Rating for the past three years. That rating in itself affords Selwyn significant borrowing cost advantage.

Contained within the Government projections are assumptions that project the new entities will achieve savings and efficiencies over the next 30-year period. This is heavily assumption based and focuses on a 30-year projection which is largely impossible to predict, but is very light on front-end savings.

We also acknowledge that there will be potential changes to standards for water quality and safety. There will be additional costs of compliance, but as we do not yet know what these standards will be, it is difficult to factor associated costs into the model.

Governance

Council is familiar with the proposed governance model, although it is still asking questions relating to the power of the local voice, and particular local decision-making for our respective communities – particularly in respect to the prioritisation of projects and maintenance activities.

Council notes the proposals for a Regional Representation Group and a variety of Working Groups who will provide advice to the Establishment Board. We also understand how the proposed Establishment Board will be appointed, and the number of appointees.

Councils will continue to retain ownership of the infrastructure transferred, through its equity ownership of Entity D. However, the level of equity investment will be influenced by debt that is both transferred to the new entity and which will be taken onto the balance sheet of the entity in response to Government's $1.5bn funding package. This will need to be appropriately accounted for and will require an equity adjustment on our balance sheet at 1 July 2024.

The proposed model however is extremely resource and finance-hungry and will potentially add significant time to decision-making processes. This is contrary to the current Local Government model which allows community requests (and Council proposals) to be subject to business cases, financial modelling and direct consultation with affected communities through Annual Plan / Long Term Plan processes.

Infrastructure Investment Funding

The financial model applicable to Selwyn District's residents, the current accumulated cost of that model to households, and more importantly, the future annual cost together with the drivers for that cost, have recently been discussed with the community through the Long Term Plan consultation process.

The cost of providing three waters services to the Selwyn community have been identified earlier in this paper along with future planned investment.

Selwyn is a very fast-growing district and we have invested heavily in our three waters assets. We have a successful development contribution funding model and an excellent communication and engagement process with the developers in our community.

There are significant outstanding questions in relation to the continuity of Development Contribution funding, firstly for projects which have already been constructed and are to be funded over a lengthy (20-30 year) period. Our question is in respect to the ability to continue to levy contributions for those projects, and whose responsibility collection will be.

The second part of this equation is in respect to levies which have been collected for future deliverable projects and the responsibility to ensure this action does take place. The Government has indicated that those funds raised will transfer to the new entities and will be ring-fenced to deliver the projects that the funds were raised for, but this still lacks clarity.

We believe there is an opportunity for Councils to hold Development Contribution money in Trust for the new Entity, thus protecting proposed investments in our local community on behalf of those developers who have paid money to Council for a specific purpose.

There have been projections contained within Government modelling proposals in regard to the future average property cost of three waters services. Noting again that it is extremely difficult to project with any degree of accuracy, 30 years in advance. The missing piece of that equation is the proposed funding methodology, for example, for water, will be this volumetric, property-value based or lump sum? Until this is understood, any attempt at comparison is impossible.

It is important, at least in the initial years, that the activity programme for any proposed Entity is directly aligned with the Long Term Plans of respective Councils – which have recently been consulted on and agreed to be respective communities.

Stormwater and Land Drainage Assets

The release of the Stormwater Working Report in the past weekend was too late for most Councils to add this into the current conversations. The report recommends that stormwater forms part of the three waters reform, largely due to concern over future investment and local staffing capacity/capability.

However the report notes that unbundling stormwater responsibilities is complex, will take time and requires much more future work. That work stream would include, regulatory and legal review, development of national standards and require interface agreements with a plethora of owners and agencies.

The complexity of stormwater (and for council water races and land drainage) would suggest that any initial transformation of the sector would be best served by a two waters approach.

Matters Requiring Further Consideration

As noted in the introductory paragraphs of this letter, Council's concerns centre on an increasing number of questions which are being raised within our community – and we have in turn raised these with Officials – for which there is no answer at this time. One of the key reasons that we asked for a pause in proceeding was to allow for consideration of these matters which are not just localized issues for Selwyn, but rather are of a national concern.

These matters are identified as follows:

- The impact on Local Authorities' ability to deliver its three waters services, particularly during the latter part of the transition timeframe (2023/2024 financial year in particular).
- How the local voice will be given effect in decision-making to ensure a current communication lines enjoyed by community members is not lost.
- How will climate change communities be handled? Will it drive investment decisions (or lack of investment)? Our example is Upper Selwyn Huts.
- Inter-Council equity is an issue with some Councils getting substantial balance sheet relief (and lower ratepayer debt burden) for similar amount of asset transfer.
- Councils will - on the reform timetable - have to provide water services through to July 2024. There is a strong risk to the sector of key staff being snapped up by new entities, Taumata Arowai, consultants and contractors.
- The impact of spatial planning, aligning with both Council's Long Term Plan and the investment prioritisation of Entity D.
- The depth of relationship between Entity D and Council.
- A detailed understanding of assumptions that are built into the WICS model and the deliverable timeframe against those assumptions.
- Understanding what new water standards will be to enable accurate costing to be completed.
- Consideration of the impact of stripping a significant part of the Council asset base (up to 40% for most Councils) from respective balance sheets, acknowledging financial impact on other activities through additional overhead allocation.
- The timeframe and process for the transition of assets.
- Clarity around the annual cost of three waters services to our communities. All the WICS model has done is identify stay in / opt-out cost of service provision. That is not the same as the revenue that will be received from property owners for service provision.
- Clarity around the responsibility for funding and maintaining rural supplies.
- The impact of stormwater proposals, acknowledging the view that the discussion paper has been released far too late in the process and has degrees of extreme complexity that simply add weight to the request to pause the discussion.
- Consider reverting to the initial position of two waters acknowledging the stormwater comments above.
- How will the partnership with manu whenua work?
- When will local communities get to have their say on the proposals?
- Further clarity around the blue / green boundary is required. This is the area where three waters infrastructure merges into reserve areas and will require an understanding of respective role and responsibilities at the point of connection.
- Has the DIA quantified the real transfer costs of consents and assets?
- Ensuring that reform creates a platform to attract, develop and retain talent and enhance local expertise.

- How is the reform going to add 6000 – 9,000 jobs in 30 years?
- An understanding of the planning framework to influence decisions.
- Potential for 'grandfathering' investment plans.
- An understanding of the due diligence process for transitioning to the new entity.
- The role of the economic regulator and the assurance that they will be providing to both Council and our local community.

Alternative Models

When Councils commenced discussions around alternate delivery models for three waters, we considered clusters of neighbouring Councils, then a Canterbury-wide model acknowledging current areas of interest and stakeholder / community areas of common ground.

Given the concerns that have been raised about Governments four entity proposal model and the unanswered questions in respect to the effectiveness of the proposed governance model, charging regimes, priority of projects and activities, it may be more prudent during the 'pause' request period to review these models, aligning them firstly against the WICS, and secondly against current Council projections.

If the outcome to alternative models, particularly Council cluster or regional models is not seen to be significantly worse-off than the Government proposal (which contains a significant number of unsubstantiated assumptions) and has cleaner lines of governance – most importantly preserving the local voice – then would that not be a better starting place for the sector?

Conclusion

Minister, Council thanks you for the opportunity to provide these thoughts. In summary, we are seeking a pause in the process to allow outstanding issues to be better understood by Councils, and thus being able to provide better information to the community to allow them to understand and formulate decisions on the future of three waters asset ownership and service delivery.

Given the significance of this decision for our nation, we believe pausing would be a more prudent cause for action, rather than heading into the unknown with a range of unanswered questions.

There is a significant amount of reform work being undertaken in the country at the moment which will have impact wider than just the local government sector. However, it is our view that progress on the Future for Local Government project should be prioritized as this will give greater clarity to the role and responsibility of local government should the three waters proposal proceed.

Yours sincerely,

Sam Broughton
Mayor Selwyn District

cc: threewaters@dia.govt.nz and feedback@lgnz.co.nz

Three Waters Reform – what's it about?

1 What's being proposed?

Last year the Government announced a proposal to change the way three waters services are managed across New Zealand.

What are the three waters?

Drinking water – safe, potable water supplied to households for drinking, personal and general household use

Wastewater – water from bathrooms, laundries etc that's taken away through the sewerage network for treatment and discharge

Stormwater – runoff from rainfall that's collected from roofs, roads and hard surfaces, piped away and discharged to the environment

For most households, these services are currently owned and operated by the 67 local councils. Privately-owned water supplies and schemes are not included in the reform proposals.

The Government is now proposing to transfer responsibility for these services into the hands of four new water services agencies or 'entities'.

Each entity would be owned by the councils in its area, and Iwi/Māori would also participate in the governance structure.

Selwyn would become part of Entity D which covers most of the South Island.

Each entity would be responsible for operating and maintaining the three waters networks, and would charge users for the services – in the same way that councils currently charge through a combination of rates and water charges.

The Government says the reform would save ratepayers money in the long term and would result in better quality and safer water services.

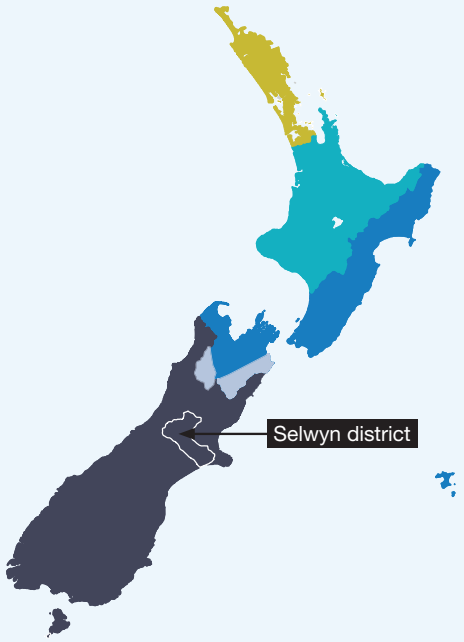
The new entities would also be responsible for meeting the water quality and safety standards set by the new water regulator, Taumata Arowai.

At this stage the Government says it will be optional for councils to be part of a new entity – they can opt in or out. But it has not ruled out making the new system compulsory.

The four entities

Assumed connected population 2020

Entity A	1,725,850
Entity B	799,610
Entity C	955,150
Entity D	864,350



Why – and why now?

The Government believes the current arrangements aren't sustainable for many councils and their communities around the country. Some of the reasons they have given include:

- Many councils have underspent on infrastructure in the past – this means they are left with old, unreliable infrastructure.
- These councils will face large costs to upgrade their infrastructure – which would be difficult for many smaller councils.
- Councils will also have to meet the rising future costs associated with water quality and safety, environmental standards, climate change and community expectations.

Responsibility for water services would transfer to new entities.

The reform proposals suggest that because of their size, the new entities would be better able to borrow the funds needed to invest in the necessary upgrades.

The Government also suggests the entities would be better able to meet Iwi/Māori aspirations, build resilience to natural hazards and climate change, and support growth.

selwyn.govt.nz/threewaters

Selwyn DISTRICT COUNCIL

2 What's the situation in Selwyn now?

The Council is responsible for planning, building, operating and maintaining the three waters services in the Selwyn district.

Here's a snapshot of what we provide for our residents:

$610.5 million
in total assets managed on behalf of the community

Drinking water	Wastewater	Stormwater
$202.3m	**$329.8m**	**$78.4m**

Drinking water

1,356 km pipes
8.8 million m³ of drinking water supplied to households
78% of Selwyn residents supplied by 30 public schemes

Wastewater

573 km pipes
3.4 million m³ wastewater treated

Stormwater

21 urban stormwater schemes
89 stormwater basins/wetlands

Independent assessments show that Selwyn's water services and costs compare very well with other districts. Some key facts:

· Low cost to ratepayers – volumetric charge for water per 200m³ is the lowest in Aotearoa*
· $882 – average total household rates paid for drinking and waste water in 2020*
· Good condition – some of the newest drinking and wastewater infrastructure in Aotearoa*.

Our water services are among the cheapest and newest in the country.

** Water New Zealand National Performance Report 2019/20*

The Council's role includes:

· assessing the network for improvements or work needed
· consulting with the community on plans and costs
· considering relevant legislation and standards
· planning and developing infrastructure for the district's growth.

We set our work programme through the annual and long-term plans, which include consulting with the community. The work programme is funded by a mix of development contributions (payments made by developers to provide infrastructure) and rates.

In the past 10 years the Council has made significant investment in maintaining and upgrading these water assets – including more than $60 million in maintenance and upgrades in the past five years alone:

· $31.95 million in drinking water
· $28.86 million in wastewater
· $2.51 million in stormwater

We continue to plan and invest for future growth and improvements to our water services:

· $104 million – budgeted in the current Long-Term Plan for major three waters projects over the next 10 years
· $440 million – forecast assets to be built by developers and vested to the Council for future management over the next 30 years

3 What would the reform mean for Selwyn?

The Government's reform proposals would mean significant changes for the Council and residents, in the way that water services are managed in Selwyn.

▶ Here's some of what we know so far:

Assets and operations

- Control of the Council's three waters infrastructure (all the pipes, pumps, treatment plants etc) would transfer to the new Entity D.
- Councils would retain ownership of this infrastructure, through the entity.
- The new entity would operate and maintain these assets, and charge residents for the services (at the moment these services are charged directly by the Council).
- The Council's water services staff would transfer to the new entity.

Future costs

- The Government is predicting that long-term costs to residents would be lower under the new entity, than under Council control – but we have not yet seen sufficient evidence to support this.
- Costs to users are expected to increase as a result of the demand for higher water quality standards.

Governance

- The new entity would be collectively owned by the councils in the entity area – which covers most of the South Island (corresponding to the Ngāi Tahu takiwā).
- The entity would be responsible for planning, funding, building, operating and maintaining all three waters services.
- Entities would be required to consult with communities on key planning decisions.
- Iwi would be invited to participate in the entities, but would not have an ownership role or right of veto.

But there's still a lot we don't know about the Government's proposals – we're asking for more information on key details, and for more time to understand the implications for our communities.

▶ Some key things we don't know yet:

Future costs

- The Government's projections assume that the new structures will generate savings and efficiencies over the next 30 years. However the information we've been given so far doesn't include any detailed analysis to back up these projections.
- Water quality and safety standards are likely to be tightened in the future – we don't yet know what those standards will be, and what extra costs there would be as a result.

Governance/local voice

- How much say will local communities have under the new structure? At present communities have a strong local voice through consultation on annual and long-term plans. How will that local voice be maintained?
- How will the new entity be accountable to our local communities?

There's a lot we don't know yet – we're asking for more information.

Planning for growth

- Selwyn continues to be one of the fastest-growing districts in the country – and we have been successful in coordinating the provision of water infrastructure with the district's growth and development. How will that coordination be maintained under the new structure?

What is the Council doing now?

Selwyn residents have told us that having access to safe, secure and high quality water services is a top priority. We want to make sure our communities continue to have that access – and that future services are to the same quality standards that they currently enjoy, or better.

There are too many unknowns right now for us to be able to make an informed decision on whether or not to support the Government's reform proposal.

We're committed to giving our residents a say in that decision – but first we need to know more. So we're asking for more information from Government – about things like:

- Future costs to our communities and how they've been calculated
- Ensuring continued access to services
- When will our communities get the opportunity to see the detail of the proposal – and have a say?
- How will our communities' local voice be safeguarded?
- How will the partnership with mana whenua work?
- Who will set the priorities for investment decisions?

We've also taken the lead in asking the Government to pause the reform process until more detail is available and other critical reforms are further down the track – including the reform of the wider local government sector, and of the Resource Management Act.

We're also working collaboratively work with the other councils in the proposed Entity D area, along with Ngāi Tahu, to better understand the potential impacts of the Government's reform proposals.

4 Timeline and next steps

Government engaging with local councils

We are currently in an eight-week engagement period with the Government, through to the end of September 2021. This stage is to seek more information so that we can better understand the proposal, and what it means for Selwyn. This isn't a decision-making period as the Government hasn't finalised the reform proposals.

At the end of this period, the Council will go back to the Government with questions and initial feedback.

Before any decision is made the Council will consult with the Selwyn community.

Public consultation – councils consult their communities

From October the Government will consider the next steps for the reform programme and a timeframe for decision-making, including public consultation with communities.

We will be making it clear in our feedback to the Government that we fully expect to consult with our community before we make any decision. At this stage, provided the Government keeps the option for councils to opt in or out of the proposals, we expect this consultation to take place later this year, probably in November.

We all want to know what happens next – and that's in the Government's hands.

Key dates

WE ARE HERE

July 2020	June 2021	Aug–Sept 2021	Oct–Nov 2021	December 2021	January 2022 to June 2024	1 July 2024
Government launches three waters reform programme	Government announces proposal to create four water entities	Engagement with local councils	Government to decide on next steps and final proposals and councils to conduct public consultation	Councils to decide if they are opting in or out of the proposal	Transition phase	Entities fully operational

For more information

- Department of Internal Affairs www.dia.govt.nz/Three-Waters-Reform-Programme
- Selwyn District Council: www.selwyn.govt.nz/threewaters

FINANCIAL ANALYSIS SUMMARY OF PROPOSED THREE WATERS REFORMS

Notes:
- *For ease of comparison, all the information in this summary is based on 2021/22 prices and excludes GST*
- *The information in this summary has not yet been subject to peer review (it may contain errors)*

WHAT IS THE VALUE OF SDCs THREE WATER ASSETS?

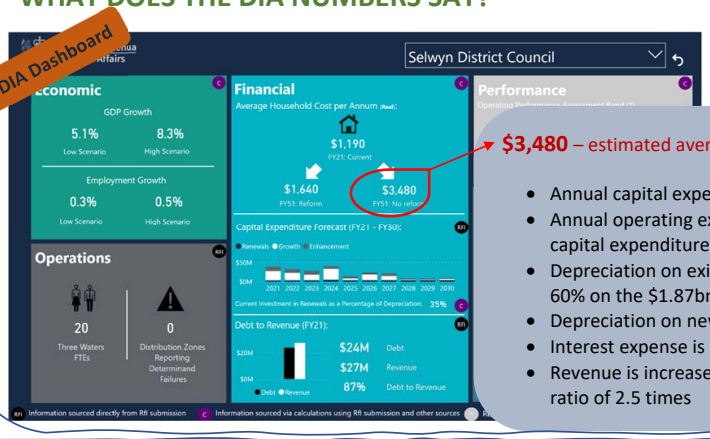
SDC THREE WATERS ASSET VALUATION

$610.5m

(as at 30 June 2020)

Water supply $202.3m
Waster water $329.8m
Stormwater $78.4m

WHAT DOES THE DIA NUMBERS SAY?



$3,480 – estimated average cost per household in 2051

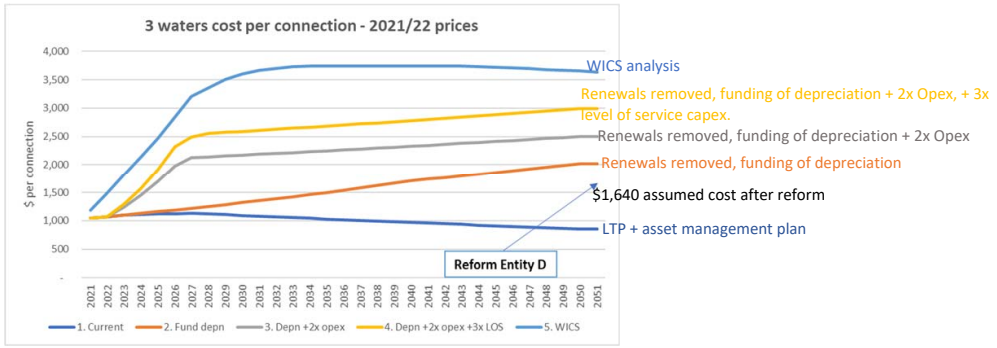
- Annual capital expenditure for 30 years of $62m per year ($1.87bn)
- Annual operating expenditure increases proportionately with growth, plus 3% of the new capital expenditure
- Depreciation on existing assets and new assets is fully funded – with the assumption that 60% on the $1.87bn capital expenditure will have an asset life averaging 30 years
- Depreciation on new assets has been reflected is a cash outflow In their model
- Interest expense is at 3.5%pa
- Revenue is increased to ensure the three waters activity stays within a debt to revenue ratio of 2.5 times

HOW DOES THIS COMPARE TO SDC ANALYSIS?

DIA / WICS COST PER CONNECTION SIGNIFICANTLY HIGHER THAN SDCs MOST CONSERVATIVE ASSUMPTIONS

	Selwyn Modelled					
30 Year Summary ($Ms)	*1. Current*	*2. Fund Depn*	*3. Fund Depn + 2x Opex*	*4. Fund Depn + 2x Opex + 3x LoS Capex*	*5. DIA / WICS*	Difference (WICS to 4.)
Ratepayer Revenue	867.2	1,399.4	1,943.7	2,304.6	3,230.1	925.5
Opex	540.9	540.9	1,081.8	1,081.8	1,691.9	(610.1)
Depreciation	NA	647.9	647.9	745.8	1,213.1	(467.3)
Renewals	140.2	NA	NA	NA	NA	NA
Capex - level of service	109.3	109.3	109.3	327.9	1,650.6	(1,322.7)
Capex - Growth	168.5	168.5	168.5	168.5	216.9	(48.4)
Vested Assets	440.6	440.6	440.6	440.6	NA	NA

Growth is not funded by ratepayers. DIA/WICS have assumed 70% of gross costs are met by households
It is not clear how DIA/WICS has addressed vested assets – this makes up is a large part of Selwyn's asset base
Information on the new entity is not yet available.



WHAT ARE SDCs BORROWING LEVELS?

Forecast Borrowings $Ms	*June 2021*	*June 2022*	*June 2023*	*June 2024*
External	21.5	49.9	66.3	87.3
Internal	20.4	14.2	15.7	32.6
Total	**41.9**	**64.1**	**82.0**	**119.9**

DIA has indicated that 'associated debt' will be transferred to the new entity along with the assets.

'Associated debt' has not yet been dearly defined, but councils typically hold a mix of external loans directly borrowed for a specific purpose, loans borrowed as part of a loans pool and allocated to projects, internal loans utilising balances from other activities, rate account balances and special fund balances.

The definition of 'associated debt' is therefore important.

WHAT OVERHEAD COSTS BECOME STRANDED?

	$3.4m	Councils apportion the cost of their support costs - IT, finance, people and capability, communications, customer services, asset management etc. - to their front-line activities.
less	**$1.3m**	Directly attributable costs that will transfer to the new water entity
=	**$2.1m**	Estimated costs that are 'stranded'. Initially these costs will be apportioned to other activities and will continue to be funded by ratepayers. It is not easy to make savings of this magnitude in the short term, but it is possible over the longer term, particularly for a growth council.

APPENDIX B

Te Tari Taiwhenua
Internal Affairs

45 Pipitea Street
Wellington
Phone 0800 25 78 87
dia.govt.nz

7 March 2022

Selwyn District Council Chief Executive
david.ward@selwyn.govt.nz

Tēnā koe,

This letter is to thank you for your council's feedback on the Three Waters Reform proposals, update you where feedback has resulted in changes to the Government's proposals, and answer your council's specific questions.

In October 2021, the Department, LGNZ and Taituarā published a detailed summary of the feedback received during the eight-week engagement period. This feedback has been valuable and continues to influence the shape of the three waters reform. The detailed summary is available alongside all council submissions on the Department's website here: Council feedback submissions

As you will be aware, following the October feedback there have been some significant changes to the reform process and proposals. We can now provide further detail on some of the areas that have been influenced by council feedback.

Refinements to the Representation, Governance and Accountability proposals

The largest area of feedback related to the representation, governance and accountability of the new entities. In response to feedback received through last year's eight-week period, the Government made a number of changes to the original proposal. In summary, these are:

- greater flexibility for each regional representative group to determine its own arrangements through a constitution – this differs from the original proposal, which required a number of matters to be hard-wired in primary legislation providing limited room for flexibility;
- board appointments and removals to be made by a sub-committee of the regional representative group – the original proposal was for these powers to be exercised by an arms-length 'independent selection panel' which has now been removed;
- direct accountability for duties imposed on the board to the regional representative group – members may be removed for failure to carry out these duties;
- the board is required to give effect to the statement of strategic and performance expectations issued by the regional representative group – this is a stronger provision than originally proposed and enables the group to have more direct influence over the entity's strategic direction.

These refinements are set out in an exposure draft of the proposed legislation that was provided to the Working Group on Representation, Governance and Accountability for further consideration. The exposure draft also sets out the proposed ownership provisions for the new entities and protections against privatisation.

Working Groups established to consider the top three areas of feedback

Alongside the above changes, the Government also established the Working Group on Representation, Governance, Representation and Accountability comprised of representatives from local government and iwi leaders. This Group is assessing these aspects of the proposals, including the new proposals in the exposure draft, and will shortly provide a report to the Minister of Local Government for consideration.

Since its establishment last year, the Working Group has assessed a range of options for reform, including looking back at the alternatives to reform such as alternate funding arrangements.

The Minister of Local Government and Cabinet will consider the Working Group's recommendations with any changes being reflected in the Water Services Entities Bill. The Working Group's report will be available on the Department's website once it is presented to the Minister: three waters reform programme working groups - dia.govt.nz

Informed by your feedback, the Government has also established two technical working groups to consider the other areas that received the most detailed feedback. A Planning Technical Working Group will consider questions relating to the interface between the Three Waters Reforms, Resource Management and planning system, and the Rural Supplies Technical Working Group is considering the interface with rural schemes.

You can find out more about these working groups, including their Terms of Reference and papers on the above Working Group webpage.

Indicative legislative timing

Legislation remains on track and expected to be introduced in several phases. The first bill is expected to be introduced by mid-2022, following consideration of the recommendations from the Representation, Governance and Accountability Working Group. This bill will contain the ownership, governance and accountability arrangements for the entities, and the primary relationships between entities and territorial authorities, mana whenua and the Crown.

A second bill is expected in late-2022 informed by the findings of the Planning Interface and Rural Supplies technical working groups. This legislation will provide for the detailed operational duties, functions and powers of the entities including for how they will participate in and give effect to plans.

Separate legislation will be required to provide for economic and consumer protection regulation, for which policy advice is being led by the Ministry of Business, Innovation and Employment. More on this process can be found here: https://www.mbie.govt.nz/have-your-say/economic-regulation-and-consumer-protection-for-three-waters/

Receiving updates from the Department of Internal Affairs

The Department will continue its ongoing communications and engagement on the Three Waters Reforms. This will include keeping councils and iwi updated on the progress of the legislation and the work of the National Transition Unit.

As councils, we know you have an important role in representing the views of your communities. If you have not been receiving the Department's regular updates on the reforms, please check your subscription here: Get the latest updates from Three Waters. We encourage you to ensure your staff are registered for these updates as well.

Detailed questions from your council

In addition to the consistent areas of feedback, your council asked some more detailed questions. We acknowledge that many councils have been awaiting responses to these questions. The Department received more than 400 questions from councils. The below table provides the Department's response to these specific questions. The Department will continue to refresh the frequently answered questions on our website as further information becomes available. These can be found at https://www.dia.govt.nz/three-waters-reform-programme-frequently-asked-questions

Ngā mihi,

Nick Davis

Acting Executive Director, Three Waters Reform Programme

Question	DIA response
The impact on Local Authorities' ability to deliver its three waters services, particularly during the latter part of the transition timeframe (2023/2024 financial year in particular). Councils will -on the reform timetable -have to provide water services through to July 2024. There is a strong risk to the sector of key staff being snapped up by new entities, Taumata Arowai, consultants and contractors.	A smooth transition process and support for staff is a priority for the National Transition Unit, and that includes ensuring councils are not heavily impacted by the loss of staff at crucial times. A Staff Transition Plan which sets out the approach will be developed for feedback from those affected by this change. Staff whose work is primarily transferred to the water services entities will be guaranteed roles in the same or a similar location. The Department is conscious that a number of councils are concerned about maintenance of business-as-usual through the transition period. The National Transition Unit is engaging with council chief executives on how these risks can be mitigated, and how councils can best be supported through the transition.
How the local voice will be given effect in decision-making to ensure a current communication lines enjoyed by community members is not lost	Communities will have many mechanisms to be involved in the central decision making of the water services entities. The entities will be required to consult on their asset management plans and their funding and pricing plans, to make those final plans public and to publish a report outlining how community and consumer feedback was taken into account.

	Each entity will be required to create at least one consumer forum, which will assist with effective consumer engagement and help to reflect those views into the entity decision making. In addition, the water services entities will be required to undertake a stocktake once a year to ensure their consumer engagement is effective. The Working Group on Governance, Representation and Accountability is also considering the role of the Regional Representatives Group and how to improve representation and accountability to communities. For further detail on the current proposals, please see the exposure draft of the Water Services Entities Bill. In schedule 3, sections 6, 7, 8, 9, 10, 11 and 176 draft cover the engagement requirements for the asset management plan, sections 12, 13, 14, 15, 16, 17 and 176 cover the engagement requirements for the funding and financing plan, and sections 18, 19, 20, 21, 22, 23 and 176 cover the engagement requirements for the infrastructure strategy.
How will climate change communities be handled? Will it drive investment decisions (or lack of investment)? Our example is Upper Selwyn Huts.	One of the objectives of the water services entities, as provided for in the Water Services Entities Bill, is to "deliver water services in a sustainable and resilient manner that seeks to mitigate the effects of climate change and natural hazards". The water services entities will give effect to their objectives when carrying out their functions, including through assessing investment decisions. In addition, a Government Policy Statement could be used to direct the water services entities at a strategic level to focus on climate change mitigation and adaptation.
The impact of spatial planning, aligning with both Council's Long Term Plan and the investment prioritisation of Entity D.	As noted in the body of this letter, the Government has established the Planning Technical Working Group as a result of council feedback and questions relating to the interface between the Three Waters Reforms, Resource Management Reforms and the future planning system. Local government will continue to have primary accountability for urban and land use planning. Water services entities will be expected to be active participants in planning processes led by local government, including by participating in the development and implementation of plans, and ensuring that the development of plans is informed by a full understanding of the cost associated with water infrastructure needed to support housing and urban development. The water services entities will be required to identify and make provision for infrastructure to support growth and development identified in relevant plans.

	Furthermore, Water Services Entities will be accountable through their regional representative group. Priorities for service provision will be signalled by regional representative groups and through district and spatial plans. In delivering on these priorities, water services entities will have greater access to funding and greater capability and capacity to invest in community priorities than individual councils. Quality standards, such as service levels, will be determined and enforced by the regulator(s). The Working Group on Governance, Representation and Accountability, referenced in the body of this letter, will consider how accountability can be enhanced.
The depth of relationship between Entity D and Council.	As noted in the body of this letter, the Government has established the Working Group on Representation, Governance and Accountability as a result of council feedback and questions relating to this aspect of the Three Waters Reforms. In response to feedback received through this eight-week period, the Government has already made a number of changes to the proposed oversight and governance structure for the new water services entities. These are set out in the exposure draft of proposed legislation and include greater flexibility for each regional representative group to determine its own arrangements through a constitution. This exposure draft has been provided to the Working Group for consideration and is available at the above link. The exposure draft makes it clear that regional representative groups may choose to include representatives from every council in their service delivery area. In addition, the changes allow for board appointments and removals to be made by a committee of the regional representative group rather than by an arms-length 'independent selection panel. We have also clarified that water services entities boards are directly accountable to the regional representative group.
A detailed understanding of assumptions that are built into the WICS model and the deliverable timeframe against those assumptions.	There are a large number of assumptions that underpinned the WICS modelling. These can be found here: https://www.dia.govt.nz/three-waters-reform-programme-national-evidence-base#wics-final-report The detailed models and explanatory slidepacks for Selwyn District and Entity D can be found here: https://www.dia.govt.nz/Three-Waters-Reform-Individual-council-models-and-slidepacks

Understanding what new water standards will be to enable accurate costing to be completed.	While the Water Services Regulator Act 2020 created Taumata Arowai, the new water services regulator, it did not change water standards, though it does provide for them to be reviewed from time to time by Taumata Arowai to ensure that they remain fit for purpose. The focus of Taumata Arowai is to more consistently regulate water standards, to ensure all New Zealanders are receiving safe drinking water, and to improve environmental protection. The current review of standards underway by Taumata Arowai is to separate drinking water rules and aesthetic values out of the standard to make the standard clearer. Submissions on the proposed changes can be made to Taumata Arowai before 28 March 2022. Consultation | Taumata Arowai
Consideration of the impact of stripping a significant part of the Council asset base (up to 40% for most Councils) from respective balance sheets, acknowledging financial impact on other activities through additional overhead allocation.	The majority of councils are expected to benefit as a result of the transfer of debt, assets and revenue. For the small number of councils that might be adversely financially impacted by the debt and revenue transfer, the Government has agreed to a "no worse off" funding package that would address any adverse financial impacts. The "no worse off" funding also makes provision for a financial contribution to address stranded overhead costs. Further detail on the "no worse off" package and the process by which that funding is administered is intended to be released in Q2 of 2022.
The timeframe and process for the transition of assets.	The National Transition Unit (NTU) section on the Department's website - https://www.dia.govt.nz/national-transition-unit-three-waters-reform-programme will be regularly updated with the latest information on the detail of the transition work programme. Other avenues for staying up to date with timeframes on discovery, working groups and other transition progress will include Local Transition Teams and a Council Interface Manager for each entity.
Clarity around the annual cost of three waters services to our communities. All the WICS model has done is identify stay in/ opt-out cost of service provision. That is not the same as the revenue that will be received from property owners for service provision.	The WICS modelling considered the average household cost of delivering these services. This information evidences that these services will be more affordable for all communities under reform. Councils currently take differing approaches to funding, financing and pricing and charging for water services. No decisions have been made yet on pricing in 2024. Further work is required through the transition process to determine what initial pricing will be. Initial decisions on the approach to pricing and charging will be made by Cabinet in mid-2022 and further decisions will be made as we obtain more pricing information from councils.

Clarity around the responsibility for funding and maintaining rural supplies.	As noted in the body of this letter, the Government has established the Rural Supplies Technical Working Group as a result of council feedback and questions relating to the interface the reforms and rural schemes. You can find out more about this working group and other working groups established as a result of council feedback here: Three waters reform programme working groups - dia.govt.nz. The work of the Working Group will include consideration of the special characteristics of rural schemes and of how water services entities should relate to these schemes and their communities.
The impact of stormwater proposals, acknowledging the view that the discussion paper has been released far too late in the process and has degrees of extreme complexity that simply add weight to the request to pause the discussion. Consider reverting to the initial position of two waters acknowledging the stormwater comments above.	There is a dedicated stormwater team set up across the policy team and the National Transition Unit which is developing the future stormwater system. There is a Stormwater Reference Group is being set up with representatives from territorial authority staff from each of the four entities, Taumata Arowai, and regional councils. Additionally, two technical working groups are being set up, one from territorial authority stormwater technical staff (including from roading and parks teams) and one made up of regional council and unitary authority staff working in stormwater and flood management. These groups will work through the detail of transferring stormwater responsibilities to water services entities and what is retained by local government. This work includes consideration of operational and planning interfaces between entities and councils, and the legislative and operational mechanisms and tools needed to ensure effective operation across these interfaces. While we acknowledge that these reforms are complex, they are also extremely important and any delay in reform will not alter the case for change. A pause of momentum in the reform programme now would risk substantial or indefinite delay, given the political and planning cycles, and would delay the realisation of critical benefits for communities.
How will the partnership with mana whenua work?	The reforms propose a step change in the strategic influence of iwi/Māori. You can read more about these proposed mechanisms to address Treaty of Waitangi rights and interests in the attached link https://www.dia.govt.nz/three-waters-reform-programme-iwi-maori-interests. We expect the Working Group on Governance will also make further recommendations in this area.

When will local communities get to have their say on the proposals?	In October 2021, following an extensive policy process that considered a broad range of options, the Government decided to progress with reform on a legislated "all in" basis. The Department has undertaken continuous and ongoing engagement with iwi and local government throughout the reform programme. We also understand that councils, through our extensive engagement with you, have also represented views of your communities. As the reforms progress this will require multiple pieces of legislation which will enable the wider public to consider and submit their views on the reforms through the Select Committee process. The Department will continue to provide factual information on the case for reform and reform proposals. Additional material will be made available to support well-informed submissions on the Bill, following its introduction.
Further clarity around the blue / green boundary is required. This is the area where three waters infrastructure merges into reserve areas and will require an understanding of respective role and responsibilities at the point of connection.	To guide the transfer of stormwater assets, infrastructure, and land to the water services entities, the Stormwater Technical Working Group identified a framework based on the predominant use and criticality for effective functioning of the stormwater system. If the function of the asset, infrastructure, or land has stormwater as a predominant use, and is critical to the function of the stormwater system, then it would transfer to the proposed water service entity. If the predominant use of an asset, infrastructure, or land is not stormwater (such as a park or a road drainage system) then it will not be transferred. However, where an asset, infrastructure, or land is critical to the function of the stormwater system then the proposed water services entity and current owner/operator must establish an agreement to manage the interface between the respective stormwater functions, and other function of that asset, infrastructure, or land. The report is now available on the three waters reform programme website. https://www.dia.govt.nz/Three-Waters-Reform-Programme. There are some amenity areas that form part of the stormwater system (e.g., retention ponds) which need to be maintained to manage the performance of the stormwater system, particularly the quality and quantity of water flow. These amenity areas often provide a water quality treatment function from filtration through vegetation which requires specific technical maintenance. If the predominant and critical function of these amenity areas is for stormwater, they should transfer to the water services entities. If the amenity area only serves a critical stormwater function (e.g., it floods only in heavy rainfall or flood events) then it should remain with the territorial or unitary authority and interface agreements would be required to manage the performance of the storm water system.

	A Stormwater Reference Group being set up with representatives from territorial authority staff from each of the four entities, Taumata Arowai, and regional councils. Additionally, two technical working groups are being set up, one from territorial authority stormwater technical staff (including from roading and parks teams) and one made up of regional council and unitary authority staff working in stormwater and flood management. These groups will work through the detail of transferring stormwater responsibilities to water services entities and what is retained by local government.
Has the DIA quantified the real transfer costs of consents and assets?	Budget 2021 included a tagged contingency for $296 million to fund the establishment of the new water services entities and the transfer of assets, liabilities, employees and services from local authorities to those entities. This amount represents officials' best estimate of the operating costs associated with the establishment and transition. There is also an allocation of up to around $500 million to ensure that no local authority is in a materially worse position financially to provide services to its community as a direct result of the reform.
Ensuring that reform creates a platform to attract, develop and retain talent and enhance local expertise?	The People and Workforce workstream within the National Transition Unit is responsible for workforce planning and is currently conducting an information gathering exercise with councils to allow detailed modelling and planning to be undertaken. A large proportion of roles are expected to be filled through transfer of existing staff (where a person's current work is transferred to the new entity). Other roles will be created in the entities to ensure that all work required is staffed, including at management levels. Staff and councils will be offered opportunities to participate in the design of roles and structure. A workforce development strategy is under development to strengthen training and development pathways and attract new staff to the water industry.

APPENDIX C

Naomi Smith

Subject: Analysis of future 3 waters costs
Attachments: 3 waters cost per connection chart.docx

From: Greg Bell
Sent: Wednesday, 14 July 2021 3:01 PM
Subject: Analysis of future 3 waters costs

Hi all
I have prepared an analysis of possible costs per connection for comparison with the WICS estimates. I have based it on the 30 year AMP, combined for the three activities, added support costs and modelled depreciation, interest, inflation and rate increases required to keep the account in good shape.

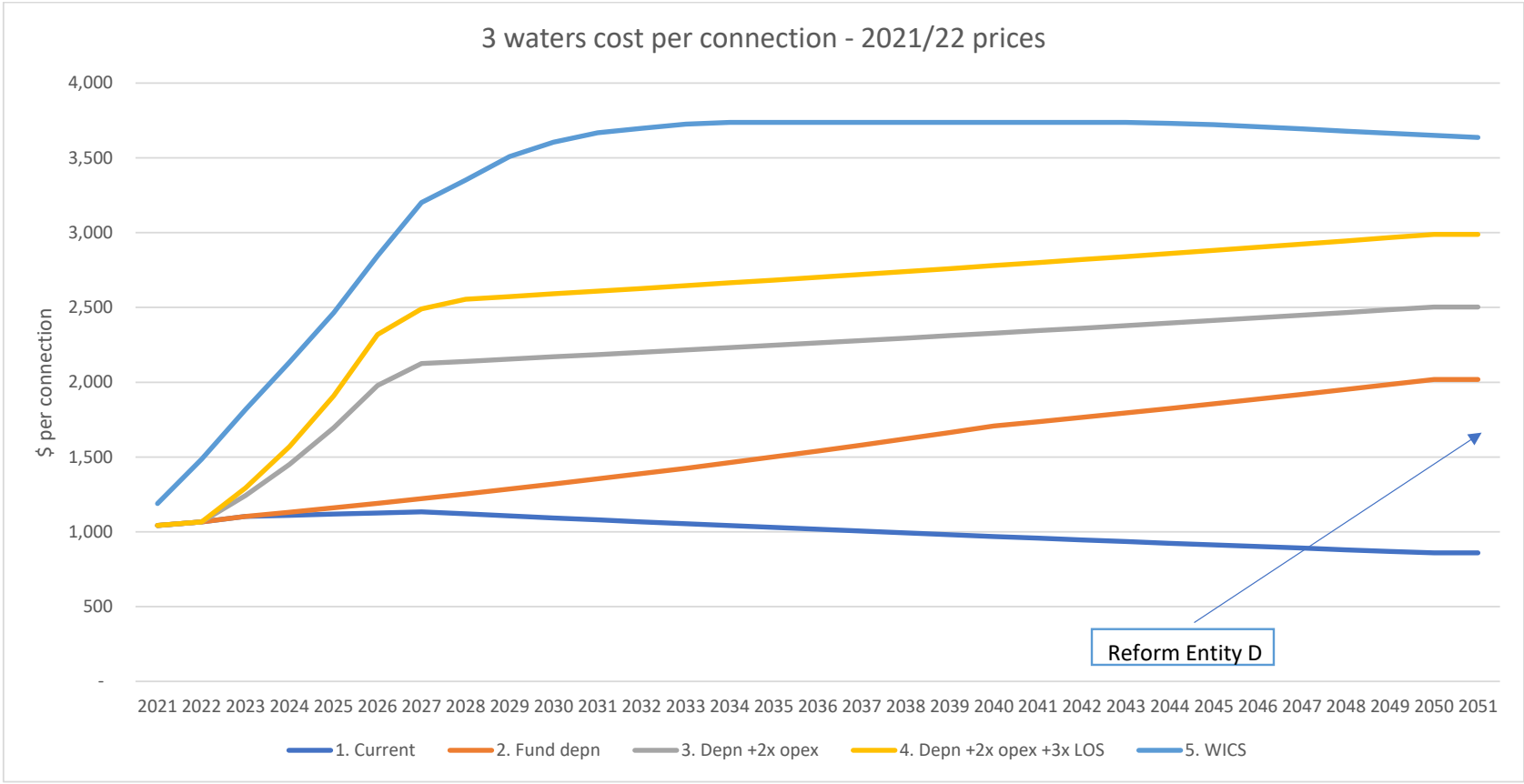
The attached chart shows cost per ratepayer/connection over 30 years in current day prices:

- Current AMP with average renewals funding
- Current AMP with full depreciation funding
- Current AMP with full depreciation plus double operating costs
- Current AMP with full depreciation plus double operating costs plus three times the current LOS capex
- The WICS model for Selwyn without reform
- The end point for the WICS estimate for new Entity D

I have excluded growth related capex (to be funded from development contributions).

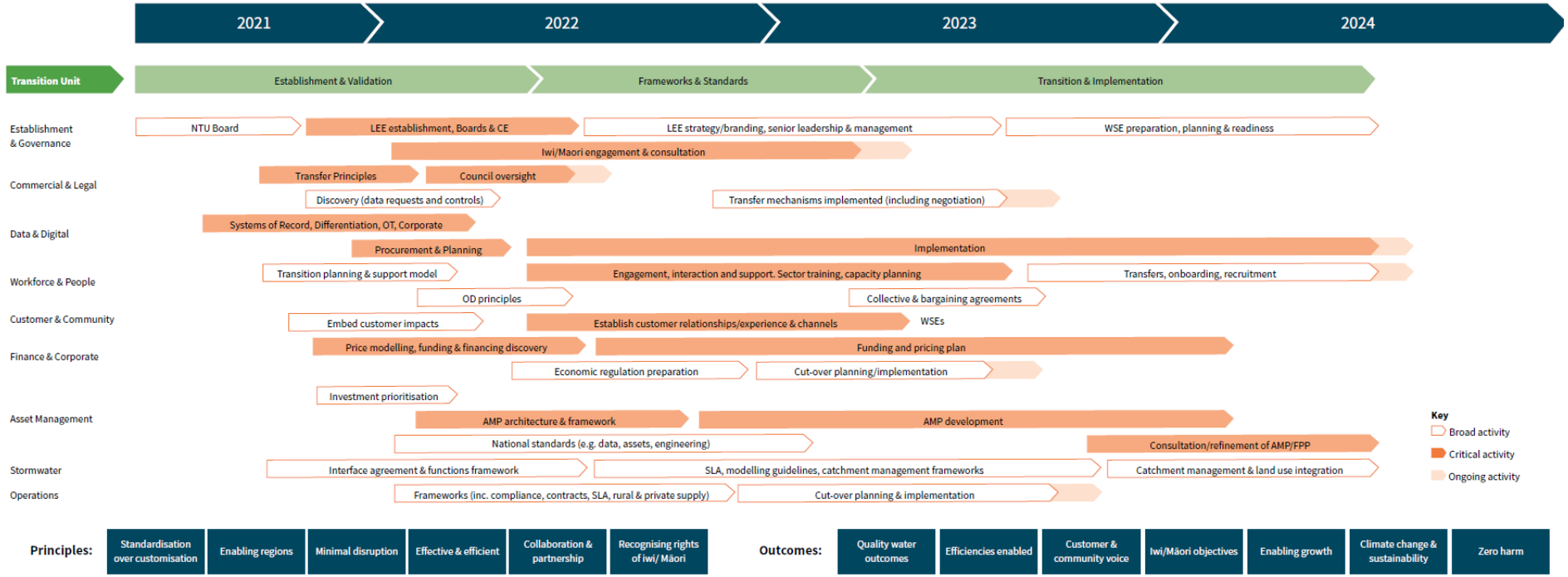
FYI the WICS model for Selwyn assumes:

- $62m per year new capex for 30 years (includes growth)
- Fully funded depreciation on existing and new assets (all inflated for revaluation)
- Opex increasing proportionately for growth plus 3% of new capex
- Interest at 3.5%
- 70% of costs will be funded by ratepayers


3 waters cost per connection - 2021/22 prices
$ per connection
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
-
2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 2046 2047 2048 2049 2050 2051
Reform Entity D
1. Current
2. Fund depn
3. Depn +2x opex
4. Depn +2x opex +3x LOS
5. WICS

APPENDIX D

Indicative Transition Roadmap



APPENDIX E

David Ward

Subject: Three Waters - Financial Regulations

Good morning Bill,

I would appreciate if you would forward the following queries to appropriate personnel for their consideration. The matters relate to the financial status of development contributions currently held by Councils (or to be levied by Councils), replacement / maintenance funds that have been gathered through annual rates – and raise a question around affordability of water delivery.

1. Development contributions

There are two scenarios that I would like to discuss, firstly the ability to continue levying development contributions for assets that have already been constructed, and secondly, the intention to levy development contributions for assets that are proposed to be constructed.

(a) Schemes that have already been constructed

Around New Zealand there are many examples of three waters infrastructure assets already constructed which have development contributions as one of their significant funding sources. When these assets are transferred to the agency: will the agency continue to levy development contributions on developers on Council's behalf at the level that Council is currently charging; will Council retain the current scheme balance and have the legal ability to continue charging development contributions; or will Council transfer the current negative financial balance associated with the Scheme to the agency; or?

One example is the Eastern Selwyn Sewerage Scheme which was constructed in 2012 with a financial model that requires development contributions to be received over a 30-year period. At present, the scheme balance is in financial deficit ($12m), albeit regular receipt of development contributions will see that gap closed within the 30-year period.

(b) Schemes that are proposed to be constructed

Each year, TAs advise their communities of intended capex investment in three waters assets with associated funding models including development contributions. Having adopted their respective plans, TAs can then legally commence levying development contributions from developers with the expected understanding that schemes will be constructed within a defined period of time.

Is it the expectation of the agency that it will take over responsibility for delivery of schemes proposed by Councils for which development contributions are being levied? If yes, will the agency then also assume responsibility for levying developers, or will that responsibility remain with the TAs the agent of the new agency?

Alternatively if those schemes are not going to be delivered within the advised timeframe, will that mean that TAs are expected to return development levies already collected to those parties they have been received from – many of whom will have paid in good faith and proceeded with developments on the expectation of infrastructure being in place.

Councils around New Zealand have long held regular engagement with developers in their district in respect to continued investment to support growth. The questions that I raise are in respect to the financing of those infrastructure projects rather than future ownership. Is it the expectation that the new agency will now assume regular engagement with developers, or is the expectation that TAs undertake that responsibility on behalf of the new agency?

2. Replacement / Maintenance Reserve Funds

Many TAs fund asset replacement / maintenance reserve funds through annual depreciation levied as part of annual property rates. It is assumed by those paying their rates that the funds are used for the purpose that they are collected. In the case of new assets, Councils will typically accumulate replacement / maintenance reserve funds over a period of time.

Is it assumed that TA replacements / maintenance reserves funds for three waters infrastructure assets will be transferred to the new agency? If that is the case, what assurance can TAs have that funds transferred can be spent within their region inside a reasonable timeframe?

Alternatively, is the agency proposing to have those funds held by TAs (at say, 30 June 2023) frozen for specific use by the respective TAs in the maintenance of assets on behalf of the agency? Either way, the assets will need to be maintained – it is just a matter of understanding how funds currently held will be utilised. No doubt, the new agency will be giving some thought to the funding of deprecation of these assets when considering appropriate charging models.

3. Future Charging Mechanisms

Affordability is something that TAs discuss with their communities every year as part of Draft Annual Plan / LTP consultation processes. Naturally affordability levels are different within each community. Has any thought been given to the most appropriate method of charging for water delivery? Currently in Canterbury, there are three scenarios, each of which is deemed affordable by their respective community.

- Selwyn has water meters across its district and charges households on a volumetric use basis
- Christchurch City charges for water on a capital value basis with no regard to volumes that may be used by each household within in the rating area
- Waimakariri has a flat charge per household (per scheme), again regardless of volume of water used

I would expect that in the future, there will only be one basis of charge, but given the significant differences that are currently occurring across the country, this may require some discussion in respect to the impact on respective communities regardless of the solution that is deemed to be best for the agency.

4. Treasury and rating impact

There will obviously be significant impact on both sides of the balance sheet for Councils as we transfer assets, loans, and cash held reserves to the new entity which may have a transitional impact particularly in respect to treasury management for some Councils. This will need to be evaluated on a Council-by-Council basis.

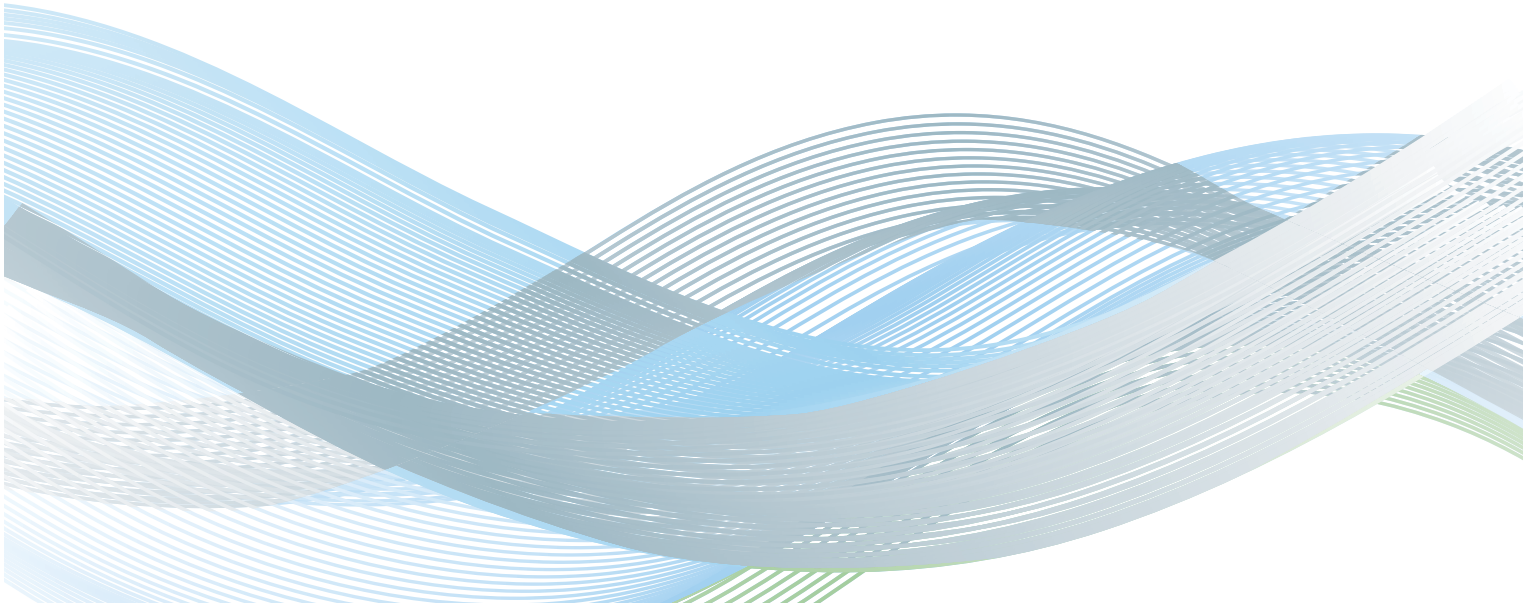
We should also be mindful of the impact that the removal of targeted rates for three waters may have on the 30% rating cap for Councils and again, they would need time to give some thought to how that will impact on future rating pressures and / or opportunities to introduce other rating mechanisms.

I would be very happy to discuss these points further and / or provide more detailed information and examples if that would assist.

Regards
David

APPENDIX F

Recommendations from the Working Group on Representation, Governance and Accountability of New Water Services Entities



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Executive Summary

Purpose

Bringing an independent perspective from councils and iwi

In October 2021, the Government announced it would introduce legislation to establish four new publicly owned Water Service Entities (**WSEs**) to manage the Three Waters infrastructure that has been operated by or for councils up to now.

Many in local government and the community raised concerns about public ownership, the risk of privatisation and loss of local voice.

Local Government New Zealand worked with the Government to broker the establishment of the Three Waters Working Group on Representation, Governance and Accountability (**Working Group**) to provide independent advice on how to improve the governance arrangements for the WSEs.

Headed by an Independent Chair, the Working Group comprises an equal number of local government and iwi leaders.

The Working Group heard a range of views from the local government sector about various governance models. We listened to people's frustrations. We engaged in energetic debate and argument and formed our recommendations by consensus.

We welcome the inclusion of Te Mana o te Wai and consider it should be at the heart of a new approach. The health and wellbeing of water is fundamental to the future health and wellbeing of people and communities. Te Mana o te Wai recognises this. It will help us to better respond to challenges and realise

opportunities in achieving related environmental and economic objectives shared by all communities in a way that also respects shared values.

Our recommendations fall into three broad groupings:

- Support for significant changes to the Bill
- Specific recommendations for material improvements to the new water entities and delivery of services, and
- Other considerations outside our terms of reference.

Significant changes to the Bill

Ownership

As set out below, we recommend strengthening community ownership of assets through a public shareholding structure, where councils hold shares on behalf of their communities.

Protection against privatisation

Another significant concern expressed by the public is the risk of privatisation. As a response to that, our recommendations have an overarching focus on ensuring the continued and full public ownership of water services by communities.

Local voice

We recognise the public has also been troubled by how the local voice would be heard in such large entities. This has been a particular concern to our smaller, rural communities. Recognising that, we are recommending new mechanisms to strengthen the role of the new Regional Representative groups (**RRGs**) through the establishment of advisory Groups (sub-RRGs) that will feed into the larger body.

Recommendations

Recommended changes to the Bill

We have considered our recommendations within the Government's bottom lines of good governance, Treaty partnership, balance sheet separation and public ownership and we recommend specific changes to the Bill to ensure:

- Community ownership of water services assets
- Protection from privatisation
- A stronger voice for local communities in drinking water, wastewater and stormwater network development
- Strengthening Te Mana o te Wai
- Co-governance embracing Te Ao Māori to improve Three Waters service delivery and environmental protection

Opportunities for improvements

We have made more specific recommendations in the following areas.

Instituting a public shareholding structure that protects community ownership, with shares held by councils on behalf of their communities

As shareholding owners of the WSEs, councils will have the right to vote on any proposal for the WSE to be sold or privatised. This will strengthen protections against privatisation as councils would have to agree unanimously for an asset to be sold.

No privatisation could occur unless every shareholder council agreed, and councils would be required to consult with their communities.

Establishing tighter accountability from each Water Services Entity Board to the community, through new and stronger mechanisms.

We recommend strengthening and clarifying the role of the RRG, which has council and iwi/hapū representatives.

We want the RRG to approve the Statement of Intent, which guides the WSE's decision making. The WSE should give effect to a Statement of Strategic and Performance Expectations set by the RRG, and report regularly to the RRG on its performance, making it much more accountable to the RRG and communities.

Strengthening connection to local communities so they have a clear and guiding voice in drinking water, wastewater and stormwater network development.

We recommend the inclusion of sub-RRG committees comprising representatives of the communities and iwi/hapū in each region that will feed into the RRG. This will ensure local voices are always considered in investment prioritisation.

We also recommend the establishment of a Water Services Ombudsman to safeguard consumers.

Recognising Te Mana o te Wai as an underlying principle

Embracing Te Mana o te Wai as the foundation for a more sophisticated and integrated approach to providing first class drinking water, wastewater and stormwater networks will ensure that the health and wellbeing of water and the wider environment remain paramount.

We recommend extending Te Mana o te Wai into all aspects of the reforms to underpin the WSE framework. This will ensure that tikanga, mātauranga and in-depth knowledge of water, local conditions, history, and geology, and the importance of the wider environment and its communities, are all properly integrated into the governance and management approach to water services.

Ensuring co-governance principles across the water services framework

Our recommendations aim to ensure the continued improvement of Three Waters service delivery and environmental protection through increased representation of our communities, including iwi/hapū, with co-governance as a central principle.

This includes representation across the councils and iwi/hapū within each WSE region, along with a greater level of input and accountability.

Deepening public understanding

Our discussions have led to our having a deeper understanding of the opportunity the reforms present for transformational change in recognising the centrality of Te Mana o te Wai in the health and wellbeing of wai and in creating sound frameworks to support community needs around how the new WSEs will operate.

We would like the Crown to provide our communities with the same opportunity to learn. We recommend it gives fresh consideration to its ongoing communications and engagement with the public to build understanding of both the direct impact and the broader context of the Three Waters reforms.

Membership

Three Waters Working Group on Representation, Governance and Accountability is comprised of:

Independent Chairperson Doug Martin.

Iwi/Māori representatives: Ngarimu Blair (Entity A), Huhana Lyndon (Entity A), Jamie Tuuta (Entity B), Karen Vercoe (Entity B), Ngahiwi Tomoana (Entity C), Olivia Hall (Entity C), Gabrielle Huria (Entity D), Barry Bragg (Entity D), Tukoroirangi Morgan (Entity B).

Elected members of local authorities: Mayor Phil Goff, Auckland (Entity A), Mayor Dr Jason Smith, Kaipara (Entity A), Mayor Garry Webber, Western Bay of Plenty (Entity B), Mayor Neil Holdom, New Plymouth (Entity B), Mayor Campbell Barry, Lower Hutt (Entity C), Mayor Rachel Reese, Nelson (Entity C), Mayor Lianne Dalziel, Christchurch (Entity D), Mayor Tim Cadogan, Central Otago (Entity D), Mayor Lyn Patterson, Masterton (Rural/Provincial sector representative).

Chair of the joint Central-Local Government Three Waters Steering Committee Brian Hanna.

1. Introduction

1.1 Purpose

This paper provides the Minister of Local Government (**Minister**) advice from the Working Group on representation, governance and accountability of the proposed new water services entities, in accordance with the Working Group's Terms of Reference.

1.2 Context

In October 2021 Cabinet agreed to progress the Three Waters reforms so that drinking water, wastewater, and stormwater services will be provided by four publicly-owned Water Service Entities (**WSEs**) from July 2024. These WSEs will take over the responsibilities for water service delivery from local authorities.

To support engagement on the reform, Government Ministers and Local Government New Zealand (LGNZ) entered into a Heads of Agreement to set out their respective partnering commitments to support achieving their shared objectives for three waters service delivery reforms and requested feedback from local authorities and iwi/Māori. Significant feedback was received on the governance and accountability of the proposed entities.

Following that feedback, the Working Group was established, made up of experienced local government and iwi//Māori members, able to represent the wide diversity of perspectives, interests and priorities across the local government sector, including the four proposed new WSE regions. The Working Group was tasked with identifying a strengthened approach to the governance framework for the WSEs, consistent with the shared reform objectives and within

the constraints of the Crown's published bottom lines and the Terms of Reference[1].

As the Working Group, we have engaged constructively on the challenge and continue to believe strongly that transformational change in New Zealand's approach to management of the Three Waters is required. We have however made a number of recommendations that we believe will result in the new approach more successfully addressing many of the concerns raised by some councils, community groups and iwi/Māori. The approach recommended is inclusive and better ensures that water assets (and the entities that will own them) stay in public ownership, and that as their kaitiaki and stewards, iwi and council will be able to exert the necessary influence over them. It ensures that the communities we represent are at the forefront of our considerations, underpinned by the importance and health and wellbeing of water.

For absolute clarity, we want to emphasise that these reforms relate to the provision of Three Water services and infrastructure and their governance and management. No assets are being privatised and we are firm in our view that this should never occur. Similarly, these reforms do not relate to or affect the issues of ownership of water and we consider this should be made explicit too.[2]

[1] Terms of Reference of Working Group on Representation, Governance and Accountability of new Water Services Entities

[2] Acknowledging that there remain unresolved issues unrelated to these reforms that need to be addressed between the Crown and iwi/hapū regarding rights and interests in water.

1.3 Proposed governance and accountability approach by the Crown

Following the feedback received on the original governance and accountability approach included in the reform proposal released in July 2021, the Crown presented a revised draft Bill to the Working Group[3]. The revisions within the Bill included:

- Greater flexibility for each RRG to determine its own arrangements through a constitution, rather than the original proposal, which required a number of matters to be hard wired in primary legislation.
- Board appointments and removals being made by a committee of the RRG, rather than an arms-length 'independent selection panel' (as was described in the original proposal).
- Direct accountability of the WSE to the RRG for performance of the duties imposed on the WSE Board and permitting the RRG to remove WSE Board members for failing to carry out these duties.
- The WSE Board being required to give effect to the Statement of Strategic and Performance Expectations (SSPE) issued by the RRG which provides more direct influence for the RRG over the WSEs' strategic direction and priorities (but without dictating its day-to-day operations).

[3] 17 December Working Group meeting

2. Approach taken by the Working Group

The Working Group first met on 26 November 2021, with the mandate for members to work collaboratively to ensure the best overall outcomes for Aotearoa, and the people of each WSE region. The council members have come together to represent the interests of all local authorities, not their individual local authorities. Iwi/Māori members have come together to provide the perspective of the Treaty partner, not to represent their individual iwi/hapū. We agreed the following shared principles and values for how to work together through the process.

1. **Shared intention:** operate with the shared intention of supporting the kaupapa of the Working Group, including by committing to discussing in good faith how the representation, governance and accountability arrangements for new WSEs can best enable the achievement of the shared reform objectives.

2. **Mutual respect:** build and foster working relationships and practices that are based on, and value, mutual respect, including addressing any issues and concerns that arise early and constructively.

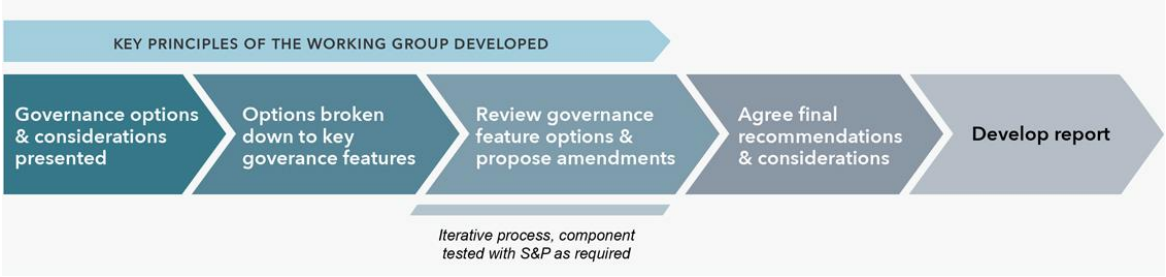
3. **Constructive:** non-adversarial dealings between the parties, and constructive mutual steps to avoid differences and disputes, and to identify solutions that advance the shared objectives.

4. **Open and fair:** open, prompt and fair notification and resolution of any differences that may arise, and the identification of potential risks and/or issues (including potential causes of delay) that could adversely impact the provision of advice and recommendations by the Working Group to the Minister.

5. **No surprises:** adopt a 'no surprises' approach in respect of matters arising, including with respect to communications to stakeholders and their public statements.

6. **Recognition of cultural values:** ensuring Te Ao Māori perspectives and mātauranga are incorporated into the working processes, dialogue and output of the Working Group.

We have taken a collaborative and bottom-up approach, with various governance models being presented by Working Group members and guests, followed by an analysis of the different options and the development of final recommendations. Meeting weekly, three sessions were held in 2021 before we reconvened 28 January through 4 March 2022. The approach adopted is summarised in the diagram below.



Recommendations were agreed by consensus except as noted in the appendix.

It is important to acknowledge certain matters are outside the scope of the Three Waters reform, and therefore outside the scope of this Working Group.

This includes, but is not limited to:

1. Ownership of water (including unresolved issues relating to iwi/hapū rights and interests).
2. Resource management and the Resource Management Act (**RMA**) reform.
3. The purpose and role of local government and how it may be impacted by a number of proposed reforms.

3. Key reflections

Throughout this experience, we have identified considerable value in the process, notably the reflections, sharing of experiences, talking through concerns, and finding practical solutions that provide for mutually acceptable outcomes. We consider continuation of this wānanga approach a critical requirement for the further development and success of the Three Waters reforms.

The discussions have led to our deeper understanding of the following:

1. The significant opportunity the Three Waters reforms present for a transformational change in Aotearoa.

2. The importance of Te Mana o te Wai in reflecting the paramountcy of the health and wellbeing of wai, its fundamental importance to the health and wellbeing of people and communities and understanding that it is universal[4].

3. How Te Mana o te Wai can be given effect under a legislative framework when discussing water infrastructure and how an integrated and inclusive approach is necessary.

4. How Te Mana o te Wai provides the appropriate overarching framework for decision making and guidance to the WSEs.

5. The role of democratically elected local authorities in relation to placemaking, achieving outcomes for communities and strategic

[4] See section 4 for a more detailed explanation of Te Mana o te Wai, which we consider should embrace all water bodies that are affected by Three Waters activities (not only fresh water).

planning for communities, and the need for this role to be accommodated within the governance structure.

6. The possibility of a future where asset management integrates with tikanga and mātauranga Māori.

7. The need for an intergenerational solution, and the important role the Crown has to play, in fixing the historic degradation of assets.

8. The need for national compliance standards and the time and investment required to bring existing infrastructure up to compliance.

9. The need for WSEs to raise significant levels of debt to pay for necessary investment in Aotearoa water infrastructure and the implications this has on how the governance arrangements operate.

10. The need for the community to have clear lines of accountability and the ability to input into the priorities of the WSEs.

11. The amount of time it will take to successfully implement the new WSE approach and the importance of doing that, and doing it smoothly, for our collective future as New Zealanders.

12. The vulnerability of the sector due to skills shortages and capability.

We would like the Crown to provide our communities with the same opportunity to learn and understand and recommend that the Crown reconsider its ongoing communication and engagement with the public to better bring people along the journey to understanding the Three Waters reforms.

We also note that the WSE governance arrangements sit within a much wider framework that includes the role of Taumata Arowai, an economic regulator and resource management consents that all need to be complied with.

We recommend a commitment from the Crown in relation to its ongoing RMA reform process to ensure the outcomes under those reforms are consistent with the Three Waters reform programme, recognising the need for coordinated planning (in particular in relation to planning for growth) and the role of local government in relation to their communities.

We also believe the Crown will need to support the opportunity for transformational change the reforms offer. This is at the heart of Te Mana o te Wai and in making this concept familiar to all New Zealanders we believe the Crown should fund a well-planned change management programme founded on good policy advice, genuine engagement, input from credible independent expertise, and with excellent communications.

The importance of communicating what is happening and why to different audiences should not be underestimated. Public communications need to be led by the Government, but we believe councils and iwi will need funding to play their part in driving change management processes and ensure this important kaupapa is successful.

Recommendation 1: That the Crown acknowledges the significant contribution councils have made as stewards of three water infrastructure. We recommend the Crown undertake a positive communications campaign with the nation to explain the universally agreed 'need for change' to serve the needs of communities, expectations of how we best ensure the health of our wai, and the opportunities provided by the Three Waters reforms.

Recommendation 2: The Crown ensures Resource Management Act reforms are consistent with, and do not undermine, the Three Waters reforms (informed by the recommendations in this report).

4. The Working Group's priorities for the reform

4.1 Overview of Working Group's priorities

We have considered the Government's bottom lines (Treaty partnership, good governance, public ownership, and balance sheet separation) and identified our priorities for the reform. These priorities have guided our discussions and underpin our recommendations:

1. Te Tiriti o Waitangi as a whāriki (foundation[5]) which underpins the overall WSE system. This is expanded on in the section relating to Te Tiriti.

2. The importance of water and its health and wellbeing is recognised and protected throughout the system. This is expanded on below in the section relating to Te Mana o te Wai.

3. Co-governance responsibility and accountability through the RRG is actively enabled.

4. Accountability is made clear, with clearly distinguished roles and responsibilities.

5. The WSEs are sufficiently adaptable and flexible to meet the needs and circumstances of the takiwā (region), iwi/hapū as mana whenua[6] and local communities (including future generations).

6. The reform enables community, local voice and standing.

[5] A "whāriki" is literally a woven mat but is used metaphorically in this case to refer to the foundation or base for the relationship between the Crown and tangata whenua.
[6] The Bill refers to "mana whenua", which the Working Group acknowledges as iwi/hapū and both terms are used in this report. We believe the Bill should define "mana whenua" to mean "the iwi or hapū holding and exercising customary rights, interests and authority in accordance with tikanga within an identified area".

7. A requirement for public ownership, noting the importance of the entities responsible for the delivery of water services (and owning assets that deliver waters services) remaining with the communities they serve.

8. The role of local authorities as stewards and iwi/hapū as kaitiaki in respect of Three Waters infrastructure.

9. Form follows function; compliance with the new and higher water quality standards is key to driving better infrastructure for future generations.

10. Equity of access (and same quality of service) is a critical consideration for our communities and the need for this to form part of the reform principles.

11. The importance of a whole-of-catchment approach - ki uta ki tai (mountains to sea).

4.2 Te Tiriti o Waitangi

Te Tiriti o Waitangi/the Treaty of Waitangi (Te Tiriti) is the founding constitutional document of Aotearoa New Zealand and provides the basis for the ongoing relationship between the New Zealand Government and tangata whenua.

The "principles" of Te Tiriti are derived from the text, spirit, intent and circumstances of Te Tiriti, but cannot reasonably be viewed in isolation from the original text and language of Te Tiriti. The principles of Te Tiriti have been developed over time and, as the Courts have recognised, the Crown's obligations are ongoing and evolve as conditions change. However, the Courts and the Waitangi Tribunal have confirmed a number of well-established principles which include the overarching principle of partnership (including a

mutual responsibility for the partners to act towards each other reasonably and in good faith) as well as the principles of active protection, and the right to development and redress.

In the context of matters relating to the environment (including water), the Waitangi Tribunal has expressed the principle of partnership as including:

1. the duty of the Crown to make laws and set overall policy for the conservation of natural resources in order to protect the environment;

2. the Māori right to exercise tino rangatiratanga, which should not be lightly set aside;

3. the duty of the Crown to do what it can to enable Māori to be kaitiaki of their environmental taonga;

4. the relationship between the various environmental authorities of the Crown and Māori; and

5. working together to make decisions in a manner to be determined contextually on a case-by-case basis.

We endorse the express recognition of the Crown's responsibility to give effect to the principles of Te Tiriti through the Bill; and have reviewed and considered the proposed representation, governance and accountability mechanisms under the Bill against this standard.

We have proposed several recommendations to strengthen the Bill and WSE framework in order to give better effect to Te Tiriti and its principles (see section 5.5 and Recommendations 31 to 35).

4.3 Te Mana o te Wai

Tirohia te wai	*Observe the water*
He au	*Its energy*
He au whiwhia	*A giving energy*
He au rawea	*A positive energy*
He au mahora, he wai e	*Energy offered, that is water*
Tauwaretia te wai	*Touch it, but leave it undisturbed*
E rere	*Let it flow*
Pupū ake i te whenua	*Rising up from the land*
Pipī ake i te whenua	*Flowing from the land*
E rere te wai e	*Its pathway continues*
Hei oranga mō te katoa e	*Providing life to all*
Nei ko te mana o te wai	*This is the mana (prestige/authority/power) of the water*

We acknowledge and support the importance of Te Mana o te Wai as a core principle that will guide decision making, planning, governance, accountability, and service delivery. Te Mana o te Wai is a concept that refers to the fundamental importance of water and recognises that protecting the health of water protects the mauri of the wai and the health and wellbeing of the wider environment and communities. Te Mana o te Wai is about restoring and preserving the balance between the water, the wider environment, and people.

To this end, Te Mana o te Wai establishes the following hierarchy of priorities:

1. health and wellbeing of water bodies and ecosystems;
2. health needs of people (such as drinking water); and
3. ability of people and communities to provide for their social, economic, and cultural wellbeing for current and future generations.

Te Mana o te Wai is in turn underpinned by the principles of mana whakahaere, kaitiakitanga, manaakitanga, governance, stewardship and care and respect.

Te Mana o te Wai thereby provides a korowai (cloak) for the new Three Waters service delivery approach throughout the whole system from top to bottom. It appropriately reflects the fact that the utilisation of water for the needs of people and our communities and economies is dependent on the health and wellbeing of our waters and waterways. The Three Waters system, embracing drinking water, stormwater and wastewater and its related infrastructure, falls squarely within the scope of Te Mana o te Wai. Decisions concerning Three Waters now and into the future will therefore play a key role in realising Te Mana o te Wai.

As such, the guidance provided by Te Mana o te Wai will help us better respond to current challenges and realise future opportunities to achieve objectives that are shared by all communities (water quality, water security, sustainable economic growth and development, resilience and climate change mitigation and/or adaptation) in a way that also respects shared values. While Te Mana o te Wai is embedded in mātauranga Māori and tikanga, it is a concept that puts the health of our water first, and is a core principle that will serve all New Zealanders.

There is an increasing need to manage Three Waters in a sustainable and integrated way to ensure the availability of services to growth areas and the protection of the environment for future generations.

Consistent with this whole-of-system and intergenerational approach, we consider that Te Mana o te Wai appropriately restores and preserves the balance between the needs water (wai), the wider environment (te taiao), and communities and people (ngā tāngata), now and into the future.

Te Mana o te Wai recognises the interconnectedness of the environment, the interactions between its parts, responsibilities of our communities and people. It requires integration between water management and land use to avoid adverse effects (including cumulative effects) on the health and wellbeing of our waterways and environment, and ultimately our communities.

An integrated approach is essential to the reform objectives (both in the present, from an intergenerational perspective, and from a community/collective perspective and te taiao – and cannot just be limited to freshwater bodies).

The Working Group has proposed several recommendations in this Report to give better effect to Te Mana o te Wai within the Three Waters framework (see section 5.6 and Recommendations 36 to 39).

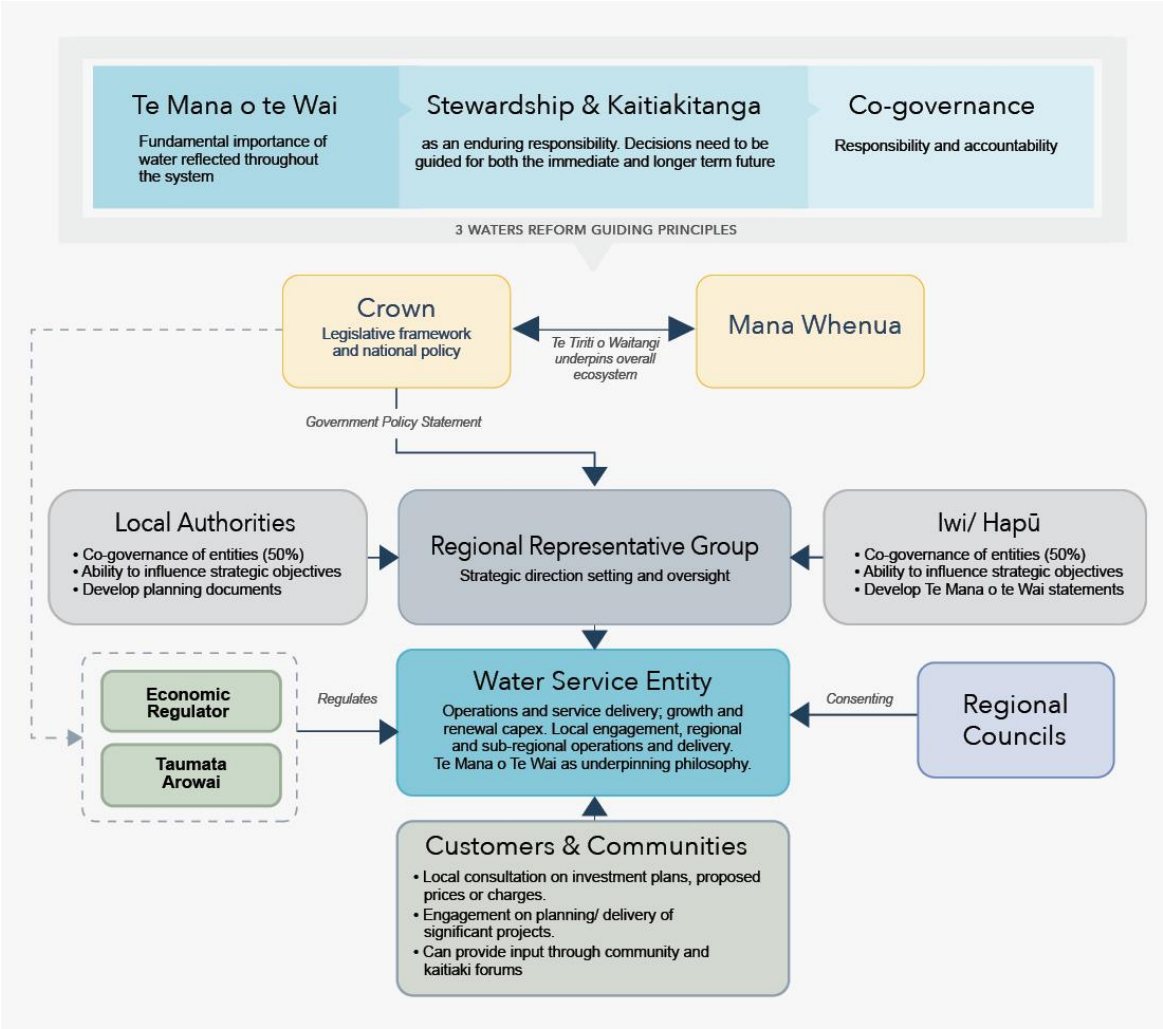
5. Our recommendations to the Government

Transformational change takes time and there is a need for a long-term enduring model that can accommodate changes over time in WSE accountability, governance and representation. We have strived to find the right balance between prescribing the requirements of the WSE governance model to ensure it encompasses key priorities while also leaving flexibility in the right areas for the WSEs to adapt to their own local and changing needs.

Recommendations outlined in this report have been specifically noted as referring to a change/provision in the Bill (if an absolute requirement or bottom lines) or in individual WSE constitutions (where governance structures are protected through a vote required to change rather than the need to amend primary legislation).

Where that flexibility within a WSE is required, additional context has been provided and should be used as a basis for a draft default constitution of the WSEs.

The strengthened governance model recommended by the Working Group is depicted below:


Te Mana o te Wai
Fundamental importance of water reflected throughout the system
Stewardship & Kaitiakitanga
as an enduring responsibility. Decisions need to be guided for both the immediate and longer term future
Co-governance
Responsibility and accountability
3 WATERS REFORM GUIDING PRINCIPLES
Crown
Legislative framework and national policy
Te Tiriti o Waitangi underpins overall ecosystem
Mana Whenua
Government Policy Statement
Local Authorities
• Co-governance of entities (50%)
• Ability to influence strategic objectives
• Develop planning documents
Regional Representative Group
Strategic direction setting and oversight
Iwi/ Hapū
• Co-governance of entities (50%)
• Ability to influence strategic objectives
• Develop Te Mana o te Wai statements
Economic Regulator
Taumata Arowai
Regulates
Water Service Entity
Operations and service delivery; growth and renewal capex. Local engagement, regional and sub-regional operations and delivery.
Te Mana o Te Wai as underpinning philosophy.
Consenting
Regional Councils
Customers & Communities
• Local consultation on investment plans, proposed prices or charges.
• Engagement on planning/ delivery of significant projects.
• Can provide input through community and kaitiaki forums

5.1 Ownership

Ownership: Summary of recommendations

Recommendation 3: The Bill prescribes the collective ownership of each WSE by local communities through a direct shareholding interest allocated to their territorial authorities. One share for each 50,000 people, rounded up. As shareholding owners of the WSEs, each territorial authority will be required to vote on any proposal for the WSE to be sold (privatised) or involved in a merger of WSEs, in each case that changes the owners of the WSE. The proposal will only proceed if there is unanimous shareholder approval. This is in addition to the privatisation protections currently outlined in the Bill.

Recommendation 4: The Bill entrenches the need for a majority of 75% of all the members of the House of Representatives to repeal or amend provisions of the Bill where the repeal or amendment of that provision is necessary to allow privatisation of an WSE.

Recommendation 5: The Bill expressly provides a prohibition on local authorities providing financial support to, or for the benefit of, WSEs – this includes by way of guarantee, indemnity or security, or the lending of money or provision of credit or capital.

Recommendation 6: The Crown should further explore and clarify the thresholds regarding what constitutes a major transaction to be raised to the RRG for consideration.

The Working Group agrees that the underlying key principle to ownership is that three waters assets must remain in public ownership and the ownership model must help protect against privatisation. The draft Bill already reflects this principle, but we think it can be strengthened to provide communities and territorial authorities more confidence in these protections. We believe that the collective ownership of each WSE by local communities would best be expressed through a direct shareholding interest in the statutory entity with that interest being allocated to and held by territorial authorities in the WSE's region.

Having territorial authorities as shareholders will mean there is a tangible relationship between communities and their WSE that is well understood by the public (as compared to a legislated collective ownership). This will provide a connection to the WSE and additional rights that are recognised and have value for communities and territorial authorities.

The Bill already requires that a proposal for a WSE to divest its ownership in a water service, or sell or lose control of significant infrastructure, can only proceed with at least 75% support of both the RRG and a poll of the electors in its service area. If the proposal involved sale (privatisation) or merger of WSEs then shareholder approval would also be needed after a successful poll result.

These shares would:

- Be allocated to territorial authorities by reference to current district population (one share for each 50,000 people – rounded up – in order to reflect proportionality). This can evolve with population and be reset every five years. If all shareholders of a WSE voted unanimously for a WSE merging with another WSE then the shareholdings would be adjusted to reflect that.

- Entitle the shareholder to vote on any proposal for the WSE to be sold (privatisation) or merged with another WSE and unanimous shareholder approval would be required for that proposal to proceed. This would present an additional layer of protection which is separate from the exercise of any relevant Parliamentary power to change the legislation. This is not intended to cover changes in shareholding within a WSE as a result of territorial authority amalgamations which it is suggested will require a mechanism in legislation to determine the resulting shareholding interests within the relevant WSE of the merged territorial authority.
- Except for the above right, the shares would be non-voting and not confer other decision-making rights:
    - the existence of such shares would not disturb the role or operation of the RRG
    - all other decision-making rights would continue to be shared between the RRG and the WSE Board
    - matters that a conventional company might reserve to shareholders for decision will instead be reserved to the RRG.
- Be subject to the other restrictions already provided for in the Bill (e.g. no equity return)

The importance to communities (including iwi/Māori) of retaining public ownership of water services also warrants a further layer of protection against the ability for Parliament to legislate to allow privatisation by requiring a 75% Parliamentary majority to make any legislative changes necessary to enable privatisation.

We further recommend that legislation expressly provides a prohibition on local authorities providing financial support (such as guarantees or indemnities) or

lending money or providing credit or capital to WSEs – this is not however intended to restrict what is likely to become business-as-usual arrangements such as service agreements or joint ventures. This will help ensure the ownership model is not seen by the credit rating agencies as a form of parent-company support.

The Working Group would like the Crown to explore whether any major transactions (additional to divestment proposals, which must go to the RRG for approval, followed by a poll of electors) should be approved by the RRG using the co-governance consensus principles outlined.[7]

5.2 Strengthening co-governance of the RRG

Strengthening co-governance of the RRG: Summary of recommendations

Recommendation 7: The Bill requires RRG co-chairs, one council and one iwi/hapū representative.

Recommendation 8: The Bill requires consensus decision making for all decisions on RRG. Where consensus cannot be reached within an appropriate timeframe, 75% majority vote will be sought as agreed by co-chairs. This process should be prescribed in the Bill.

Recommendation 9: The RRG requires appropriate secretariat and resource provisions to enable it to perform its role, and to allow for meaningful council and iwi/hapū participation in the RRG. This should be funded by the WSE.

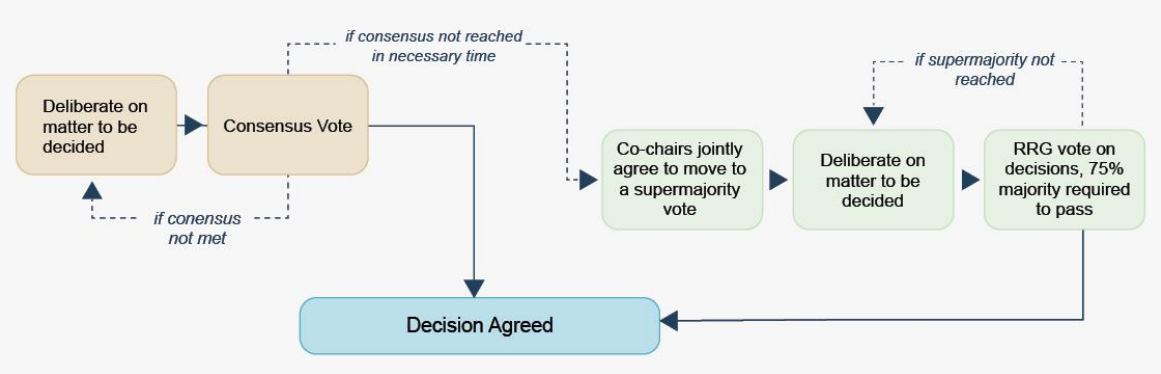
[7] For example, the threshold applied for the purposes of the Companies Act.

The Working Group agrees with a co-governance model for the WSEs. Building on that principle and from the positive experiences many of the members have had on co-governance bodies, we have strengthened the Crown's co-governance principles and recommend the following:

Co-chairs: The RRG (including any advisory bodies to the RRG, as described in section 5.3.5) will require co-chairs, one council representative and one iwi/hapū representative, with this requirement to be prescribed in the Bill. The appointment process of the co-chairs will be left to the RRGs of individual WSEs and outlined in their constitutions.

Consensus voting: A strong expectation of decisions by consensus promotes robust discussion within a co-governed group and enables its members to work collaboratively through decisions as they arise. The RRG (including any advisory bodies to the RRG) will require consensus decision making for all decisions by the RRG to be prescribed in the Bill.

In the event that consensus is not reached within the necessary timeframe[8], the co-chairs can jointly agree to move to a 75% majority vote with 1 vote per representative.



We agree that appropriate secretariat support will be needed to assist the RRG and that this should be funded by the WSE. The Bill should provide for this.

[8] Necessary timeframe for the decision, as determined by the time sensitivity of other matters depending on the decision (e.g. finalisation of the SSPE to enable the SOI to be prepared).

5.3 Strengthening the role of and accountability to the RRG

Strengthening the role of and accountability to the RRG: Summary of recommendations

Recommendation 10: The role of the RRG is to collate inputs to the SSPE. including alignment with the Government Policy Statement (**GPS**), direction from regulators, local community priorities within the region as outlined in council strategic documents, Te Mana o te Wai statements, and alignment with RMA. This is to ensure that the WSEs receive clear strategic direction. It is recommended that the Bill is amended to reflect this approach and ensure the RRG receives all necessary information to undertake its role, this includes receiving copies of the WSE Asset Management Plan and Te Mana o te Wai statements to support the development of the SSPE, and the ability to seek further information as necessary for it to undertake its role.

Recommendation 11: The Bill is amended to ensure the SSPE, which covers a period of 3 years, be issued annually to the WSE

Recommendation 12: The role of the RRG be extended in legislation to include the approval of the strategic direction outlined by the WSE in the Statement of Intent (**SOI**) (on the assumption that the SOI is limited to strategic direction only).

Recommendation 13: The role of the RRG be extended in legislation to allow comment on the operational direction of the WSE through the Asset Management Plan and other key documents.

Recommendation 14: The Bill clarifies the scope of the SSPE and excludes directing the WSE at a project, investment or management level.

Recommendation 15: The Bill should specify that the RRG will monitor performance of the WSE on delivering strategic outcomes of the SSPE and

Strengthening the role of and accountability to the RRG: Summary of recommendations

SOI through six monthly reporting from the WSE. Individual constitutions could require additional performance reporting requirements (e.g. quarterly reporting).

Recommendation 16: The Bill is amended to allow RRGs to provide additional competency requirements for appointees to the WSE Board.

Recommendation 17: The Bill is amended so that conflict of interest requirements for RRG and WSE board appointments need to be stated.

Recommendation 18: The Bill is amended to provide for bi-annual Board performance reviews. Independent reviewers or additional reviews can be included in individual constitutions.

Recommendation 19: The Bill requires a minimum of 12 and maximum of 14 representatives on the RRG. The composition and appointment of council and iwi/hapū representatives will be left to individual WSEs and outlined in their constitution, noting that the Working Group also recommends that the Crown consult the Working Group as they draft the default constitutions.

Recommendation 20: The Bill requires that Council representatives should have a mix of representatives from urban, provincial, and rural councils.

Recommendation 21: The Bill requires that iwi representatives should have a mix of representatives that are appointed on a tikanga basis reflecting their whakapapa affiliations through waka groupings. Entity D will appoint on a tikanga basis reflecting their hapū groupings.

Recommendation 22: The Bill provides for bespoke arrangements for the Entity A RRG, specifically 14 members with 50:50 Council and iwi/hapū composition. There should be 4 Auckland Council representatives, 4 Tāmaki

Strengthening the role of and accountability to the RRG: Summary of recommendations

Makaurau iwi/hapū representatives, 1 representative each from the Northland Councils and 3 iwi/hapū representatives from Te Tai Tokerau.

Recommendation 23: The Crown provides financial support to Councils so they can be appropriately resourced to allow them to fulfil their RRG roles.

Recommendation 24: The Bill requires a competency requirement for representatives to the RRG but detailed criteria will be left to individual WSE constitutions.

Recommendation 25: The Bill includes provision for regional advisory groups (sub-RRGs) to the RRG to exist within legislation. Other than 50/50 co-governance between council and iwi/hapū, composition and number of advisory groups (sub-RRGs) will be left to individual WSE constitutions.

Recommendation 26: The Bill is amended to require a single constitution that governs the RRG and WSE for each region and modifications to the constitution will require the co-governance consensus agreement of the RRG.

Recommendation 27: The Crown consults the Working Group as they draft the default constitutions.

As described in the model originally proposed by the Government (July 2021), the role of the RRG was seen as unclear and lacking in a genuine ability to provide input from iwi and councils from the regions they represent. As the RRG is the co-governance body made up of representatives from councils and iwi/hapū, the Working Group considers this body as having a primary role in

driving strategic direction that encompassed all of the various priorities and local voice within the WSE region, including Te Mana o te Wai, catchment priorities, headline matters from local council strategic plans, and future development strategies. Its role was also to appoint/remove Board members and monitor the performance of the Board and the WSE.

5.3.1 Strategic direction and accountability

The RRG is responsible for developing the strategic priorities for the WSE, for inclusion in the SSPE. The mechanism for the RRG to provide strategic direction to the WSE is through the SSPE which the WSE Board will respond to in its SOI.

The RRG will need to collate, and prioritise as required, inputs to the SSPE, including ensuring alignment with the Government Policy Statement (GPS), direction from regulators, local community priorities within the region as outlined in council strategic documents, Te Mana o te Wai statements9, and alignment with RMA. This approach should be captured within the Bill. We also recommend that the Bill be amended to include a requirement the RRG will issue an SSPE annually, noting that the SSPE will cover a period of three years[10].

We agree with the Bill revisions which see the WSE having to give effect to the SSPE. However, we recommend that to ensure accountability the legislation needs to include that the RRG will approve the strategic direction outlined by the WSE in the SOI. It is not the role of the RRG to approve the operational programme of the WSE, it is however appropriate that the RRG can comment on the operational direction outlined in the Asset Management Plan (AMP) or other key documents from the WSE.

[9] Note: The inclusion of Te Mana o te Wai statements at this level is in addition to them being provided directly to the WSE.
[10] The Working Group acknowledges that some strategic inputs (e.g. all Te Mana o te Wai statement, economic regulator requirements, and RM reform) may not be in place on day 1 of the WSE "go-live" and strategic direction may change as these inputs materialise.

We recommend the Bill be amended to clarify that the RRG will monitor the performance of the WSE in delivering the strategic outcomes outlined in the SSPE and SOI through twice a year performance reporting, with a requirement that the WSE Board members engage with the RRG on a regular basis.

We note that, through conversations with S&P, SOI approval may have potential balance sheet implications and requests that Crown include this within the next RES for consideration. If this is not feasible and the RRG does not approve the SOI, we recommend the constitution will set out a process for resolving the issues with the WSE Board.

5.3.2 Board appointments and WSE performance

The Working Group agrees that the RRG is able to appoint Board members, as currently outlined in the Bill, and is able to remove Board members through a consensus vote (per co-governance principle outlined in section 5.2). Given the recommendation to reduce the size of the RRG, we consider that the use of a RRG selection subcommittee to nominate Board members should be left to individual WSEs and outlined in their constitution.

We agree that there should be a competency-based Board per the Bill (and endorse the express requirement for experience and expertise in the principles of Te Tiriti and the perspectives of mana whenua, mātauranga, tikanga, and Te Ao Māori) but recommend this is expanded to include other skills as recommended by the RRG, which may include environmental protection and expertise in relation to community and iwi/hapū engagement [11]. The Working Group agreed that there must be independence of the WSE Board and clear conflict of interest requirements guidelines[12].

[11] These skills could be outlined in the RRGs WSE board appointment policy.
[12] The Bill should expressly recognise that membership of an iwi/hapū or membership of a local authority does not, in itself, comprise a conflict of interest.

We agree it is the role of the RRG to monitor the performance of the WSE Board and recommend that they complete a bi-annual Board performance review. This should be prescribed in the Bill. The ability for the RRG to appoint independent reviewers or complete additional reviews (i.e. annually) will be left to individual RRG and outlined in their constitution.

To support the RRG's role of WSE monitor, we recommend that the WSE provide performance reporting to the RRG at minimum twice a year and monthly key metric dashboards, to be outlined in individual WSE constitutions.

5.3.3 Providing regional flexibility and an enduring model

As there are unique considerations both across the WSEs and across catchments within each WSE, the Working Group explored how the RRG's could work in practice, driving the right level of strategic direction while ensuring regional flexibility.

5.3.4 Composition of the RRG

We have engaged in significant discussion around the potential composition of the RRG as it relates to individual WSEs. We believe each WSE needs to work through the best composition for their region, along with how this composition is reached across councils/iwi, and that this can be prescribed through their constitution.

We agree with the following RRG composition principles in the Bill:

- 50/50 council and iwi/hapū composition of the RRG.

- The process of iwi/hapū appointments to the RRG will be developed and defined by iwi/hapū based on tikanga Māori, and documented in the WSE constitution, not prescribed by the Crown
- The process of council appointments to the RRG will be developed and defined by councils, and documented in the WSE constitution, not prescribed by the Crown.

We considered the current proposal, which saw over 40 RRG members for some RRGs, would be unworkable and in principle considered that 12 members would be a more workable option. However, recognising the need for an enduring model and the differences between the WSEs we recommend a minimum of 12 and a maximum of 14 representatives, to be prescribed in the Bill[13]. The composition and appointment of council and iwi/hapū representatives will be left to individual WSEs and outlined in their constitution but considerations for bespoke arrangements are outlined below.

Entity A: We discussed an option for the Entity A RRG, being four Auckland Council representatives, four Tāmaki Makaurau iwi/hapū representatives, one council representative for each of the other councils and three iwi/hapū representative from Te Tai Tokerau.

The bespoke composition of the RRG for Entity A has implications for the majority vote provisions for that entity. The majority view of the Working Group was to recommend the 75% majority vote provision for Entity A. The alternative view of Dr Jason Smith, Mayor of Kaipara District, and Chair of the Northland Mayoral Forum, is set out below:

Alternative view: Extra consideration of Entity A majority voting rights

[13] The Working Group expects 12 representatives for Entity B, Entity C, and Entity D, and 14 representatives for Entity A as outlined.

Bespoke arrangements are proposed for the Regional Representation Group of Entity A, intended to reflect the relative size and scale of Northland and Auckland and also to meet the required balance sheet separation of no council having dominance of RRG decision-making (see section 5.3.4) Representation has been well considered here, but decision-making processes for Entity A's RRG have not been considered as fully. I supported Auckland Council having four seats and one for each Northland council (with equal seats for iwi) on the assumption the different formula would also allow a bespoke arrangement for majority voting rights (not 75%). It's disappointing that bespoke consideration of majority voting rights has not been followed through.

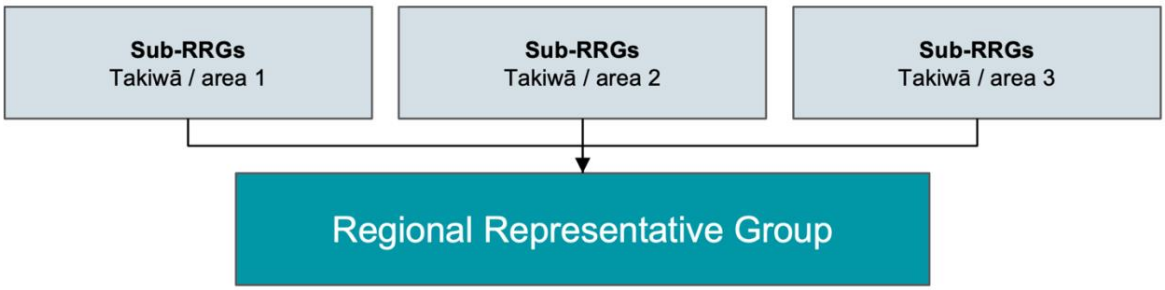
As it stands, the proposed bespoke arrangements for Entity A are distorted because the voting right majority provisions are simply proposed to be the same as for the other entities. There would be inequitable decision-making processes in Entity A if the majority vote remained at 75% (viz. 10 of the 14 people) because Auckland Council could never be outvoted while Northland councils or Northland iwi could be. This imbalance is unacceptable. If the majority required were shifted more towards consensus, to 90% (12 of the 14 votes) then, again, Auckland could never be outvoted but any majority decision would require votes from each of the four voting groups. This would be an improvement, as it is closer to consensus. For good governance I recommend Entity A has a 90% majority for decision-making and that this matter is considered fully before final decisions are taken.

Entity B, Entity C, and Entity D: We see RRG representatives for these WSEs sitting at 12 members (6 council and 6 iwi/hapū), with council membership reflecting metro, provincial, and rural representation, and iwi membership in accordance with tikanga and whakapapa affiliations reflecting representation from each of

the waka groupings within the WSE region. Entity D will appoint on a tikanga basis reflecting their hapū groupings.

We agree that competency criteria are developed for each RRG, and the representatives on the RRG must collectively meet these competency requirements. This competency requirement must be prescribed in the Bill, with each entity constitution providing the detail on these criteria, noting this may evolve over time. We have noted the need for resourcing for local council participation in the RRG and advisory groups. Proper resourcing will be required for all participants and this may require financial support from the Crown. In addition to the Crown's Te Tiriti obligations, we recommend that the Crown also provide funding to enable full council participation in the new Three Waters environment.

5.3.5 Advisory groups (sub-RRGs)



Representative diagram, number of sub-RRGs may vary by WSE

We recommend that there is provision for regional advisory groups[14] to the RRG to exist within the Bill. Sub-RRGs would follow the same co-governance principles of the RRG, they would be aligned to sub-regions, takiwā or catchments (to be agreed by each RGG), and would provide additional local strategic focus. Sub-

[14] Crown will need to consider the right name for such groups, for the purpose of this report they have been referred to as sub-RRGs

RRGs will be responsible for agreeing regional strategic priorities using inputs that may include Te Mana o te Wai statements, direction from regulators, local community priorities within the region as outlined in council strategic documents, and alignment with RMA.

To capture the localised differences across the four WSEs, we are not prescribing a uniform approach to the number of sub-RRGs or their composition, other than 50/50 co-governance between council and iwi/hapū. Consideration should be given to each sub-RRG having one appointee from each council within the sub-region or catchment.

5.3.6 WSE constitution

To promote regional flexibility and an enduring model through use of entity constitution, the Working Group recommends that the Bill requires a single constitution for each WSE. This constitution will outline the roles and relationships of the RRG, WSE Board, and WSE. We recommend that modification of the constitution require the RRG co-governance consensus agreement with a 75% majority backstop vote (see section 5.2), rather than the 75% majority currently outlined in the Bill.

We recommend the Crown engages with and consults with us further as they draft the default constitution.

5.4 Community and local voice

Community and local voice: Summary of recommendations

Recommendation 28: The Bill requires the RRG to have input into the investment prioritisation methodology and framework through consultation between the WSE and the RRG.

Recommendation 29: The Bill includes provision for the WSE to engage with councils on the development of the WSE Asset Management Plan (**AMP**) as it applies to their district and to respond to Council's comments.

Recommendation 30: The Bill includes the establishment of a national Water Services Ombudsman with jurisdiction over all the public facing activities of each WSE, incorporating a tikanga based dispute resolution process.

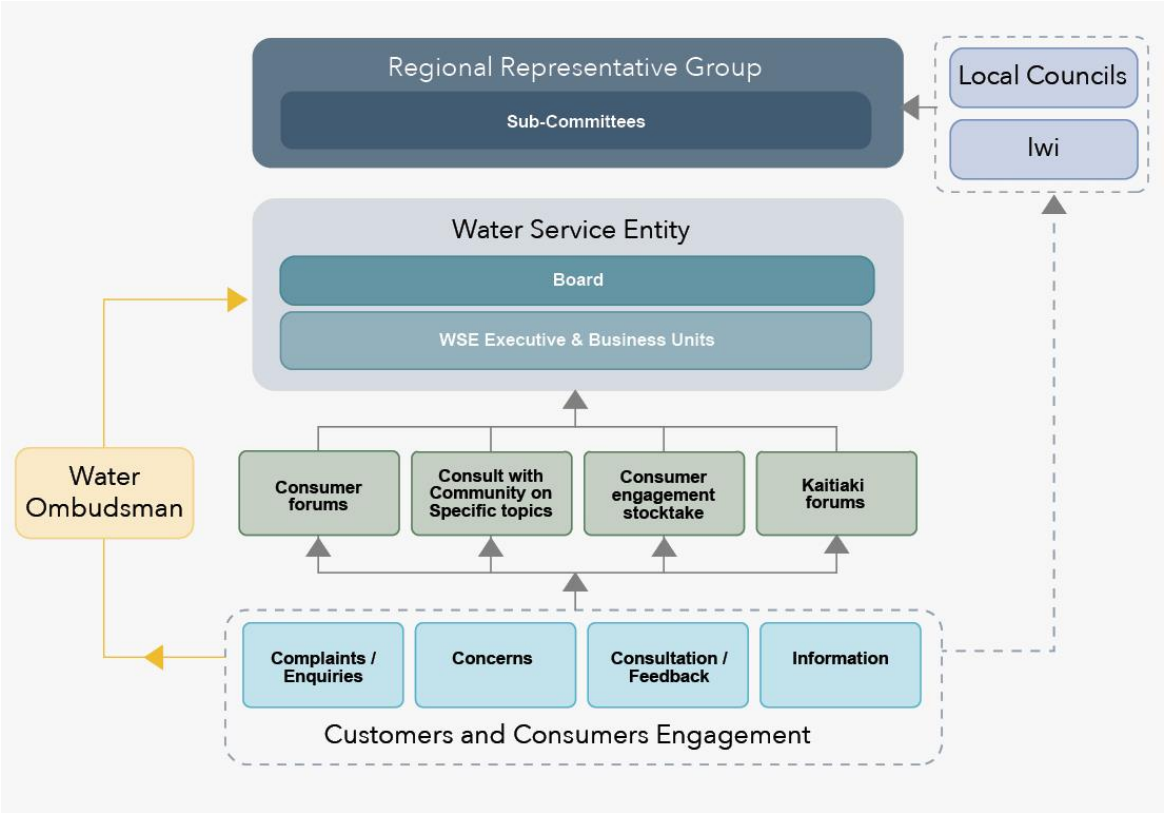
Accountability to and input from community and local voice was considered to be a weakness of the Crown's originally proposed model and has been at the core of our discussions. We agree on the importance of effective and meaningful community engagement.

The recommendations in previous sections that strengthen this area include:

1. The Bill provides that the RRG is responsible for holding the WSE accountable for their engagement with communities in the preparation of their plan and summaries within the SOI and AMP.

2. The Bill provides for the RRG to be responsible for holding the WSE accountable for performance/compliance with Te Mana o te Wai.
3. The Bill requires the Te Mana o te Wai statements are also provided to the RRG and are taken into account during the strategic priority setting.
4. The Bill allows for the establishment of fit for purpose sub-RRGs (see section 5.3.3) reflective of the local catchments of the WSE to provide a whole-of-catchment lens over the strategic priorities and that the RRG size and shape will adjust to enable and support this.
5. The Bill requires WSEs to engage with local councils to comment on the draft AMP as it relates to their district to ensure that councils planning priorities are reflected in the WSE's strategic priorities.
6. Councils and iwi are able to feed back to their RRG members their views on whether or not the WSE is delivering at a local level, providing councils and iwi/hapū a performance monitoring role.
7. Council shareholding (see section 5.1).

Community and local voices will feed into the WSE governance model throughout different levels:

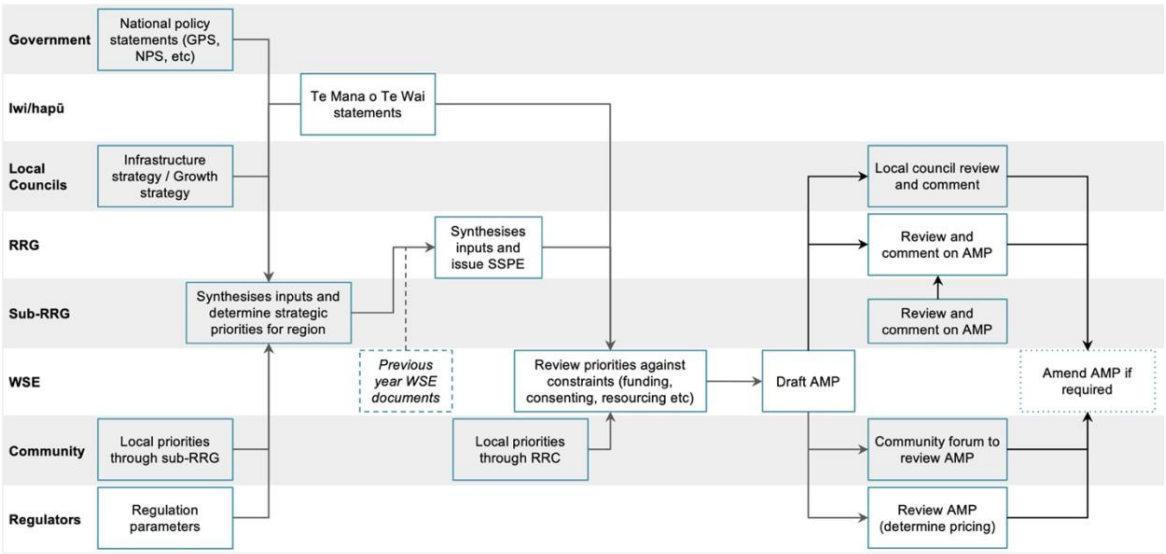


5.4.1 Investment prioritisation

The Working Group acknowledges that detailed direction to the WSE on their investment prioritisation is considered operational direction and not permissible in order to achieve balance sheet separation for councils. The WSE board also needs to be given appropriate independence to direct the operations of the WSEs. However, we recommend that the Bill requires the RRG to have input into the investment prioritisation methodology and framework via way of consultation between the WSE and the RRG. Through discussions of how the WSE investment prioritisation may work in practice, we also recommend that councils are able to comment on the draft AMP as it applies to their district.

We note our concern about the constraints on the WSE being able to undertake investment prioritisation given the number of inputs including regulations, GPS and Te Mana o te Wai statements. We are concerned as to how well the WSE will be able to respond to needs and requirements that are identified through separate stakeholder and community engagement while giving effect to the different regulations and requirements.

How inputs will influence the investment prioritisation:



5.4.2 Water Services Ombudsman

The Working Group recommends that the Bill includes establishment of a national Water Services Ombudsman with jurisdiction over all the public facing activities of each WSE, incorporating a tikanga based dispute resolution process. Benefits of an ombudsman include:

1. Operated by a not-for-profit independent body, free for customer enquiries or complaints.
2. Works towards a fair and reasonable outcome for the parties involved in a dispute, is not a public advocate and does not represent industry.
3. Gives public access to an independent complaints process.
4. May give the public some additional comfort about the reforms (especially in advance of the economic regulator being fully implemented).
5. Provides raw data to the RRG on the number of complaints, the types of complaints and the way in which complaints are resolved by the WSE, potentially identifying trends before they become systemic problems.

To reduce additional overhead costs, the Crown should consider using an existing body that provides the type of dispute resolution services recommended by the Working Group15 (i.e. a single national service).

5.4.3 Compliance of the WSE

The Working Group has discussed the importance of the accountability of the WSE, ultimately to the public, and how good compliance standards will support WSEs working towards the best outcome for local communities. We support having two regulators, Taumata Arowai and an economic regulator. We have voiced the need for compliance across Aotearoa's water infrastructure and we

[15] Considerations will need to be made if the existing body has sufficient expertise in Te Ao Māori and tikanga based dispute resolution practices in place to carry out this additional role.

are expecting the regulators to drive and support the achievement of those requirements.

5.5 The role of Te Tiriti within the Three Waters system

The Working Group acknowledges that Te Tiriti is the foundation for the relationship between the Crown and mana whenua (see section 4). Te Tiriti provides a whāriki (woven mat) which underpins the mechanisms in the Bill that ensure representation, participation and accountability for mana whenua.

We endorse the express recognition of the Crown's responsibility to give effect to the principles of Te Tiriti in the Bill. However, we consider that there are several areas in which the legislative framework could be strengthened to better recognise and respect the Crown's obligation to give effect to Te Tiriti and its principles.

The role of Te Tiriti within the Three Waters system: Summary of recommendations

Recommendation 31: The Bill requires the Crown and Minister to give effect to Te Tiriti and its principles when exercising powers and functions under the legislation (including in issuing the GPS and exercising monitoring, review and intervention powers in relation to WSEs).

Recommendation 32: When developing the GPS, and consistent with the principles of Te Tiriti, the Crown engages with its Te Tiriti partner (separate from any public consultation).

The role of Te Tiriti within the Three Waters system: Summary of recommendations

Recommendation 33: The Bill includes a provision confirming that nothing in legislation creates or transfers a proprietary interest in water or limits, extinguishes, or otherwise adversely affects or constrains iwi or hapū authority over, or rights and interests in, water.

Recommendation 34: The Bill includes appropriate provisions to ensure that Treaty settlement mechanisms which interrelate with or affect the current legal regime governing the Three Waters reforms (including but not limited to provisions of the LGA and RMA) are carried across and have application to the equivalent or analogous aspects of the new water services regime.

Recommendation 35: The Crown provides equitable resourcing to enable the full and effective participation of iwi and hapū in the Three Waters regime.

5.5.1 Crown Statutory obligations

At present the operative provisions in the Bill which are expressed to reflect the Crown's obligations under Te Tiriti are directed towards the recognition of Te Mana o te Wai and the governance and responsibilities of the WSEs. However, the Minister also has several important statutory functions under the Bill, which states that the Minister may "consult any person, organisation, or group" when determining what action to take in terms of such interventions and appointments (including formulating any terms of reference).However, the Working Group considers the Minister should be expressly required to give effect

to Te Tiriti and its principles when exercising these important Crown statutory powers and functions.

In relation to the GPS, we also recommend that the Crown engages with its Te Tiriti partner separate from any public consultation. The GPS is a key direction and priorities setting document under the Bill and must include, among other things, the Government's expectations in relation to Māori interests, partnering with mana whenua, and giving effect to Te Mana o te Wai.

5.5.2 Upholding Treaty settlements

The Bill presently includes a provision which states that if there is an inconsistency between a provision of the Bill and a Treaty settlement obligation, the Treaty settlement obligation prevails. It also includes an operating principle for WSEs to give "effect to Treaty settlement obligations to the extent that the obligations apply to the duties and functions of an entity". Consistent with the Crown's Te Tiriti obligations, these provisions reflect the Crown's clear intention to uphold Treaty settlement arrangements under the new Three Waters regime.

We support this intent and recommend that, where required, the Bill includes appropriate additional provisions to ensure that Treaty settlement mechanisms which interrelate to or affect the current legal regime governing Three Waters (including but not limited to provisions of the LGA and RMA) are carried across and have application to the equivalent or analogous aspects of the new water services regime.

5.5.3 Preservation of issue of water ownership

The Three Waters reforms and the establishment of WSEs relate to the provision of water services and water services infrastructure only. They are not concerned with the issue of water ownership, although we note with concern that there has

been public commentary suggesting otherwise. We expect the Crown to address this within their positive communication campaign (see Recommendation 1).

We acknowledge that the unresolved issue of iwi and hapū rights in water is an important one that the Crown has committed to addressing, and that this will be a separate discussion between the Crown and iwi/hapū. However, to avoid any residual uncertainty, we recommend that an express provision be included in the Bill stating that nothing in the Bill:

1. creates or transfers a proprietary interest in water; or
2. limits, extinguishes, or otherwise adversely affects iwi or hapū authority over, or rights and interests in, water.

5.5.4 Resourcing

Two of the key governance inputs and accountabilities for WSEs under the Bill are heavily dependent on iwi/hapū as mana whenua, namely:

1. the appointment of representatives to the RRGs; and
2. the preparation of Te Mana o te Wai statements.

We consider that the effectiveness and integrity of the Three Waters regime requires iwi and hapū to be appropriately and equitably resourced to carry out these important functions. The Working Group considers that, consistent with the obligations and relationship under Te Tiriti, these matters should be the subject of dedicated Crown funding in addition to any contribution from the WSEs.

This ensures that the regional voices of mana whenua are also supported appropriately through the Crown/WSE and that mana whenua are well positioned to:

1. take advantage of the proposed Te Mana o te Wai statement mechanism;
2. ensure that any plans are informed by Te Mana o te Wai statements; and
3. ensure on-going compliance of giving effect to Te Mana o te Wai in all activities and operations.

5.6 Strengthening Te Mana o te Wai

The Working Group agrees with the Crown's policy intent for incorporating Te Mana o te Wai as a key feature within the new Three Waters system. However, we recommend several enhancements to ensure Te Mana o te Wai is appropriately reflected throughout the WSE framework and to provide more clarity on its application and effect.

Strengthening of Te Mana o te Wai: Summary of recommendations

Recommendation 36: The Bill includes Te Mana o te Wai as an overarching objective guiding decision making, planning, governance, accountability, and service delivery.

Recommendation 37: The definition and application of Te Mana o te Wai in the draft Bill be amended to ensure that Te Mana o te Wai encompasses the interconnection with, and the health and well-being of, all water bodies that are affected by the Three Water system (including marine and estuarine waters, lagoons, and puna that are either the source, conduit or receiving environment for Three Waters activities).

Strengthening of Te Mana o te Wai: Summary of recommendations

Recommendation 38: Te Mana o te Wai is reflected at all levels of the WSE framework, including but not limited to:

1. Te Mana o te Wai being given effect to by the Minister in developing the GPS;
2. Te Mana o te Wai being given effect to by the RRG in the development of the SSPE and SOI;
3. Te Mana o te Wai being given effect to in asset management plans; and
4. Te Mana o te Wai being given effect to in infrastructure strategies.

Recommendation 39: The Crown furthers work to design inclusive communications and processes to support the embedding of Te Mana o te Wai in the community.

5.6.1 Te Mana o te Wai as an overarching objective

The Bill currently refers to Te Mana o te Wai within a series of stated objectives for WSEs. However, reflecting on the various stated objectives beyond Te Mana o te Wai, it was apparent to the Working Group that those other objectives all necessarily fell within the scope of Te Mana o te Wai. Te Mana o te Wai expressly identifies within its hierarchy the needs of people and communities (including not only drinking water, but also economic development). It is a purpose-made korowai for the Three Waters system.

We recommend therefore that Te Mana o te Wai is separately stated as the overarching objective for WSEs within the Bill with the consequence that the other subsidiary objectives identified for WSEs in the Bill should be expressed as being achieved "in a manner which gives effect to Te Mana o te Wai".

We consider that a focus on achieving Te Mana o te Wai as a core and overarching objective will also support an integrated approach to service delivery in the following ways:

1. coordination between each of the WSEs (including their RRGs) that share catchments with each other or where one will be materially impacted by decisions made by their neighbour (e.g. flood protection and water scarcity);

2. addressing some Three Waters legacy and historical issues;

3. integration of Treaty settlement issues and already existing co-governance and co-management matters which are consistent with iwi and hapū values where water bodies are viewed as indivisibly and metaphysically whole (recognising that some of the best examples of integrated management have come from innovative Treaty settlements or close collaboration between iwi and hapū and their local councils, including the 2009 Waikato River Settlement, the 2009 Canterbury Water Management Strategy and the 2014 Te Awa Tupua (Whanganui River) Settlement); and

4. integration across legislative frameworks that affect waterways is necessary to ensure that water quality outcomes are approached consistently and in a joined-up way – in particular, the Three Waters reforms (including Taumata Arowai), the economic regulator and the resource management reforms.

5.6.2 Extending the definition of Te Mana o te Wai

The National Policy Statement for Freshwater 2020 (**NPS-FM**) has provided a blueprint for the transformation of Te Mana o te Wai, but there needs to be

clarity and certainty about its meaning, role and purpose to ensure its successful implementation in Three Waters.

In the context of the NPS-FM, Te Mana o te Wai is focused on freshwater bodies. However, the Three Waters system necessarily also interacts with and affects non freshwater bodies, including marine and estuarine waters, lagoons and puna. We therefore recommend that the definition and application of Te Mana o te Wai in the draft Bill be extended to enable the consideration of the health and well-being of all such waters (given the importance of the inter-relationship and effects of Three Waters activities on those environments).

This is to recognise the integrated whole-of-system approach to wai, from mountains (maunga) to the sea (moana), or ki uta ki tai. This all-of-system approach also recognises the fundamentals of tikanga, mātauranga and kaitiakitanga Māori. It will provide a unique, inclusive and transformative approach to the management of water and water-related infrastructure in Aotearoa for the benefit of all New Zealanders.

At a practical level, it also provides a bridge and connection to resource management planning and consenting on water take and discharge – helping to underpin consistency across the wider system and guide behaviours to a common sense of purpose.

5.6.3 Te Mana o te Wai and WSE Framework

We agree that Te Mana o te Wai needs to be reflected at all levels of the WSE framework. However, certainty and clarity of Te Mana o te Wai is also required (including as it applies at each level of the system) and how it infuses itself within and guides the WSE decisions and choices.

As a result, Te Mana o te Wai implementation will need to be considered in three broad ways.

Strategy

The co-governance arrangements that set strategic guidance for the WSEs will need to ensure that key strategic outcomes and priorities reflect or must be delivered consistent with achieving the overarching purpose of giving effect to Te Mana o te Wai. The Water Services Entities Bill should be clear that this Te Mana o te Wai objective applies:

1. in the development of the GPS;
2. in the development of the SSPE by Regional Representative Groups;
3. in the development of asset management plans; and
4. in the development of infrastructure strategies.

Community engagement

Local councils, mana whenua (iwi/hapū) and individual customers will have their own specific location/catchment-based needs and aspirations and expressions of Te Mana o te Wai. The 'plan-making' role and function of councils will need to recognise and be consistent with Te Mana o te Wai.

Operations and delivery

Water Services Entities are responsible for effectively, efficiently and sustainably matching their strategy with the community needs in a way that meets all legal or regulatory requirements within the actual (and ever changing) operating environment (i.e. while performing their 'plan-taking' role) and in a manner that gives effect to Te Mana o te Wai.

There also needs to be a clear process for measuring/evaluating WSE compliance with Te Mana o te Wai (and takiwā-specific Te Mana o te Wai statements).

5.6.4 Development of Te Mana o te Wai statements

We acknowledge that wai, or water, is a taonga of paramount importance to iwi and hapū and is essential to life and identity. Every iwi will have a whakataukī or pepehā which references an expanse of water, whether it is a river, a lake or a harbour. For many iwi, a body of water is their most important self-identifying feature.

In addition to the overarching commitment to recognise and provide for Te Mana o te Wai, we acknowledge that mana whenua whose rohe or takiwā includes a water body in the service area of an entity can draw on Te Mana o te Wai statements in a number of ways to assist with local water services delivery arrangements. This includes:

1. development of Te Mana o te Wai statements for water services as identified by relevant mana whenua (which statements may relate to an individual iwi/hapū or catchment, or may be multi-iwi/hapū or multi-catchment);
2. advisory groups (sub-RRGs) to the RRG providing direct input into regional strategic priorities by reference to relevant Te Mana o te Wai statements; and
3. Regional Representative Groups, setting the strategic direction for WSEs (including recognising and providing for Te Mana o te Wai as a core principle that will guide service delivery).

We also recommend that inclusive communications and processes be designed to support the embedding of Te Mana o te Wai in the community (including enabling the wider community to develop its own sense of connection with, and also become invested in, the Te Mana o te Wai statements that apply in their area).

5.7 The role of the Crown

Role of the Crown: Summary of recommendations

Recommendation 40: Due to the number of bodies that provide strategic direction to the WSEs the Bill should include strengthened provisions around the content of the GPS, and consultation requirements, to mitigate the risk of disconnected priorities.

Recommendation 41: When the Crown develops or reviews the GPS it should consult with the RRGs of the WSEs, and follow the standard GPS consultation process which includes community consultation.

Recommendation 42: The Bill includes provision for a non-voting Crown liaison to the RRG.

Recommendation 43: The Crown confirms that it will provide sufficient financial support to the WSEs to ensure 'balance sheet separation' from councils, that the WSEs have sufficient borrowing capacity to invest in the required infrastructure and can borrow funds at a cost similar to councils.

Recommendation 44: The Crown confirm to iwi and councils the size of investment required to address issues of historic degradation of waterways and inequalities in the provision of water services for their consideration,

Role of the Crown: Summary of recommendations

along with a plan as to how addressing these issues will be funded.

Recommendation 45: The establishment of the WSEs is not the end of the Crown's involvement in addressing water services issues, and the Crown should have an ongoing role to support and invest in water services.

Recommendation 46: A review of the Three Waters structure is undertaken five years after the WSEs are operationalised.

The Working Group acknowledges the Crown's role as a steward of the system, including those that regulate the WSEs. We had considerable discussion about the GPS and have voiced concerns on:

1. The role of the GPS in directing operational decisions of WSEs and how council, iwi and WSEs are able to have a voice in the GPS.
2. Interaction between the GPS and the ability of WSEs to undertake investment prioritisation based on the needs of communities.
3. Questions about who has input into and is consulted in the development of the GPS.

We acknowledge that a GPS is required as an instrument that provides high level national direction and achieve coherence across the system (including coordination of regulators). However, we recommend that the Bill strengthens provisions around the content of GPS and consultation to mitigate the risk of disconnected priorities. The GPS should reflect the objectives of the reform. Clarity on the GPS (and the process for setting the GPS to ensure it doesn't have

unintended consequences for WSEs) needs to be provided by the Crown before the establishment of the WSEs.

We also recommend that a provision for a non-voting Crown liaison with the RRG be included in The Bill.

5.7.1 Crown funding

The Three Waters reforms are partly premised on the new WSEs being able to borrow more than councils can to invest in water services. This is to be achieved by separating the balance sheets of the WSEs from councils. We have discussed how the Crown will need to provide sufficient financial support to the WSEs to not only ensure that 'balance sheet separation' is achieved, but also that the WSEs have sufficient borrowing capacity and are able to borrow funds as cheaply as possible, and ideally at the same rate as the Crown. If the WSEs' cost of borrowing is greater than councils or they are subject to borrowing restrictions that mean they are unable to fund necessary investment, it will undermine part of the rationale for the reforms.

We note the requirement by the credit rating agencies for backstop support and recommend the Crown confirms back to iwi and councils the provision of this support, along with how it will ensure this support is sufficient to ensure the financial strength, and consequent borrowing capacity, of these entities.

The Working Group has also discussed the role of the Crown as the potential funder of the WSEs. We note there are significant legacy infrastructure investment issues across the proposed entities which need to be more fully understood. In particular, investment will be needed to deal with historic degradation of waterways, and inequalities in provision of water services. Some of these issues may be due to Treaty breaches. This may require investment in infrastructure that would not pass traditional cost benefit analysis but will

nevertheless be required to meet new regulatory standards, and address inequalities.

We recommend the Crown confirm to iwi and councils the size of these issues for their consideration, along with a plan as to how addressing these issues will be funded. Given the sheer scale of investment required, additional Crown investment may be required in the future, as the WSEs may not have the capacity to fund all of what is required.

We have stated earlier that iwi/hapū and councils will require financial support from the Crown to ensure that they have the capability and capacity to fulfil their roles in relation to the WSEs. An increase in investment will also require an increase of investment in education and training, to ensure that the water industry has sufficient capacity and capability to deliver.

In short, the establishment of the WSEs should not be the end of the Crown's involvement in addressing water services issues. We believe the Crown will have an ongoing role to support and invest in water services.

5.7.2 Five year review

Real transformational change takes time. The Working Group recommends instituting a formal review of the structure as a whole five years after the "go-live" date of the WSEs. This should be an independent review of the governance structure, including a review of how effective the accountability mechanisms are that rely on Te Mana o te Wai and local voice, the Crown's role, role of the RRG and their relationships with the WSEs and composition of the RRGs.

6. A comment on balance sheet separation

Throughout this process, the Working Group has engaged in informal discussions with S&P Global Ratings on the potential balance sheet implications of some governance features being considered. Where applicable, recommended governance features that may increase linkages of WSEs to council balance sheets have been noted in the report. We have not been able to test the complete governance model with S&P as their contract with the Crown is pending. We recommend the Crown formally test all recommendations in this report as a comprehensive governance model with S&P, to ensure balance sheet separation between the WSEs and council.

Recommendation 47: The Crown formally tests the recommendations outlined in this report with S&P to ensure balance sheet separation.

7. Other considerations raised outside of the Terms of Reference

7.1 RMA alignment

The Working Group considered the importance of the resource management reforms and how those reform proposals will impact on the WSE. It is clear that the proposed Spatial Planning Act (**SPA**), which will require the development of long-term regional spatial strategies, will be of key importance for the new WSE. These strategies will identify the areas that will be suitable for development, need to be protected or improved, need new infrastructure and are vulnerable to climate change effects and natural hazards. The development of natural and built environment plans under the proposed Natural and Built Environments Act (**NBA**), which will likely also need to give effect to Te Mana o te Wai (under the NPS-FM 2020), will also be important to decision-making within regions.

Policy decisions in resource management reform are yet to be finalised and there was no information available to us on the respective governance model being considered in this area. Both reforms, however, seek more collaborative arrangements between mana whenua and local government, and between local government itself, but with potentially different rights and responsibilities in each governance model. We believe that attention should be given to streamlining and aligning these arrangements. Ideally the regionalisation and co-governance arrangements should conform with each other, and any differences should be kept to a minimum and only exist for very good reasons.

We want to ensure that further work on the reforms recognise:

1. The important and ongoing role local councils will have in planning decisions on regional infrastructure, development priorities and local place making, and the need to ensure there is alignment on key aspects of the water and resource management reforms.

2. WSEs will need to participate in the new NBA and SPA processes, providing input into spatial strategies and NBA plans and expert advice on consents.

3. The timing and sequencing of the various component parts of the new system (and what happens with the existing system) will be key to a successful transition.

7.2 Stormwater

Although outside the terms of reference, the Working Group considered the merits and issues associated with including stormwater into the water service entities. We also considered a proposal to defer the inclusion of stormwater from the three water reforms, while further investigation of the best approach to take for stormwater management in the context of Te Mana o te Wai and the NPS Freshwater. While there was not unanimous support for deferring stormwater, with the majority considering that waters needed to be considered holistically and in an integrated way, there was recognition that stormwater needed further consideration.

The inclusion of stormwater is necessary to fully give effect to Te Mana o te Wai and for the co-governance opportunity to be fully realised and meaningful because:

1. Te Ao Māori view of wai is holistic/single system – ki uta, ki tai (mountains to sea).
2. An integrated approach is essential to the reform objectives (both in the present, from an intergenerational perspective, and from a community/collective perspective and Te Taiao, and not limited to freshwater bodies).
3. There is a need for improved collaboration across agencies (both local and central government).

The key concerns identified were:

1. The stormwater system is fundamentally different from the other two waters being proposed for reform. The stormwater system is an open system; including retention basins and wetlands, as opposed to the closed networks that pipe and treat drinking water and wastewater. Stormwater management is integral to flood management and land drainage and their environmental impact is very much influenced by the many activities that take place in each catchment.
2. Ownership and management of the stormwater system is complex and fragmented – key owners include council, transport authorities and private property owners.
3. Stormwater could be considered as narrowly as piped conveyance networks, or as broadly as the management of our land, water and coasts. It is not clear from the reform proposals to date what is being defined as stormwater.
4. The efficiencies, benefits and implications of the decision to include stormwater have not been assessed.

5. The interface requirements (e.g. planning, regulatory, ownership) between local, regional and road controlling authorities (and civil defence and emergency management) are complex and the mechanisms to manage these require greater consideration and collaboration, especially when considered within the context of the ongoing RMA reform.

6. There will be a need for a phased/staged transfer (of assets, people and responsibility) into each WSE to enable clear planning around what stays with each council, what moves and where joint management will be required for dual/multiple use elements/assets. The WSEs will also need to pay their share. There is no precedent internationally for economic regulation of stormwater. It is unknown whether economic regulation can deliver multi-benefit outcomes across several organisations that exceed minimum engineering or cost options.

7. Without appropriate consideration being given to these concerns, the allocation of stormwater functions to WSEs could affect their ability to deliver positive land and water outcomes at the catchment level.

8. Fundamentally different charging systems will be required: volumetric charging is available to two waters, as they are a service provided to property connections. Stormwater services on the other hand are a public good and for the benefit of the community and the environment. How stormwater charges (akin to a rate or tax) are set will need to be addressed.

The inclusion of stormwater within an WSE means these entities will not be simple utility companies as some have suggested. They will be vital to delivering councils' land-use plans, and community aspirations regarding water quality improvements. This will require a high level of collaboration

and coordination after the establishment of the reforms. We recognise that councils and iwi/hapū will need to be involved in the transfer of stormwater functions to WSEs, and mechanisms need to be developed to facilitate collaboration and coordination.

Appendix

Minority Report of the Working Group on Representation, Governance and Accountability of new Water Services Entities

This minority report expresses dissent from some of the views expressed by the working group on Representation, Governance and Accountability of new Water Services Entities (Working Group). I welcome the process of the Working Group which has resulted in constructive discussion of the issues and recommendations for some positive and worthwhile improvements to the Government's original proposals.

However, these changes still fall short of what Auckland Council and Aucklanders require in the area of governance and accountability.The nature of our disagreement is not about the need for water reform in New Zealand, or the intent to significantly improve the safety and quality of our drinking water, and the environmental performance and resilience of our three waters. Water is a vital service and public good. There is an urgent need to reform the sector, achieve economies of scale outside Auckland, and enable increased investment in infrastructure to achieve these outcomes. We support the Government's desire to achieve change in the delivery of water services and in particular the need for water quality and economic regulation to ensure that the goals are achieved.

We acknowledge that many Councils under the current water services structures have been unable or unwilling to invest sufficiently in water infrastructure. This has resulted in some areas not meeting water quality and consent requirements. Measures designed to ensure water conservation and detecting leaks, such as water metering have also not been adopted by many Councils. Auckland has invested strongly in 3-waters, with increased investment of $11 billion in its latest long-term plan. We also meter water usage, deliver high drinking water standards, and have achieved, through conservation measures, one of the lowest levels per capita water consumption in New Zealand. Despite this, we feel penalised by losing control and accountability over our services because of the shortcomings of some other local authorities.

Our concerns relate to the proposed governance and accountability arrangements which Auckland considers are too far removed from the community and democratic accountability. The Working Group recommends changes in this regard to the Government's proposal which do improve the proposal. In particular, we welcome the recommendations which secure proportional shareholding by individual councils as a concrete expression of ownership, proposals to strengthen the governance and accountability of the Water Servcies Entities to the regional representation groups, greater representation for Auckland on the Regional Representation Group overseeing the Northern Water Services Entity and other improvements recommended.

Despite those recommendations, Auckland is still left as a minority voice on governing and holding accountable those who deliver water services despite Auckland Council providing 93 per cent of the new Water Services Entity's assets.

Given the unique nature of Watercare which serves over a million and a half customers and already has economies of scale and operates effectively, a one size fits all approach does not meet our needs. In fact, Auckland has already achieved most of the size, scale and efficiency benefits the reforms are seeking to achieve for New Zealand. Indeed in her cabinet paper of 14 June 2021, Minister Mahuta acknowledges "I consider it would be possible to exclude Watercare from the reforms on the basis that it already has many of the desired features of the reform." This leads to the question, what is the problem the Government is trying to solve in Auckland?

I set out below the areas of disagreement with regard to specific recommendations and with the Government's current proposal. These reflect the views of elected members in Auckland and the views Aucklanders expressed in submissions and independent survey results.

Re: recommendations on ownership of Water Service Entities (WSE)

We agree with the concepts of kaitiakitanga supported by the Working Group and support the Working Group's shareholding model recommendation as a significant improvement over the Government's original proposal. The change would emphasise and entrench community ownership of the assets and would be an additional safeguard against privatisation. However, ownership of assets should mean appropriate control over those assets. Auckland Council, representing its community, ends up as a minority voice on the Regional Representation Group despite contributing the overwhelming majority of the assets. We therefore disagree with the recommendations for the following reasons:

- With ownership comes rights, responsibilities and obligations. Ownership needs to be reflected in democratic accountability and this proposal would lead to the loss of direct accountability and control the people of Auckland over water service entities through their elected representatives.
- Feedback from the people of Auckland, through three and a half thousand submissions and an independent and representative polling survey, confirms that they do not support the Government's proposal as currently constituted. More than three-quarters (77 per cent) of submitters supported the council's position that any new water entity should be kept accountable and responsive to the public through their elected council representatives. Results of the independent polling were similar, with 67 per cent supporting the council's position. Submitters were even more strongly supportive of Auckland Council having the majority of control in any new entity, with 83 per cent of submitters and 74 per cent of survey respondents agreeing with the council's position. As Mayor of Auckland, it is my responsibility to represent the views of elected members and the people of Auckland they represent.
- Auckland Council wants to retain its current CCO model. Auckland already has specific 'substantive CCO' legislation. The CCO model has proven to be effective and a recent independent review confirmed that "the CCO model remains the right one for Auckland, bringing together strong business disciplines, agile decision-making, streamlined administrative structures, operational efficiencies and specialist skills and expertise".[1]

Re. recommendation re. strengthening the role and accountability to the Regional Representation Group (RRG)

While we consider the working group's recommendations relating to the size and composition of the RRGs, and bespoke arrangements for Entity A, an improvement on the Government's proposal, we disagree with the recommendations for the following reasons:

- Proportional representation on the RRG is required to reflect the population and economic contribution of Auckland Council and would address our concerns.
- The proportional representation of Entity A (and indeed other entities) under either the Government's or the Working Group's proposal is not equitable or representative of the investment, population and assets Aucklanders are transferring to the Water Service Entity. Auckland Council's ownership of assets constitute 93 per cent of the water assets in Water Services Entity A. Under the Government's proposal, with one seat at the table (12.5 per cent) Auckland would be reduced to a minority voice in decisions as to how those assets were used (noting the 75 per cent majority vote provision). With the amendments proposed by the Working Group, Auckland Council's voice on the RRG would increase to 28 per cent but would still be a minority voice in decisions.

[1] Review of Auckland Council's council-controlled organisations (July 2020), Report of Independent Panel, p. 1.

- Consultation and polling indicate the public strongly supports the council's position, with more than 80 per cent of those submitting on to the consultation agreeing council should have majority control of a new water entity, while more than 75 per cent backed council's view that a new entity should be kept accountable to Aucklanders through elected representatives.

Re: recommendation on co-governance of the RRG

We disagree with the recommendation for the following reasons:

- Democratic accountability, through elected representatives, to people who funded the water infrastructure in Auckland valued at many billions of dollars, and who continue to pay for its operation, is critical. It is not appropriate to cede control over this infrastructure to other councils and mana whenua and to remove existing accountability to Aucklanders through elected representatives.
- We are committed to work in partnership with mana whenua which we have done through the development of our Water Strategy, and to consider alternative ways of strengthening this partnership.

Re: Stormwater

We advocate further consideration on inclusion of stormwater and believe there should be a specific stormwater recommendation seeking a deferral on the inclusion of stormwater in the new WSE until further work is undertaken. More specifically:

- There has been inadequate analysis of the benefits and costs of transferring stormwater functions to a new WSE. The focus of the Stormwater Technical Working Group was to consider how these assets and functions should be transferred, not why.
- It is unclear how an economic regulator will be applied to stormwater functions and how it may consider the very difficult task to measure social, community and environmental benefits that are intrinsically linked with stormwater management.
- Stormwater is intrinsically linked to the land use planning function of council and more detailed consideration needs to be given to the implications of this function being separated. An understanding of the changes the Resource Management reform will bring is also required before any separation should be considered.
- This does not preclude options, such as an entity contracting the management and maintenance of stormwater assets as interim steps nor to the ultimate inclusion of stormwater in the water entity. However, further work needs to be done to understand the consequences and to justify its inclusion before this can be supported. Given the radical changes proposed to water, it would also make sense to allow a new water service entity to focus on the massive tasks of amalgamating and delivering water and wastewater services in the first instance.

Re: Recommendations regarding strategic direction and local voice

We support and advocated for the accountability improvements suggested by the Working Group, but with the relegation of the owners of the infrastructure to a minority position on the RRG, this does not resolve the problem of the loss of democratic accountability.

The following section outlines our general concerns with the Government's proposal**.**

Scale and efficiency

Auckland is a high-growth area. This requires significant coordination to achieve development. The amalgamation of Auckland in 2010 was intended to achieve this. The CCO model was considered as the most appropriate model to ensure the alignment and coordination between council planning,

transport, water and community infrastructure. Auckland and Watercare are already of a scale and size that achieves the efficiency and competency gains expected by the Government. The introduction of an economic regulator will also help improve efficiency gains and we are not opposed to this.

Auckland has demonstrated that it is willing to share its learnings and capabilities through Watercare's current contracting to deliver services to the Waikato District Council. We are willing to consider applying this model to those councils in Northland should they wish to do so.

Coordinated city planning and investment to meet economic and growth needs

As the economic power-house for New Zealand, Auckland needs to deliver coordinated and timely investment. Auckland Council is seen by the public as the entity responsible for planning and infrastructure investment in Auckland. Dilution of our role will exacerbate piecemeal planning and infrastructure provision. I am concerned that it will make it harder to ensure we have pipes and roads in the right places at the right time. We need to simplify the planning, funding and delivery of infrastructure for Auckland, not add to its complexity.

We strongly believe to achieve the coordination a city the size of Auckland needs, the current CCO model with some further refinement is the best option.

Investment and balance sheet separation

There is insufficient evidence that establishing these four water entities will deliver the efficiency gains the Government is expecting. Indeed, they may not be able to borrow significantly more to invest in infrastructure. This is because:

- the additional costs these entities will face due to increasing bureaucracy and compliance are likely to be considerable.
- S&Ps original assessment of the proposed entities indicated they required the support of the Government to raise the Issuer Credit Rating. We have serious concerns about the cost of the debt envisaged by the Government and whether the proposed WSE boards will have the ability to, or be comfortable with, borrowing significantly more to invest in infrastructure. The Government has not shown what benefit there would be to Auckland in terms of the ability to invest more in infrastructure. Auckland Council will not benefit from any increased debt headroom. One of our credit rating agencies, Moody's, already excludes Watercare debt from its considerations. While Watercare's debt would be removed from our books, so too would its direct revenue stream, cancelling most of the benefits from a debt to revenue perspective. We will therefore not be able to accelerate our investment in other infrastructure as a result of these reforms.
- The consequence of fragmented planning and infrastructure delivery environment may well lead to more expensive infrastructure provision and greater inefficiencies. This is an issue that needs to be dealt with in a holistic manner, not in an ad hoc piecemeal way.
- We are also concerned at the viewpoint expressed by Standard and Poors that accountability to consumers and funders of Water Services Entities through elected representatives is regarded as "undue influence". We believe that the role of the regulators, the Government's ability to set policy through National Policy Statements, a requirement that Councils not set water prices or bail out a Water Services Entity in financial difficulty, and the Crown providing a liquidity facility or guarantee would all allow accountability as well as allow a separation of books to facilitate access to additional investment capital.

Connection with wider government reforms

There is a strong connection between the water reform and the reform of the Resource Management Act and the future of Local Government. The potential for unintended consequences is a significant risk. Council and the public have insufficient information to understand how these

reforms will work together. For this reason, we support the continuation of the current CCO model for Auckland.

In conclusion, I ask the Government to consider these issues carefully and take account of concerns raised by Aucklanders and their elected representatives in particular about the proposed governance and accountability structure.

APPENDIX G

WORKING PARTY ON REPRESENTATION, GOVERNANCE AND ACCOUNTABILITY OF NEW WATER SERVICES ENTITIES

LIST OF 47 RECOMMENDATIONS

Recommendation 1
That the Crown acknowledges the significant contribution councils have made as stewards of three water infrastructure. We recommend the Crown undertake a positive communications campaign with the nation to explain the universally agreed 'need for change' to serve the needs of communities, expectations of how we best ensure the health of our wai, and the opportunities provided by the Three Waters reforms.

Recommendation 2
The Crown ensures Resource Management Act reforms are consistent with, and do not undermine, the Three Waters reforms (informed by the recommendations in this report).

OWNERSHIP: SUMMARY OF RECOMMENDATIONS

Recommendation 3
The Bill prescribes the collective ownership of each WSE by local communities through a direct shareholding interest allocated to their territorial authorities. One share for each 50,000 people, rounded up. As shareholding owners of the WSEs, each territorial authority will be required to vote on any proposal for the WSE to be sold (privatised) or involved in a merger of WSEs, in each case that changes the owners of the WSE. The proposal will only proceed if there is unanimous shareholder approval. This is in addition to the privatisation protections currently outlined in the Bill.

Recommendation 4
The Bill entrenches the need for a majority of 75% of all the members of the House of Representatives to repeal or amend provisions of the Bill where the repeal or amendment of that provision is necessary to allow privatisation of an WSE.

Recommendation 5
The Bill expressly provides a prohibition on local authorities providing financial support to, or for the benefit of, WSEs – this includes by way of guarantee, indemnity or security, or the lending of money or provision of credit or capital.

Recommendation 6
The Crown should further explore and clarify the thresholds regarding what constitutes a major transaction to be raised to the RRG for consideration.

STRENGTHENING CO-GOVERNANCE OF THE RRG: SUMMARY OF RECOMMENDATIONS

Recommendation 7
The Bill requires RRG co-chairs, one council and one iwi/hapū representative.

Recommendation 8
The Bill requires consensus decision making for all decisions on RRG. Where consensus cannot be reached within an appropriate timeframe, 75% majority vote will be sought as agreed by co-chairs. This process should be prescribed in the Bill.

Recommendation 9
The RRG requires appropriate secretariat and resource provisions to enable it to perform its role, and to allow for meaningful council and iwi/hapū participation in the RRG. This should be funded by the WSE.

STRENGTHENING THE ROLE OF AND ACCOUNTABILITY TO THE RRG: SUMMARY OF RECOMMENDATIONS

Recommendation 10
The role of the RRG is to collate inputs to the SSPE including alignment with the Government Policy Statement (GPS), direction from regulators, local community priorities within the region as outlined in council strategic documents, Te Mana o te Wai statements, and alignment with RMA. This is to ensure that the WSEs receive clear strategic direction. It is recommended that the Bill is amended to reflect this approach and ensure the RRG receives all necessary information to undertake its role, this includes receiving copies of the WSE Asset Management Plan and Te Mana o te Wai statements to support the development of the SSPE, and the ability to seek further information as necessary for it to undertake its role.

Recommendation 11
The Bill is amended to ensure the SSPE, which covers a period of 3 years, be issued annually to the WSE.

Recommendation 12
The role of the RRG be extended in legislation to include the approval of the strategic direction outlined by the WSE in the Statement of Intent (SOI) (on the assumption that the SOI is limited to strategic direction only).

Recommendation 13
The role of the RRG be extended in legislation to allow comment on the operational direction of the WSE through the Asset Management Plan and other key documents.

Recommendation 14
The Bill clarifies the scope of the SSPE and excludes directing the WSE at a project, investment or management level.

Recommendation 15
The Bill should specify that the RRG will monitor performance of the WSE on delivering strategic outcomes of the SSPE and SOI through six monthly reporting from the WSE. Individual constitutions could require additional performance reporting requirements (e.g. quarterly reporting).

Recommendation 16
The Bill is amended to allow RRGs to provide additional competency requirements for appointees to the WSE Board.

Recommendation 17
The Bill is amended so that conflict of interest requirements for RRG and WSE board appointments need to be stated.

Recommendation 18
The Bill is amended to provide for bi-annual Board performance reviews. Independent reviewers or additional reviews can be included in individual constitutions.

Recommendation 19
The Bill requires a minimum of 12 and maximum of 14 representatives on the RRG. The composition and appointment of council and iwi/hapū representatives will be left to individual WSEs and outlined in their constitution, noting that the Working Group also recommends that the Crown consult the Working Group as they draft the default constitutions.

Recommendation 20
The Bill requires that Council representatives should have a mix of representatives from urban, provincial, and rural councils.

Recommendation 21
The Bill requires that iwi representatives should have a mix of representatives that are appointed on a tikanga basis reflecting their whakapapa affiliations through waka groupings. Entity D will appoint on a tikanga basis reflecting their hapū groupings.

Recommendation 22
The Bill provides for bespoke arrangements for the Entity A RRG, specifically 14 members with 50:50 Council and iwi/hapū composition. There should be 4 Auckland Council representatives, 4 Tāmaki Makaurau iwi/hapū representatives, 1 representative each from the Northland Councils and 3 iwi/hapū representatives from Te Tai Tokerau.

Recommendation 23
The Crown provides financial support to Councils so they can be appropriately resourced to allow them to fulfil their RRG roles.

Recommendation 24
The Bill requires a competency requirement for representatives to the RRG but detailed criteria will be left to individual WSE constitutions.

Recommendation 25
The Bill includes provision for regional advisory groups (sub-RRGs) to the RRG to exist within legislation. Other than 50/50 co-governance between council and iwi/hapū, composition and number of advisory groups (sub-RRGs) will be left to individual WSE constitutions.

Recommendation 26
The Bill is amended to require a single constitution that governs the RRG and WSE for each region and modifications to the constitution will require the co-governance consensus agreement of the RRG.

Recommendation 27
The Crown consults the Working Group as they draft the default constitutions.

COMMUNITY AND LOCAL VOICE: SUMMARY OF RECOMMENDATIONS

Recommendation 28
The Bill requires the RRG to have input into the investment prioritisation methodology and framework through consultation between the WSE and the RRG.

Recommendation 29
The Bill includes provision for the WSE to engage with councils on the development of the WSE Asset Management Plan (AMP) as it applies to their district and to respond to Council's comments.

Recommendation 30
The Bill includes the establishment of a national Water Services Ombudsman with jurisdiction over all the public facing activities of each WSE, incorporating a tikanga based dispute resolution process.

THE ROLE OF TE TIRITI WITHIN THE THREE WATERS SYSTEM: SUMMARY OF RECOMMENDATIONS

Recommendation 31
The Bill requires the Crown and Minister to give effect to Te Tiriti and its principles when exercising powers and functions under the legislation (including in issuing the GPS and exercising monitoring, review and intervention powers in relation to WSEs).

Recommendation 32
When developing the GPS, and consistent with the principles of Te Tiriti, the Crown engages with its Te Tiriti partner (separate from any public consultation).

Recommendation 33
The Bill includes a provision confirming that nothing in legislation creates or transfers a proprietary interest in water or limits, extinguishes, or otherwise adversely affects or constrains iwi or hapū authority over, or rights and interests in, water.

Recommendation 34
The Bill includes appropriate provisions to ensure that Treaty settlement mechanisms which interrelate with or affect the current legal regime governing the Three Waters reforms (including but not limited to provisions of the LGA and RMA) are carried across and have application to the equivalent or analogous aspects of the new water services regime.

Recommendation 35
The Crown provides equitable resourcing to enable the full and effective participation of iwi and hapū in the Three Waters regime.

STRENGTHENING OF TE MANA O TE WAI: SUMMARY OF RECOMMENDATIONS

Recommendation 36
The Bill includes Te Mana o te Wai as an overarching objective guiding decision making, planning, governance, accountability, and service delivery.

Recommendation 37
The definition and application of Te Mana o te Wai in the draft Bill be amended to ensure that Te Mana o te Wai encompasses the interconnection with, and the health and well-being of, all water bodies that are affected by the Three Water system (including marine and estuarine waters, lagoons, and puna that are either the source, conduit or receiving environment for Three Waters activities).

Recommendation 38
Te Mana o te Wai is reflected at all levels of the WSE framework, including but not limited to:

1 Te Mana o te Wai being given effect to by the Minister in developing the GPS;
2 Te Mana o te Wai being given effect to by the RRG in the development of the SSPE and SOI;
3 Te Mana o te Wai being given effect to in asset management plans; and
4 Te Mana o te Wai being given effect to in infrastructure strategies.

Recommendation 39
The Crown furthers work to design inclusive communications and processes to support the embedding of Te Mana o te Wai in the community.

ROLE OF THE CROWN: SUMMARY OF RECOMMENDATIONS

Recommendation 40
Due to the number of bodies that provide strategic direction to the WSEs the Bill should include strengthened provisions around the content of the GPS, and consultation requirements, to mitigate the risk of disconnected priorities.

Recommendation 41
When the Crown develops or reviews the GPS it should consult with the RRGs of the WSEs, and follow the standard GPS consultation process which includes community consultation.

Recommendation 42
The Bill includes provision for a non-voting Crown liaison to the RRG.

Recommendation 43
The Crown confirms that it will provide sufficient financial support to the WSEs to ensure ‘balance sheet separation’ from councils, that the WSEs have sufficient borrowing capacity to invest in the required infrastructure and can borrow funds at a cost similar to councils.

Recommendation 44
The Crown confirm to iwi and councils the size of investment required to address issues of historic degradation of waterways and inequalities in the provision of water services for their consideration, along with a plan as to how addressing these issues will be funded.

Recommendation 45
The establishment of the WSEs is not the end of the Crown's involvement in addressing water services issues, and the Crown should have an ongoing role to support and invest in water services.

Recommendation 46
A review of the Three Waters structure is undertaken five years after the WSEs are operationalised.

BALANCE SHEET SEPARATION

Recommendation 47
The Crown formally tests the recommendations outlined in this report with S&P to ensure balance sheet separation.

REPORT

TO: Chief Executive Officer

FOR: Council Meeting – 23 March 2022

FROM: Acquisitions Disposals & Leasing Officer

DATE: 4 March 2022

SUBJECT: **TERMINATION OF LICENCES TO FACILITATE SALE OF CROWN RESERVES ON TRANCHES 1 AND 2.1 OF THE DISPOSAL SCHEDULE**

RECOMMENDATION

'That Council authorises the Acquisitions Disposals & Leasing Manager and the Acquisitions Disposals & Leasing Officer to terminate licences over those reserves listed in Tranches 1 and 2.1 of the Crown Disposal Schedule, as required for facilitating the sale the reserves in those tranches.'

1. PURPOSE

During Council meetings on 22 March 2011 and 12 April 2011, Council declared a batch of reserves surplus to requirements. This batch is now divided into Tranches 1 and 2.1. These reserves were subsequently handed back to the Department of Conservation (DoC) for revocation of their reserves statuses, and disposal. This project is known as the 'Disposal Schedule.'

Council still manages the licences (which are usually for the purposes of grazing) on the reserves, and Council's officers have been awaiting notification from DoC of upcoming sales before taking action to terminate such licences in readiness for sale. Now that sales of these reserves are beginning to be processed, it is timely for staff to seek the approval of Council to terminate the licences on the applicable reserves.

The purpose of this report is to request that Council authorise the termination of all licences contained in Tranches 1 and 2.1 of the Disposal Schedule. This will allow for staff to take termination action in readiness for settlements, without needing to seek separate approvals from Council for individual reserves.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

The decisions and matters of this report have been assessed as low in accordance with Council's Significance and Engagement Policy. The low assessment is made as the decision is related only to a contractual obligation of officers to report to Council, and it does not require the approval of any spend of further funds. The decision is consistent with prior Council decisions and actions approved under Long-Term Plan and Annual Plan processes.

3. HISTORY/BACKGROUND

As noted above, Council has previously declared the reserves in Tranches 1 and 2.1 (as well as further Tranches 2.2 and 2.3) of the Disposal Schedule surplus to requirements. Most of the reserves are subject to licences (usually grazing licences), often to neighbouring landowners. In order to sell these reserves, Council officers need to terminate these licences.

Council's licence deed template which is used for these arrangements contains provision for the early termination of licence agreements. These clauses allow Council officers to terminate licences earlier than the end of the agreed term in circumstances where either:

(a) the licensee has not complied with the licensee's obligations in the licence *[ie: where there has been a breach of the agreement and the breach cannot be rectified]*; or

(b) where a Council resolution is passed requiring the whole or any part of the land for the purposes of carrying out any works or functions of the licensor in its capacity as territorial authority, or requiring the land to be sold.'

Point (b) above is the clause that is relevant to the recommendation in this report, and is the reason for staff reporting to Council to take this action.

The table below shows a list of the next two tranches due for disposal being Tranches 1 and 2.1. A similar table was provided to Council in the Public Excluded agenda of the meeting on 23 February 2022.

Tranche 1	**Reserve**	**Location**
	Reserve 1528	Buttles Pit, Homebush Rd, Darfield
	Reserve 2653	Bethels Rd, Springston (Land)
	Reserve 2458	Cnr Ardlui Rd & Saunders Rd, Bankside
	Reserve 3537	Cnr McDonald Rd & Englishes Rd, Lincoln
	Reserve 3878	Highfield Rd, Kirwee
	Reserve 1469	Old South Rd, Dunsandel
	Reserve 1508	Telegraph Rd, Charing Cross
	Reserve 2293	Doyles Pit, Cnr Sharlands Rd & Mitchells Rd, Bankside
	Reserve 5242	Wagners Pit, Leeston Rd, Doyleston
Tranche 2.1	**Reserve**	**Location**
	Reserve 2301	Ardlui Rd, Hororata
	Reserve 2527	Bealey Rd, Darfield
	Reserve 1519	Cnr Bealey Rd & Clintons Rd, Charing Cross
	Reserve 1510	Cnr Wards Rd & Essendon Rd, Darfield
	Reserve 1509	Essendon Rd, Darfield
	Reserve 1536	Old West Coast Rd, Waddington
	Reserve 3536	Yeomans Rd, Darfield

4. PROPOSAL

Each time an Agreement for Sale & Purchase is reached over one of the Crown reserves approved for sale, Council officers are notified by agents WSP (acting on behalf of DoC). As the Crown is the underlying landowner, these agreements are between the purchaser and Her Majesty the Queen.

If Council agrees to the recommendation as written in this report, then it is proposed that when each reserve is ready for sale (as notified by WSP), Council officers will provide written notice to the relevant licensee, notifying them that their licences shall be terminated in accordance with Council resolution, consistent with the terms of the licence agreement (noted in paragraph 3 above).

Such written notice will terminate the licence and must be supplied to the licensee with a notice period of at least one (1) month.

In some instances, the licensee will also be the purchaser, so the termination notice will be a mere formality in the course of working towards settlement, or it may not be necessary. There may also be some instances where it is more appropriate to formalise the termination of the licence via a Deed of Surrender to be signed by both parties, rather than by issuing a termination notice (an action not requiring approval from Council).

However, securing Council's approval to terminate for Tranches 1 and 2.1 in one batch now, will mean that in instances where securing a Deed of Surrender is not possible nor appropriate, and a termination notice is required, staff will still be able to terminate in time to make sure sales can proceed unencumbered.

5. OPTIONS

The options before the Council are as follows.

Option 1
That Council agree to pass the resolution as recommended.

- This would result in granting the relevant Council officers the ability to terminate licences as and when required to ensure that Disposal Schedule sales are effected in a timely and unencumbered manner.

Option 2
That Council does not agree to pass the resolution.

- This would result in Council officers not having the ability to terminate licences prior to settlement of sales and would cause both practical and administrative issues for staff involved in the process with DoC.

Option 3
That Council agree to pass the resolution with respect to Tranche 1, but not Tranche 2.1.

- Council may wish to revisit the decision to terminate licences on Tranche 2.1 at a later date, once sales are fully completed for Tranche 1. This would mean that officers could go ahead with terminating licences for Tranche 1 but would need

to write a similar report to Council again later in 2022 for terminating Tranche 2.1 licences.

The recommended option is Option 1.

Option 1 is the most straightforward and efficient option, which allows Council officers to complete the work already confirmed by Council in prior reports, without reaching too far into the future. Whilst sales for Tranche 2.1 have not yet commenced, the reserves statuses on these blocks are being revoked and it is the expectation of staff that DoC will wish to proceed through the process of disposal once reserve statuses are revoked.

Council will note that Tranches 2.2 and 2.3 have been withheld from this report as DoC have not yet commenced works on those tranches, and a further report for terminations will come at the necessary time for them.

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected

Over the years, licensees who have occupied these reserves long-term will not be surprised that the reserves are being sold. They have had communications on and off for many years with Council officers since 2011 regarding possible sales. In recent times, they will have had contact with WSP arranging entry for valuations to be undertaken. Some licensees have also expressed interest in purchasing the blocks. Not all licensees will end up having the option to purchase, as it is understood that Ngāi Tahu have shown an active interest in potentially utilising their right of first refusal (RFR), as they are legally entitled to.

There may be some licensees who have recently taken over licenses who will not be as familiar with the background of the Disposal Schedule process. Nonetheless, the terms of the deed of licence of which they are signed up to, allow Council to take this action. A licence is an *in personam* right to use lands for a particular purpose as agreed between the landowner and the licensee. It is not the granting of a formal property interest. Therefore, Council should feel confident in its ability to grant the resolution to terminate for the purposes of land sale.

(b) Consultation

There is no need to publicly consult on this issue. Consultation was undertaken at the time of declaring the reserves surplus to Council requirements in accordance with the Reserves Act 1977.

(c) Māori implications

As noted, Ngāi Tahu have the RFR over each of these reserves. Therefore, Ngāi Tahu are able to purchase from Her Majesty the Queen the lands at market value, prior to any sale on the open market or otherwise. Ngāi Tahu taking up the offer to purchase lands on some of these properties may be disappointing

for some licensees, but it is the iwi's right under the Ngāi Tahu Claims Settlement Act 1998 and therefore completely acceptable in the process.

(d) Climate change considerations

The decision that is the subject of this report does not contain any specific implication as to climate change. Broadly speaking, the Disposal Schedule itself will, staff hope, achieve more funding into areas of reserve enhancement such as biodiversity, which will help to improve greenspace and emission-reducing opportunities.

7. FUNDING IMPLICATIONS

There are no specific funding implications attached to this report. The only thing for Council to consider is that the termination of these licenses will result in the loss of rental incomes from licensees. Of course, this will be replaced by the eventual sharing of net proceeds with DoC once the tranches are fully sold, and the ceasing of administrative costs involved with having licensees. The report does not require any further spend from Council and as mentioned it is consistent with prior Council decisions and actions approved under Long-Term Plan and Annual Plan processes.

Bianca White
ACQUISITIONS DISPOSALS & LEASING OFFICER

Endorsed For Agenda

Douglas Marshall
GROUP MANAGER PROPERTY

REPORT

TO: Chief Executive Officer

FOR: Council Meeting - 23 March 2022

FROM: Jessica Tuilaepa – Senior Strategy and Policy Planner

DATE: 7 March 2022

SUBJECT: **THE PINES RESOURCE RECOVERY PARK - NOTICE OF REQUIREMENT TO ALTER DESIGNATION CONDITIONS**

RECOMMENDATION

'That the Council:

(a) Pursuant to Section 181(3) of the Resource Management Act 1991, including section 181(3)(c), the Selwyn District Council accepts the recommendation of the Independent Commissioner to alter conditions 6 & 7 of the Pines Resource Recovery Park designation (D412), outlined in the report dated January 2022.

(b) Delegates to the Team Leader Strategy and Policy the delegation to take any steps necessary to give effect to recommendation (a) above.'

1. PURPOSE

This report seeks a decision from the Council to alter the designation in the Selwyn District Plan for the Pines Resource Recovery Park (D412).

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

As a Requiring Authority the Selwyn District Council lodged a Notice of Requirement (NOR) pursuant to section 181(1) of the Resource Management Act 1991 (RMA), to alter Designation D412, which pertains to The Pines Resource Recovery Park. The alteration relates to amendments to two conditions as they relate to the proposed Reconnect Project facilities.

The designated site is located on Burnham School Road, and is identified in Figure 1 below:

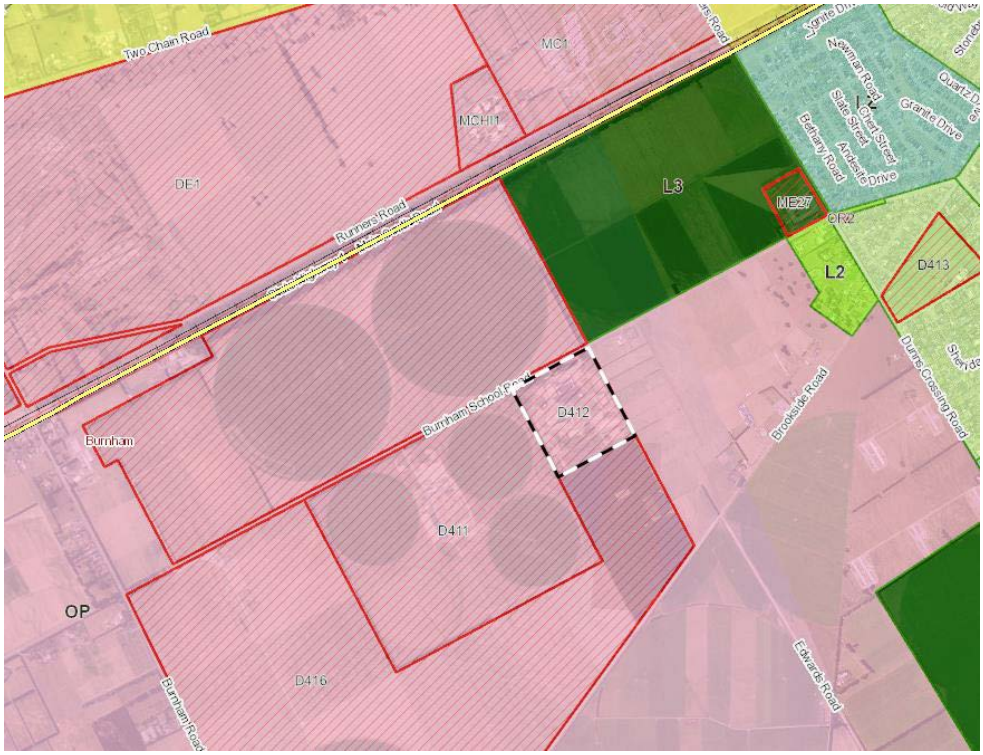


Figure 1 – Designation site (Operative Selwyn District Plan maps)

A report on the proposed alteration was prepared by an independent planning consultant (attached as **Appendix A**). This report was reviewed and endorsed by an Independent Commissioner and accepted by the Commissioner as their recommendation to Council.

3. HISTORY/BACKGROUND

The Pines RRP is a waste management facility serving Selwyn District and is subject to an existing designation (D412). The purpose of the existing designation is to:

establish, operate and maintain a resource recovery park, including all activities, operations and associated services related to the process of extracting, sorting and/or treating material from the waste stream, and including: reduction, recycling, re-use, resource recovery, and resale operations; organic composting; temporary storage of hazardous waste; and the compaction and cartage of residual waste for disposal off site.

An Outline Plan was approved in December 2019 for upgrades to be undertaken to establish facilities on the site which are commonly referred to as the 'Reconnect Project'. The location of the Reconnect Project facilities are shown below:

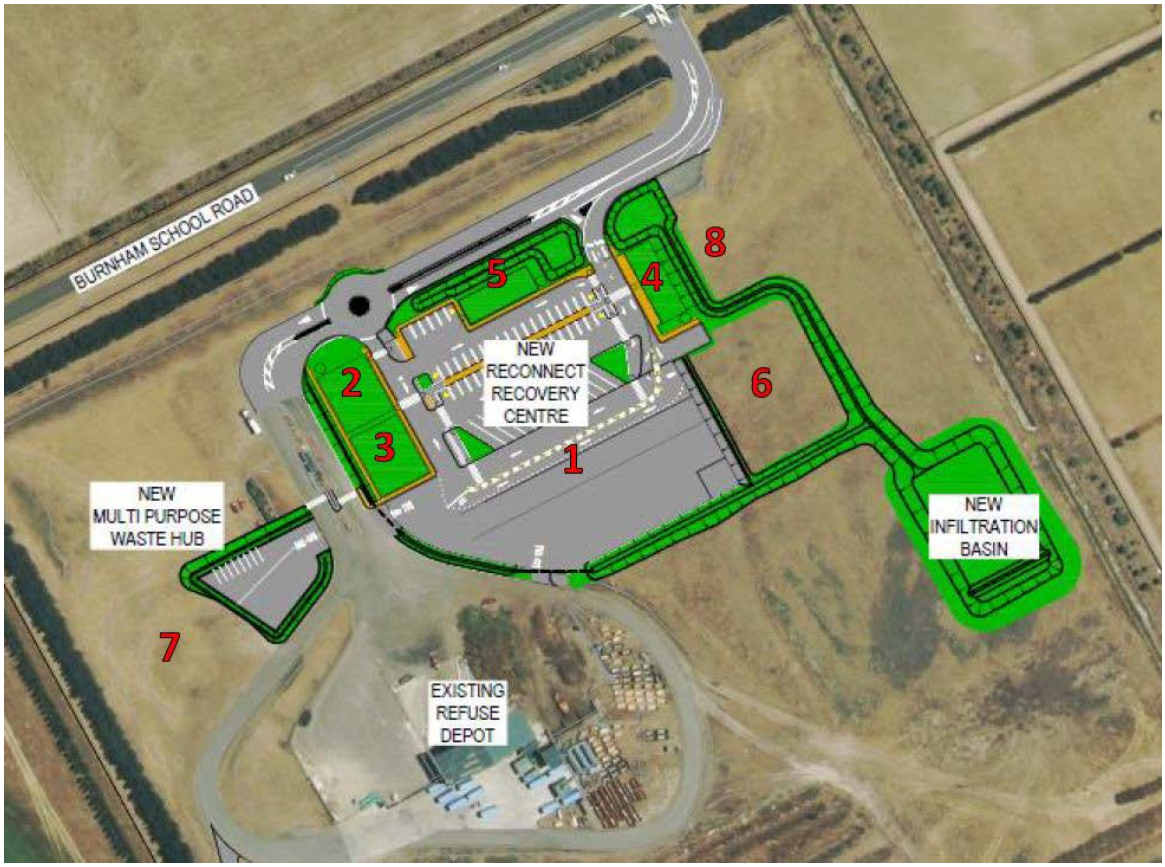


Figure 2 – Reconnect Project Overview Plan (taken from Figure 1 in the NOR application)

4. PROPOSAL

The Selwyn District Council has given notice of its requirements to alter two conditions of D412. The NOR does not seek to change the underlying purpose of the designation, but does seek to alter two conditions, as follows, to provide for the full operation and realisation of the Reconnect Project, as part of the overall purpose of the designation. The changes are shown below using strikethrough and underlining.

6. *The site shall not be open to the general public <u>for waste drop off</u> before 0700 or after 1800 hours each day<u>. The Reconnect Project facilities shall not be open to the general public before 0600 or after 2300 hours each day. Management of public access to comply with the opening hours requirements shall be</u>~~, as~~ stipulated by the Resource Recovery Park Management Plan.*
7. *Public access to the <u>waste drop-off and processing areas of the</u> site shall only be permitted when the site is staffed by a person(s) under the jurisdiction of the resource recovery park manager.*

The change to conditions proposed does not affect the other conditions applying to the designation, and it is noted that the works associated with establishing the Reconnect Project have already been authorised through the Outline Plan of Works approved in December 2019.

5. OPTIONS

The Council has two options in its decision making:

a. To **accept** the Commissioner's recommendation to agree to the alteration under s181(3) of the RMA. Through the consideration of the notice of requirement by independent consultants, the environmental impacts have been examined and are shown to be acceptable.

b. To **reject** the Commissioners recommendation and not agree to the alteration under s181(3) of the RMA. This option would be appropriate if the Council considered that any of the sub-clauses of s181(3) were not met. The effect of this decision would be that the alteration would need to be considered under s181(2) of the RMA, which would require consideration of whether to notify the alteration and a recommendation made to the requiring authority on whether to confirm, modify or withdraw the alteration, or impose conditions on it. It is not considered that rejecting the alteration under s181(3) is appropriate as the NOR has been assessed as meeting the requirements of that part of the RMA.

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected

Pursuant to section 181(3)(b) of the RMA, the Commissioner decided that no landowners or occupiers, other than the Council itself as the requiring authority, would be directly affected by the changes to the conditions proposed in the alteration, and therefore notification of other land owner or occupiers was not required.

(b) Consultation

Under s181(3) of the RMA, no consultation is required.

(c) Māori implications

No implications for Māori are anticipated. The proposal is considered to be in accordance with the principles of the Mahaanui Iwi Management Plan.

(d) Climate Change considerations

No implications for Climate Change are anticipated.

7. FUNDING IMPLICATIONS

There are no funding implications to Council as Territorial Authority in confirming the Notice of Requirement.

Jessica Tuilaepa
SENIOR STRATEGY & POLICY PLANNER

Endorsed For Agenda

Tim Harris
GROUP MANAGER ENVIRONMENTAL AND REGULATORY SERVICES

APPENDIX A
Council Officers S181 Report

Section 181
Resource Management Act 1991

Report pursuant to section 181 of the Resource Management Act 1991 recommending whether a notice of requirement for an alteration of a designation should be accepted.

Author: Liz White

Position: Consultant Planner

Reference Number: D412

REQUIRING AUTHORITY:	Selwyn District Council
PROPOSAL:	To alter Designation D412 in the Operative Selwyn District Plan
LOCATION:	183 Burnham School Road, Rolleston
LEGAL DESCRIPTION:	Sec 1 Survey Office Plan 317609 (16 hectares) contained in Record of Title 77016
ZONING:	Rural (Outer Plains) under the provisions of the Operative District Plan (Rural) Volume.

Introduction

1. The Selwyn District Council (the Requiring Authority) has lodged a Notice of Requirement (NOR) to alter Designation D412, which pertains to The Pines Resource Recovery Park (The Pines RRP), pursuant to s181(3) of the RMA. The designation is for the purpose of a resource recovery park and is subject to a number of conditions. The NOR seeks to alter two of these conditions. The NOR was lodged by the Requiring Authority on 29 November 2021.

Background

2. The Pines RRP is a waste management facility serving Selwyn District. The stated purpose of the designation is:

   To establish, operate and maintain a resource recovery park, including all activities, operations and associated services related to the process of extracting, sorting and/or treating material from the waste stream, and including: reduction, recycling, re-use, resource recovery, and resale operations; organic composting; temporary storage of hazardous waste; and the compaction and cartage of residual waste for disposal off site.

3. An Outline Plan was approved in December 2019 for upgrades to be undertaken to The Pines RRP. Of relevance to this alternation, it included the establishment of new buildings on the site totalling 2,133m^2 in floor area and including: a reuse shop and salvage yard; a multi-waste hub for recycling; micro-enterprise units to provide a facility for locals to run workshops for community groups using material disposed of at the site; and education rooms to hold classes on waste and its management for community groups and wider environmental issues. These upgrades are commonly referred to as the ‘Reconnect Project’.

Notice of Requirement Proposal

4. The alteration does not seek to change the underlying purpose of the designation. As noted above, Designation D412 is subject to a number of conditions. This NOR seeks to alter the following conditions (with the alternations shown using ~~strikethrough~~ and underlining):

    6. The site shall not be open to the general public for waste drop off before 0700 or after 1800 hours each day. The Reconnect Project facilities shall not be open to the general public before 0600 or after 2300 hours each day. Management of public access to comply with the opening hours requirements shall be~~, as~~ stipulated by the Resource Recovery Park Management Plan.

    7. Public access to the waste drop-off and processing areas of the site shall only be permitted when the site is staffed by a person(s) under the jurisdiction of the resource recovery park manager.

5. For completeness, it is noted that the NOR as lodged sought that condition 6 be amended to change the hours from 0700 to 1800, to 0600 to 2300. The effect of this change would have been that the hours for the whole site – not just the Reconnect Project facilities – would have been extended. However the wider potential effects of this were not discussed in the application; nor was it the intention of the application for the change to be broader. Following discussion with the applicant about this matter, the applicant has amended the NOR to alter condition 6 as set out above in paragraph 4, which retains the current hours for waste drop-off.

6. The purpose of the change to designation conditions is to provide for the full operation and realisation of the Reconnect Project, as part of the overall purpose of the designation. The intention is to provide for users of the micro-enterprise units and education facility to be able to use these facilities within the amended hours in condition 6. This in turn is intended to facilitate optimal public use of the Recovery Park.

Description of the Existing Environment

7. The Pines RRP is a waste management facility located on Burnham School Road, Rolleston. The site is generally flat with a drain running along the eastern boundary. A range of native vegetation and shelterbelt planting (pine trees) is established along the boundaries of the site.

8. The Pines RRP currently receives and processes a range of materials including recyclables, household hazardous waste, cleanfill, food and garden waste for composting, as well as general waste for items that are currently unable to be recycled. Landfill waste is transported to Kate Valley Landfill in Hurunui District.

9. The site is accessed off Burnham School Road, which is classified as a 'local road' under the District Plan. It is sealed between Dunns Crossing Road and the site's accessway.

10. The underlying zoning of the site is Rural (Outer Plains). Under the proposed District Plan (notified 5 October 2020), the site is zoned General Rural. The character of the immediately surrounding environment is predominantly rural. The adjoining sites to the west, north and south of The Pines RRP are also owned by the Selwyn District Council and form part of the Pines Waste Water Treatment Plant. These sites are also designated.[1] The site adjoining to the east is a rural landholding, including a dwelling, and beyond this are other rural landholdings. The site to the northeast of the Pines RRP

[1] Referenced as D411 and D416.

is zoned Living 3[2], and is the subject of a private plan change (PC73) seeking a more intensive Living Z zoning.[3] It is currently undeveloped.

11. Further to the east, approximately 1km from site, is the current urban edge of Rolleston Township.

12. The upgrades approved under the 2019 Outline Plan of Works – to enable the Reconnect Project – are currently underway on site.

Matters to be Considered

Section 181 Notice of Requirement for Alteration of Designation

13. Section 181 of the RMA relates to alternation of designations, and is set out below:

> *(1) A requiring authority that is responsible for a designation may at any time give notice to the territorial authority of its requirement to alter the designation.*
> *(2) Subject to subsection (3), sections 168 to 179 and 198AA to 198AD shall, with all necessary modifications, apply to a requirement referred to in subsection (1) as if it were a requirement for a new designation.*
> *(3) A territorial authority may at any time alter a designation in its district plan or a requirement in its proposed district plan if—*
> *(a) the alteration—*
> *(i) involves no more than a minor change to the effects on the environment associated with the use or proposed use of land or any water concerned; or*
> *(ii) involves only minor changes or adjustments to the boundaries of the designation or requirement; and*
> *(b) written notice of the proposed alteration has been given to every owner or occupier of the land directly affected and those owners or occupiers agree with the alteration; and*
> *(c) both the territorial authority and the requiring authority agree with the alteration—*
> *and sections 168 to 179 and 198AA to 198AD shall not apply to any such alteration.*
> *(4) This section shall apply, with all necessary modifications, to a requirement by a territorial authority to alter its own designation or requirement within its own district.*

14. In order to satisfy s181(3)(a)(i) of the RMA, it is necessary to establish that the proposed alteration to the conditions of the designations will not result in a more than minor change to the effects on the environment associated with The Pines RRP. In order to satisfy s181(3)(b) of the RMA it is necessary to determine if there are any land owners or occupiers, other than the requiring authority, that are directly affected by the application. Agreement from the territorial authority to the changes proposed is also required under s181(3)(c). These are considered in the following sections.

Assessment of Environmental Effects

15. The changes proposed to the designation relate to allowing for the facilities associated with the Reconnect Project to be open to the general public between 0600 and 2300 hours. In effect, this will result in this part of the site being open one hour earlier, and five hours later, than under the current conditions. In addition, public access to the site (but excluding the waste drop-off and processing areas) would not be subject to a requirement that the site is staffed. This reflects that the proposed amended operating

[2] This zoning anticipates rural-residential development.
[3] A hearing was held for PC73 in September 2021 but a decision has not yet been issued.

hours for the Reconnect Project facilities are outside those hours where the site is staffed.

16. The NOR includes an assessment of environment effects in Section 3.3. To avoid repetition, I have summarised the key aspects of that assessment below.

Traffic Effects

17. No changes are proposed to the vehicular access, circulation and parking associated with the site which has been considered through previous NORs or Outline Plans.

18. The extension to public opening hours is not anticipated to result in any significant change in traffic movements from the site, or any associated traffic safety effects. In particular, I note that the amended conditions do not affect the waste drop-off and processing areas and therefore do not alter the heavy vehicle movements associated with those areas. Rather, any additional vehicle movements will be of private vehicles accessing the Reconnect Project facilities, and the change in condition means the additional movements will be occurring outside of peak times (i.e. between 0600 and 0700, and 1800 and 2300.)

19. As noted in the application, Burnham School Road is a sealed local road, with low volumes of traffic. I am therefore satisfied that the additional traffic that may result from the extended operating hours will not have more than minor effects on the safety or efficiency of the transport network, nor is it of a scale or nature that would adversely affect the amenity or character of the surrounding rural environment.

Noise Effects

20. While changes are proposed to the operating hours, the noise standards otherwise applying to the operation of activities undertaken on the site through condition 10 of the designation will remain unchanged. In particular, during the extended hours, the lower noise limit specified in condition 10 will apply to activities undertaken. The nature of the activities associated with the Reconnect Project are also expected to be less noisy than the existing machinery operating on site. Overall, I am satisfied that any noise arising from the extended hours will not be more than minor, given the nature of the activity and in any case it will be subject to the ongoing requirement to comply with the noise limits specified in the designation conditions.

Safety Effects

21. The application notes that the requiring authority will retain full control of who has access to the site when staff are not on site, and that physical controls will be required to ensure that the public is excluded from the waste drop-off and processing areas of the site, while there are no staff on site, when entering the site to access the Reconnect Project facilities. This is to be achieved through changes to the Site Specific Safety Plan, which contains risk assessments and controls in respect of public safety. The application states that effects on public safety are more appropriately managed through this plan, rather the Management Plan required under the conditions of the Designation D412. I accept and agree that this is the most appropriate way to manage potential effects on public safety.

Positive Effects

22. I agree with the applicant that the extension of hours will assist in facilitating more optimal public use of the Reconnect Project facilities.

Summary – Assessment of Environmental Effects

23. Overall, I consider that the change to the conditions proposed will not result in adverse effects on the environment that are more than minor. I am therefore satisfied that the requirement in s181(3)(a)(i) is met.

Directly Affected Persons

24. As noted above, s181(3)(b) of the RMA requires that written notice of the proposed alteration is given to, and agreement received from, every owner or occupier of land that is directly affected by the alteration proposed to the designation.

25. Given the assessment of effects outlined above, I do not consider that there are any landowners or occupiers who are directly affected other than the requiring authority itself. I am therefore satisfied that the requirement in s181(3)(b) is met.

Agreement of the Territorial Authority

26. As noted above, s181(3)(c) requires the agreement of both the territorial authority and the requiring authority to the alteration.

27. As noted earlier, after undertaking a preliminary assessment of the NOR, and discussing this with the requiring authority, they amended the NOR to limit the changes to condition 6 to ensure that the change in hours is limited to the Reconnect Project facilities. Given this, and the assessment of effects outlined above, I consider that agreement can be given by the Council, as territorial authority, to the proposed alteration.

Recommendation

28. It is recommended that the conditions 6 and 7 of Designation D412 are amended to read as follows:

    6. *The site shall not be open to the general public for waste drop off before 0700 or after 1800 hours each day. The Reconnect Project facilities shall not be open to the general public before 0600 or after 2300 hours each day. Management of public access to comply with the opening hours requirements shall be stipulated by the Resource Recovery Park Management Plan.*

    7. *Public access to the waste drop-off and processing areas of the site shall only be permitted when the site is staffed by a person(s) under the jurisdiction of the resource recovery park manager.*

Reported and recommended by **Liz White** **Consultant Planner**	 **Date: 13 January 2022**

Commissioner's Recommendation

I have read the report prepared by reporting officer Liz White relating to a request to alter conditions 6 and 7 of an existing District Plan designation D412 relating to The Pines Resource Recovery Park by the Selwyn District Council as requiring authority. I agree with the analysis and conclusions reached by Ms Whyte above that the effects of the proposed designation alteration will not result in adverse effects on the environment that are more than minor, indeed in my view they will be negligible. The Council is also the owner of the land concerned and much of the land around it.

On the basis of the above I recommend that the Council:

1. Agree, pursuant to section 181(3)(c) of the Resource Management Act 1991, to alter conditions 6 and 7 of designation D412 relating to The Pines Resource Recovery Park sought by the Selwyn District Council as requiring authority as follows:

    6. *The site shall not be open to the general public for waste drop off before 0700 or after 1800 hours each day. The Reconnect Project facilities shall not be open to the general public before 0600 or after 2300 hours each day. Management of public access to comply with the opening hours requirements shall be stipulated by the Resource Recovery Park Management Plan.*

    7. Public access to the waste drop-off and processing areas of the site shall only be permitted when the site is staffed by a person(s) under the jurisdiction of the resource recovery park manager.

 Dean Chrystal **Commissioner**	**Date: 18 February 2022**

REPORT

TO: Chief Executive Officer

FOR: Council Meeting -23 March 2022

FROM: Robert Love – Team Leader Strategy and Policy

DATE: 01 March 2022

SUBJECT: **NORWOOD ZONE SUBSTATION AND NATIONAL GRID SUBSTATION - NOTICES OF REQUIREMENT DECISIONS**

RECOMMENDATION

'That the Council:

(a) Pursuant to Section 168A(4) of the Pursuant to Section 168A(4) of the Resource Management Act 1991, the Selwyn District Council accepts the recommendation of the independent Commissioner (attached as Appendix A) to confirm the Notice of Requirement for the Zone Substation (D210005) and National Grid Substation (D210006) outlined in the report dated February 2022.

(b) Waives its appeal rights under Section 174(1) to enable the designation to become operative with immediate effect.

(c) Delegates to the Team Leader Strategy and Policy the delegation to take any steps necessary to give effect to recommendation (a) above.'

1. PURPOSE

This report seeks a decision from the Council to recommend to the Requiring Authority that the Notice of Requirement for the Norwood Zone Substation and National Grid Substation be **confirmed** for inclusion in the Selwyn District Plan.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

As a Requiring Authority, Orion New Zealand lodged a Notice of Requirement (NOR) pursuant to section 168A of the Resource Management Act 1991 (RMA), to designate the subject site at 594 Highfield Road, for a new Zone Substation (D210005) and a new National Grid substation (D210006) (identified as a new Grid Exit Point Project (GXP)), to improve the capacity and security of Orion's electricity distribution network.

The application site is located at the intersection of Highfield Road and Telegraph Road, approximately 4.5km north of State Highway 1 and west of the Waikirikiri River. The GXP will be located within a wider site of some 13ha. The site is currently used for cropping and pastoral activities.

The purpose of the GXP is to improve the capacity and security of Orion's electricity distribution network to meet the continued residential and commercial electrical demand growth in Dunsandel, Halswell, Lincoln, Rolleston and Springston and more generally across the greater Christchurch network.

The Notice of Requirement was limited notified to the two adjacent rural properties, being 548 Highfield Road and 397 Telegraph Road / 594 Highfield Road. No submissions were received. The conditions proposed to be attached to the designation were considered to address any potential adverse effects of the construction period on the safe and efficient operations of the transport network and to ensure that the character and amenity of the area is maintained.

The notification report and the recommendation were considered and written by an independent planning consultant. These reports were reviewed and endorsed by an independent Commissioner and accepted by the Commissioner as their recommendation to Council.

3. PROPOSAL

Orion New Zealand Ltd has given notice of its requirements for a new designation for the site for the GXP project that includes two separate designations for a zone substation and the National Grid substation, as detailed in **Figure 1** below. The purpose of the NoRs is to provide for a zone substation and a national grid substation.

Figure 1 Proposed extent of the designation (source: AEE)

The proposed works associated with the NOR

A detailed Proposal Description has been provided in the AEE, that is summarised as follows:

GXP Construction Phase

Earthworks are proposed to prepare the platform to accommodate both substations, with additional earthworks required for the new transmission tower, landscaping, stormwater management, excavations for buildings and structures and for the vehicle

accessways. Excavation plans are provided in Appendix 2 of the application, with anticipated cut and fill volumes to be in the order of 8,000m^2 and 21,000m^3 respectively. Construction is anticipated to take up to 20 months.

The application includes a draft Construction Management Plan (CMP).

The National Grid Substation

The National Grid Substation is to be located approximately 100m south of the existing 200kV overhead transmission lines on the subject site. The indicative proposed subdivision layout is provided in Appendix 2 of the application, the key components of the National Grid Station will be confirmed during the detailed design stage but are likely to include:

a. 220kV A-frame gantries to enable lines connection between the new transmission tower and the substation, and lightning spikes (approximately 24m in height);
b. A range of equipment including line bays, bus sections, 2 transformers and line connections to the Zone substation;
c. Control room with an area of approximately 200m^2 and 4.5m in height, painted recessive colours and including a single toilet;
d. Lightning poles with spikes (approximately 22m in height);
e. Oil containment systems;
f. Personnel and security access for equipment maintenance and on-site vehicle parking;
g. Security fencing and stock fencing;
h. Landscaping;
i. Stormwater management and disposal systems;
j. Lighting systems;
k. Earth grid; and
l. Stormwater collection tank for the control room

The Zone Substation

The Zone Substation is to be located immediately south of the National Grid Substation. The indicative proposed subdivision layout is provided in Appendix 2 of the application, the key components of the Zone Station will be confirmed during the detailed design stage but are likely to include:

a. Line connections from the National Grid Substation;
b. A range of equipment including incomer bays, bus sections, feeder bays and ultimately up to 2 transformers;
c. Control room with an area of approximately 120m^2 and 5.0m in height, painted recessive colours and including a single toilet;
d. Communication mast (approximately 25m in height plus antenna) and equipment;
e. Lightning poles with spikes (approximately 22m in height);
f. Overhead lines and support structures connecting to the wider Orion network;
g. Oil containment systems;
h. Personnel and security access for equipment maintenance and on-site vehicle parking;

i. Security fencing and stock fencing;

j. Perimeter landscaping;

k. Stormwater management and disposal systems;

l. Lighting systems;

m. Earth grid; and

n. Stormwater collection tank for the control room

GXP Operational Phase

During the operational phase, the management of the substations will predominantly be undertaken remotely. Maintenance of the substations will be undertaken by maintenance teams. The frequency of visits is expected to be as follows:

a. National Grid Substation:

- Fortnightly facilities management workers;
- Monthly site inspection;
- Yearly visual inspection of lines, structures and occasional condition assessments; and
- Infrequent substation and lines equipment replacement.

b. Zone Substation

- Facilities maintenance workers every 2 – 3 weeks;
- Monthly site inspections;
- Annual or bi-annual visual inspections of lines; and
- Infrequent substation and lines equipment replacement.

4. OPTIONS

The Council has four options in its decision making.

a. To **accept** the Commissioner's recommendation to recommend confirming the two designations. Through the Resource Management Act process, the environmental impacts have been examined and are shown to be acceptable.

b. To **reject** the Commissioners recommendation and modify the requirement. It is not considered that modifying the requirement is necessary as the zone substation and national grid substation NORs have been through a rigorous Resource Management Act assessment process and the recommendation is in line with what was applied for.

c. To **recommend conditions**. The conditions included in the Commissioner's recommendation have been considered through the Resource Management Act process, and are considered necessary to control any adverse effects of the proposed zone substation and national grid substation. No other conditions are considered necessary.

d. To **recommend withdrawing** the requirement. This option would not benefit the community as the proposed designations will improve the capacity and security of Orion's electricity distribution network to meet the continued residential and commercial electrical demand growth in Dunsandel, Halswell, Lincoln, Rolleston and Springston and more generally across the greater Christchurch network.

5. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected

Pursuant to section 169(1) of the Resource Management Act, the Council decided that two parties were potentially adversely affected by the proposed designation, and therefore the NoR was limited notified to these parties. No submissions were received.

(b) Māori implications

No implications for Maori are anticipated. The proposal is considered to be in accordance with the principles of the Mahaanui Iwi Management Plan.

(c) Climate Change considerations

No implications for Climate Change are anticipated.

6. FUNDING IMPLICATIONS

There are no funding implications to Council as Territorial Authority in confirming the Notice of Requirement.

Robert Love
TEAM LEADER STRAGY AND POLICY

Endorsed For Agenda

Tim Harris
GROUP MANAGER ENVIRONMENTAL AND REGULATORY SERVICES

Appendix A: Independent Commissioners Report

Section 171
Resource Management Act 1991

Report pursuant to s. 42A of the Resource Management Act 1991 recommending whether or not a notice of requirement should be:

- Confirmed, modified, have conditions imposed, or be withdrawn.

Author: Jane Anderson

Position: Consultant Planner

Resource Consent Number: D210005 and D21006

Notice of Requirement 1: Zone Substation

REQUIRING AUTHORITY:	Orion New Zealand Limited
PROPOSAL:	To designate the site as an “Electricity Substation”.
LOCATION:	594 Highfield Road
LEGAL DESCRIPTION:	Lot 1 DP 373862
ZONING:	The site is zoned Rural Outer Plains under the provisions of the Operative District Plan (Rural) Volume.

Notice of Requirement 2: National Grid Substation

REQUIRING AUTHORITY:	Orion New Zealand Limited
PROPOSAL:	To designate the site as a “National Grid Electricity Substation, including associated 220 kV transmission line connection and ancillary works”.
LOCATION:	594 Highfield Road
LEGAL DESCRIPTION:	Lot 1 DP 373862
ZONING:	The site is zoned Rural Outer Plains under the provisions of the Operative District Plan (Rural) Volume.

Introduction

1. Orion New Zealand Limited has lodged two Notices of Requirement (NOR) with the Selwyn District Council (the Council), pursuant to s.168 of the Resource Management Act 1991 (RMA), to designate the subject site for:
    - a zone electricity substation; and

- a “National Grid Electricity Substation, including associated 220 kV transmission line connection and ancillary works”.

2. The two substations will be located immediately adjacent to one another, as detailed in **Figure 1** below, but will be independently operated by Orion and Transpower. Transpower’s National Grid Substation will connect to the existing Roxburgh-Islington A (ROX-ISL-A) 220 kV transmission line, requiring a new additional transmission line support structure and other ancillary transmission line modifications.

Figure 1 Site Location and Layout (source: AEE)

3. Both substations will include switchyards containing power transformers and electrical; switchgear, as well as control room buildings, communications mast (Zone substation site only), landscaping, fencing, onsite stormwater management and disposal systems, vehicle accessways and onsite parking.
4. The two substations are sought to improve the capacity and security of Orion’s electricity distribution network by establishing a new Grid Exit Point (GXP) in rural Norwood. A GXP is a point or facility, in this case two adjacent substations – in the electricity supply chain where electricity flows from the National Grid (owned and operated by Transpower) to the local distribution network, which in this case is Orion. The purpose of the facility is to connect and transform the very high voltages of electricity transmitted by Transpower’s network to the voltages used by Orion to distribute electricity through the region.
5. The Norwood GXP will include two separate Orion and Transpower substations, and related alterations to Transpower’s existing National Grid Roxburgh – Islington A (ROX-ISL-A) 220kV transmission line. The Transpower substation will be the “National Grid Substation” and Orion’s as a “Zone Substation”.
6. The requiring authority requests that the requirement for an Outline Plan under s.176A of the RMA is waived for the two substations.
7. A number of conditions are proposed to manage the operational effects and construction phase.
8. The applicant has also sought a resource consent for land use under the National Environmental Standard for Electricity Transmission Activities (NESETA) (RC215909). A further subdivision consent to create a lot for the zone substation is yet to be lodged.

Notice of Requirement Proposal

Purpose of the NOR

9. The Assessment of Environmental Effects (AEE) and Appendix 19 of the application provide a detailed explanation as to the need for the GXP project. In summary, the GXP project is sought to improve the capacity and security of Orion's electricity distribution network to meet the continued residential and commercial electrical demand growth in Dunsandel, Halswell, Lincoln, Rolleston and Springston and more generally across the greater Christchurch network.

Proposal Description

10. Orion has given notice of its requirements for a new designation for the GXP project that includes two separate designations for a zone substation and the National Grid substation. A detailed Proposal Description has been provided in the AEE, that is summarised as follows:

GXP Construction Phase

11. Earthworks are proposed to prepare the platform to accommodate both substations, with additional earthworks required for the new transmission tower, landscaping, stormwater management, excavations for buildings and structures and for the vehicle accessways. Excavation plans are provided in Appendix 2 of the application, with anticipated cut and fill volumes to be in the order of 8,000m^2 and 21,000m^3 respectively. Construction is anticipated to take up to 20 months.

12. The application includes a draft Construction Management Plan (CMP).

The National Grid Substation

13. The National Grid Substation is to be located approximately 100m south of the existing 200kV overhead transmission lines on the subject site. The indicative proposed subdivision layout is provided in Appendix 2 of the application, the key components of the National Grid Station will be confirmed during the detailed design stage but are likely to include:

    a. 220kV A-frame gantries to enable lines connection between the new transmission tower and the substation, and lightning spikes (approximately 24m in height);

    b. A range of equipment including line bays, bus sections, 2 transformers and line connections to the Zone substation;

    c. Control room with an area of approximately 200m^2 and 4.5m in height, painted recessive colours and including a single toilet;

    d. Lightning poles with spikes (approximately 22m in height);

    e. Oil containment systems;

    f. Personnel and security access for equipment maintenance and on-site vehicle parking;

    g. Security fencing and stock fencing;

    h. Landscaping;

    i. Stormwater management and disposal systems;

    j. Lighting systems;

    k. Earth grid; and

    l. Stormwater collection tank for the control room

The Zone Substation

14. The Zone Substation is to be located immediately south of the National Grid Substation. The indicative proposed subdivision layout is provided in Appendix 2 of the application, the key components of the Zone Station will be confirmed during the detailed design stage but are likely to include:

    a. Line connections from the National Grid Substation;

    b. A range of equipment including incomer bays, bus sections, feeder bays and ultimately up to 2 transformers;

    c. Control room with an area of approximately 120m^2 and 5.0m in height, painted recessive colours and including a single toilet;

d. Communication mast (approximately 25m in height plus antenna) and equipment;
e. Lightning poles with spikes (approximately 22m in height);
f. Overhead lines and support structures connecting to the wider Orion network;
g. Oil containment systems;
h. Personnel and security access for equipment maintenance and on-site vehicle parking;
i. Security fencing and stock fencing;
j. Perimeter landscaping;
k. Stormwater management and disposal systems;
l. Lighting systems;
m. Earth grid; and
n. Stormwater collection tank for the control room

GXP Operational Phase

15. During the operational phase, the management of the substations will predominantly be undertaken remotely. Maintenance of the substations will be undertaken by maintenance teams. The frequency of visits is expected to be as follows:
    a. National Grid Substation:
        - Fortnightly facilities management workers;
        - Monthly site inspection;
        - Yearly visual inspection of lines, structures and occasional condition assessments; and
        - Infrequent substation and lines equipment replacement.
    b. Zone Substation
        - Facilities maintenance workers every 2 – 3 weeks;
        - Monthly site inspections;
        - Annual or bi-annual visual inspections of lines; and
        - Infrequent substation and lines equipment replacement.
16. The application also notes that vehicle movements will also be associated with larger maintenance and equipment replacement projects.

Description of the Existing Environment

17. The application site is located at the intersection of Highfield Road and Telegraph Road, approximately 4.5km north of State Highway 1 and west of the Waikirikiri River. The GXP will be located within a wider site of some 13ha. The site is currently used for cropping and pastoral activities.
18. The existing Transpower ROX-ISL-A 220kV National Grid Transmission line traverse the northern portion of the site, running in a northeast and south west direction.
19. The surrounding rural environment is characterised by large open paddocks and farming activities. Well established shelterbelts are located throughout the wider environment.
20. Telegraph Road is classified in the Selwyn District Plan as an arterial road. Highfield Road is an unsealed local road, providing access to rural properties.

Notification

21. A decision regarding notification pursuant to sections 95A-E has been undertaken separately by an independent Commissioner. This decision is available to any party on request. In summary, it was determined that the application be limited notified. Notice was served on the following parties:

NAME	ADDRESS
Pankhurst, Robert John and Linda Margaret, Townley Trustee Services Ltd	548 Highfield Road, RD7, Christchurch
Pankhurst Peter James, and Anderson, Linda Joy and Greg Antony	397 Telegraph Road / 594 Highfield Road, RD7, Christchurch

22. Notice of the application was served on the above parties on 9 December 2021 and the submission period closed on 28 January 2022.

23. No submissions were received.

Matters to be Considered

Section 171 Recommendation by Territorial Authority

24. Section 171 of the Resource Management Act 1991 sets out the matters which Selwyn District Council must have regard to in considering the effects on the environment of allowing a notice of requirement. In this case the relevant matters are:

    a. a regional policy statement or proposed regional policy statement (s. 171(1)(a)(iii))

    b. a plan or proposed plan (s. 171(1)(a)(iv))

    c. whether adequate consideration has been given to alternative sites, routes, or methods of undertaking the work if either the requiring authority does not have an interest in the land sufficient for undertaking the work; or it is likely that the work will have a significant adverse effect on the environment (s. 171(1)(b))

    d. whether the work and designation are reasonably necessary for achieving the objectives of the requiring authority for which the designation is sought (s. 171(1)(c))

    e. any other matter the territorial authority considers reasonably necessary in order to make a decision on the requirement (s. 171(1)(d))

    f. any positive effects on the environment to offset or compensate for any adverse effects that may result from the activity enabled by the designation (s. 171(1B)).

25. All matters listed in s. 171 (1) are subject to Part 2 of the Act, which contains its purposes and principles.

Assessment of Environmental Effects

26. The actual and potential adverse effects of the proposal relate to visual, character and amenity, noise and transport effects.

Permitted baseline

27. In determining whether the adverse effects of a proposal are more than minor, section 149ZCE allows the Council to disregard the adverse effects of permitted activities. The site is zoned Rural Outer Plains.

28. In the Outer Plains Rural zone, any activity that is not a rural or residential activity shall be a permitted activity, subject to the following conditions:

    - Road boundary building setback of 10m and internal boundary setback of 5m;
    - Site coverage restricted to 5%;
    - Maximum building height of 12m,
    - No more than two full time equivalent staff employed on the site live off site;
    - Maximum gross floor area of any building of 100m^2; and
    - Maximum vehicle movements of 60 per day.

29. The proposed plant will meet the bulk and location requirements of the Outer Plains Rural zone.

30. The AEE identifies the actual and potential adverse effects of the proposal as including:

    a. Ecology;
    b. Landscape and visual effects;
    c. Cultural values;
    d. Lighting;
    e. Noise and vibration;
    f. Hazardous substances;
    g. Transport;
    h. Construction effects;
    i. Radio and power electric magnetic fields;
    j. Earth potential rise

31. This assessment will follow the same order in assessing the proposal

Ecology

32. The subject site is located within the Ecosystems and Indigenous Biodiversity Management Overlay (EIBMO) within the Proposed District Plan. The applicants have engage Boffa Miskell to undertake an ecological survey of the site and prepare an Ecological Impact Assessment (EIA).

33. The EIA notes that the site is a highly modified site that contains no indigenous vascular plant species and provides only occasional or temporary habitat for a small number of indigenous bird species. The report notes that given the nature of the existing pastoral farm uses, and the absence of indigenous vegetation that it is highly unlikely that any important populations of indigenous invertebrate species will exist on the site.

34. With regard to avifauna, the report notes that a number of indigenous and exotic birds may use the site on occasion. However, that it is likely that farming activities have discouraged nesting on site. The report also noted that while the site may provide temporary feeding habitat for some species (including the South Island pied oystercatcher), similar habitat is available in the balance of the site and the surrounding environment. The report concludes with a recommendation to use locally eco-sourced plants for the proposed landscaping to provide for improved habitat for indigenous birds and invertebrate species.

35. I accept the assessment of Boffa Miskell and consider that subject to conditions, any potential adverse ecological effects associated proposal will be less than minor.

Landscape and visual effects

36. Boffa Miskell have been engaged by the applicant to provide a Landscape Effects Assessment, including a Graphic Supplement with visual simulations for the proposal. The Boffa Miskell Report has been peer reviewed by WSP, this report is attached as **Appendix 1**.

Landscape Effects

37. The Boffa Miskell report provides an assessment of the current landscape and rural character of the area, noting the changes to the landscape resulting from intensive dairying. The surrounding environment is

influenced by the inclusion of large pivot irrigators, dairy shed, irrigation ponds and silos. Similarly, the existing electricity infrastructure influences the surrounding landscape, including electricity lines and towers.

38. In consideration of the landscape effects of the proposal, the report considers that the infrastructure is not out of character with the existing modified landscape and will be viewed within the context of the existing farming activities and the electricity infrastructure. Therefore, the report concludes that the proposal will introduce moderate to low adverse rural character effects.

39. The WSP peer review report broadly agrees with the conclusions of the Boffa report, although considers that the potential adverse effects will be moderate (minor) when viewed from both dwellings at 397 Telegraph Road / 594 Highfield Road and the dwelling at 548 Highfield Road, as well as from Telegraph Road. The Notice of Requirement was limited notified to these parties and no submissions were received.

40. On balance, it is considered that any adverse effects on the identified neighbouring properties will be minor. Given the separation distances to other surrounding properties, it is considered that any adverse effects on landscape values will be less than minor.

Visual Effects

41. The Boffa Miskell report has provided an assessment of the visual effects of the proposal when viewed from viewing catchments, being the five dwellings located within close proximity of the subject site. In summary, the report concludes that the visual effects of the proposal at 487 and 488 Telegraph Road will be less than minor at both Year 1 and Year 10 post landscape plantings. For both dwellings at 397 Telegraph Road / 594 Highfield Road and the dwelling at 548 Highfield Road, the report concludes that the visual effects will be minor at Year 1 and less than minor by Year 10.

42. Further, with regard to the visual effects when viewed from Telegraph and Highfield Roads, the report considers that there will be temporary moderate – low adverse effects while the plantings become established, but that this will become low adverse effects by Year 10. However, it is considered that views of the site will be transient when travelling on Telegraph Road and Highfield Road. Once planting reaches approximately 2 – 3 metres in height (year 3 – 4), the development will be screened from direct views into lower portions of the site. Views from more distant roads, including State Highway 1 are considered to be low – very low given the distance from the development to the receiver on the wider roading network.

43. The WSP peer review report notes that the top of the pylon and masts will likely be visible from adjacent properties. The WSP report highlights the reliance of the proposal on vegetation not on the applicant's property, and notes that the retention of off-site vegetation cover cannot be guaranteed.

44. The WSP report concludes that the proposal includes an appropriate level of mitigation planting to screen or buffer the bulk of the proposal from view, and recommends that in addition to the proffered conditions, that a Landscape Management Plan is prepared by the applicant to ensure that the mitigation planting thrives and fulfils its role quickly.

45. The applicant has identified 548 Highfield Road, and the two dwellings at 397 Telegraph Road / 594 Highfield Road as affected parties, "*given the nature of the visual impacts that will arise from the proposal prior to the proposed planting reaching year 10 maturity"*. I agree with this conclusion, and consider the owners and occupiers of 548 Highfield Road and 397 Telegraph Road / 594 Highfield Road to be affected parties. As has been noted, the application was limited notified to these parties and no submissions were received. Given the distance to other receivers, I consider that any potential adverse visual and landscape effects on other rural properties will be less than minor.

46. In consideration of users of the adjacent roading network, it is considered that views of the site are transient, and that any adverse visual effects will be temporary and will reduce significantly as the landscaping establishes.

Cultural values

47. The applicant has engaged with Mahaanui Kurataiao Ltd (MKT) to consult with kaitiakitanga representatives of the Te Ngai Tuahuriri and Te Taumutu runanga regarding this project. Three recommendations were provided in the MKT response as follows:

    a. The proposed buffer of locally sourced indigenous vegetation is supported. It is recommended that the proposed 20m be a minimum strip for the planting strip;

b. For earthworks, the Accidental Discovery Protocol in Appendix 3 of the Mahaanui Iwi Management Plan should be observed, and all contractors made familiar with this; and

c. Engagement with manawhenua on any significant works associated with the project is recommended.

48. The applicant has responded to these recommendations, advising that the width of the landscaping strip will vary in response to operational requirements and constraints, that an ADP consistent with the recommendations will be adopted, and future engagement on other significant works associated with the project and / or wider network reinforcement related to (not part of) the GXP project will occur.

49. On balance, and subject to an Accidental Discovery Protocol, I consider any adverse cultural effects will be less than minor.

Lighting

50. Lighting is required on site to provide a safe working environment for emergency or urgent works. AECOM has provided a preliminary lighting design for both substations and an assessment of the proposed light spill against Rule 9.18.1.2 of the Operative District Plan. The AECOM report concludes that the maximum illuminance modelled at the road reserve would be 1.17 lux and will therefore comply with the District Plan standard of 3 lux.

51. I accept this assessment. Given that the proposed lighting will be for emergency or urgent works, it is considered that any adverse effects associated with the proposed lighting of the site will be less than minor when viewed from the adjacent road network. In consideration of the separation distance to the closest dwellings, it is considered that any adverse effects on these neighbouring properties will be less than minor.

Noise and vibration

52. Marshall Day Acoustics (MDA) have provided an assessment of the noise and vibration effects of the construction and operational phases of the proposal.

Construction Phase

53. With regard to construction noise and vibration, the MDA report recommends that the works be planned and managed in accordance with NZS 6803: 1999 “Acoustics – Construction Noise”. The report notes that subject to adherence to Table 2 of the Standard, noise at nearby dwellings will be acceptable. In consideration of vibration, the report notes that vibration may be perceptible when rollers are in use in close proximity to the nearby dwellings. While the MDA report concluded that due to separation distances, these effects would be acceptable they have recommended a condition requiring compliance with Table 1 of German Standard DIN 4150-3:1999 “Vibrations in buildings – Part 3: Effects on structures.

Operational Phase

54. The MDA report has identified the primary noise sources from the subject site as being the two 180 MVA transformers on the National Grid substation site, the two 7.5 MVA transformers on the Zone Substation site, associated circuit breakers and control rooms and associated air conditioning units.

55. MDA have modelled the predicted noise levels and determined that the noise levels will be below 35dB L_{Aeq} at the notional boundaries of all existing dwellings. The applicant is proposing the application of the District Plan noise limits as a condition.

56. Powell Fenwick has peer reviewed the proposal. Powell Fenwick notes that audibility may occur with activity levels (transformer hum) equal to or a little lower than ambient noise, as the audibility of traffic is likely to be of a different tone to that of the transformer. Powell Fenwick supports the proposed condition to manage the noise environment.

57. On balance, in consideration of the separation distance to the closest dwellings, and the proposed conditions, it is considered that any adverse effects on the neighbouring dwellings will be less than minor.

Hazardous Substances

58. Both substations will use oil in the power transformers. While the final oil containment arrangement will be confirmed as part of the final design, the applicant has advised that the design concept for each of the substations is as follows:

National Grid Substation

a. Install transformer foundations and bund sized to contain the maximum oil volumes. The bund will be sized to allow for 110% containment capacity;

b. Install either an in-situ tank, or three precast concrete tanks to meet the required oil volume;

c. Install a pumping well, or similar, between the tanks and oil plate separator;

d. Install a 1,500 litre / hr MACSEP oil plate separator and bund. The oil plate separator shall ensure that any water discharged from the containment system shall not contain insulating oils at levels greater than 15ppm;

e. Discharge for the oil plate separator to the stormwater system.

Zone Substation

a. A Hynds ecoStop Spill Control System will be installed with a separate suitably sized soak pit for discharge;

b. This operates in a similar way to an oil plate separator, stopping the flow of oil once the hydrocarbon storage capacity is reached;

c. The remaining oil will be contained within the bunded drainage system, including the transformer bund and pipework; and

d. The oil containment system will have at least 100% containment capacity.

59. The applicant has advised that the final CMP will include measures for the storage and handling of hazardous substances used during the construction phase.

60. It is considered that, subject to inclusion of hazardous substances management in the CMP, and to the proposed mitigation measures identified in the application, that any adverse effects associated with hazardous substances will be less than minor.

Transport

61. An Integrated Transport Assessment from Stantec has provided a detailed assessment of the construction and operational phases of the GXP project. In summary, the Stantec report concludes that the construction phase traffic will result in high traffic movements but there will be no impact on the operation of the intersection of Telegraph Road / Highfield Roads from vehicles turning between the site and Highfield Road. The report recommends a temporary traffic management plan (TMP) for the construction phase and notes that depending on the quantum and nature of construction vehicles using this intersection, it may be necessary to monitor the conditions of the road seal and undertake remedial works to manage any damage.

62. In terms of the operational phase for the proposal, it is noted that the vehicle movements will be very low and will have a negligible effect on the safe and efficient performance of the road network. However, the Stantec report recommends that the access gates at both vehicle crossing be set back a minimum of 10m from the road boundary to be in accordance with Rule 4.5.1.4 of the District Plan.

63. The Stantec Report has been peer reviewed by Ableys, who support the assessment and conclusions of the report. In consideration of the potential deterioration of the seal along Highfield Road, Ableys have recommended that the conditions relating to monitoring the condition of Telegraph Road / Highfield Road include:

- Parameters around the timeframes for monitoring the roads, including that monitoring should be undertaken by an independent traffic engineer, and shall commence within six months of the start of the construction period to identify deterioration in seal or hazards with gravel at the intersection, and for on-going monitoring inspections to be undertaken six monthly; and
- An additional condition offering the mitigation of sealing the first 10m of Highfield Road from the intersection where there is deterioration of seal or if loose gravel is being dragged into the intersection.

64. The Abley peer review also agrees that the management of effects during the construction phase will be adequately managed through the Construction TMP and notes that this should include:

a. Engagement with Waka Kotahi with respect to the safe and efficient operation of the SH1/Telegraph Road intersection; and

b. Consideration of the speed environment along Telegraph Road during the construction period, including an assessment of the Safe Intersection Sight Distance between the access and Telegraph Road / Highfield Road intersection.

65. I accept the assessment of both Stantec and Ableys and consider that subject to conditions, any adverse effects associated with the construction and operational phases of the proposal will be less than minor.

Construction Effects

66. The construction phase of the proposal will involve extensive earthworks and stockpiling of materials. In consideration of the potential adverse effects associated with these works, the applicant has provided a Dust Impact Assessment (DIA) and a draft Construction Management Plan (CMP).

67. The DIA has considered the potential emission sources, existing air quality, meteorological impacts and the location of sensitive receptors. The DIA has identified a number of mitigation measures to be implemented in a site-specific Dust Management Plan (DMP) to be included as part of the final CMP.

68. The draft CMP includes the following proposed soil and erosion control measures:

a. A gravel hardfill entrance pad designed to reduce the risk of sediment and other material being tracked onto Telegraph Road;

b. The establishment of perimeter silt fencing or a wide shallow temporary channel to prevent sediment laden overland flows, or combinations thereof;

c. Defined locations for temporary material stockpiles, including overburden material located away from the Telegraph Road boundary (at a minimum of 30m);

d. Temporary stockpiles will be removed from site as soon as practicable, to reduce potential for sediment mobilisation and dust generation – with any stockpiles remaining over weekends and rain fall events being covered;

e. The development of a monitoring and maintenance schedule of sediment erosion control measures, including daily inspections of site control measures;

f. Defined location for temporary fuel / oil and chemical storage on a temporary impermeable hardstand area with localised bunding and / or in double skinned tanks and located at a minimum distance from the Telegraph Road boundary; and

g. The development of an emergency spill response plan, including reporting procedures.

69. Subject to a condition requiring the preparation of a DMP and the above matters being included in the CMP, it is considered that any adverse effects associated with dust and soil erosion during the construction phase will be less than minor.

Radio and power electric magnetic fields

70. Rule 5.1.2.1 and Rule 5.1.2.2 of the Selwyn District Plan limits exposure to radio frequency fields and specified limits on the electric field strength and magnetic flux density that the public can be exposed to.

71. AECOM have been engaged to provide an Emissions and Exposure Assessment report for the GXP. The conclusions of this report are as follows:

a. All 66kV and 220kV conductor ground clearances will comply with NZECP limits for publicly accessible spaces;

b. All 66kV and 220kV radio frequency electric and magnetic field strengths will comply with limits of NZ2772.1.1991 Radio Frequency Fields: Maximum exposure levels 3kHz – 300 GHz, and therefore complies with Rule 5.1.2.1;

c. All 66kV and 220kV power frequency electric field strengths and magnetic flux densities will comply with ICNIRP 1998 guideline for general public exposure limits and therefore complies with Rule 5.1.2.2;

d. An overhead 220kV interface to the 220kV Livingstone-Islington Circuit 1 is the recommended connection method; and

e. The values presented are considered maximum values that would be experienced by public in proximity to 66kV and 220kV lines or at the substation security fence.

72. The report concludes that the levels of emissions and exposure from adjacent public spaces will be compliant with the Operative District Plan.

73. I accept this assessment and consider that any adverse effects associated with radio and power frequency electric and magnetic fields will be less than minor for users in the adjacent public spaces. Given the distance to the receivers in the adjacent residential dwellings, it is considered that any adverse effects on these properties will be less than minor.

Earth Potential Rise

74. Earth Potential Rise occurs when a large current flows from a power source to earth, causing voltages to appear on the soil. Substations and high voltage transmission lines can cause Earth Potential Rise, when one or more conductors are inadvertently connected to earth or the voltage rating of insulation is overcome.

75. The National Grid Substation and the Zone Substation will have a combine earth grid which will be built into the substation platform to ensure any fault current safely dissipates into earth within the boundaries of the GXP site. The AEE states that "*instances of EPR are very rare and considered to be of extremely low risk, given that all installations are required to be designed to be electrically safe and there will be no public access to any sensitive areas".*

76. I accept this assessment.

Summary – Assessment of Environmental Effects

77. Overall, I consider that based on the above assessment, and subject to conditions, that the effects of the development will be minor.

Operative Selwyn District Plan

78. The District Plan objectives and policies that I consider relevant are:

Objective B2.2.1

Utilities are recognised as essential tools for people's economic and social well-being, and to mitigate effects of other activities on the environment.

Objective B2.2.2

The provision of utilities where any adverse effects on the environment and on people's health, safety and wellbeing is managed having regard to the scale, appearance, location and operational requirements of utilities.

Policy B2.2.4

To ensure that emissions of electromagnetic radiation are managed to avoid any adverse effects on health.

Policy B2.2.5(a)

Avoid siting utility structures or buildings on hilltops, in the margins of lakes or rivers or in areas identified as outstanding natural features and landscapes, sites with special cultural values (Silent File Areas, Wahi Taonga Sites and Management Areas or Mahinga Kai Sites) or Heritage Sites in the Plan, unless operational necessity makes this impractical.

Policy B2.2.6

Require utility structures to be made of low reflective materials

Policy B2.2.7

Encourage the co-siting of utilities, where practical.

Policy B2.2.10

Enable the provision of utility networks that serve extensive areas to be located in rural areas commensurate with operational requirements

79. The policy framework for utilities identifies the key role that utilities play in the District's economic and social well-being, whilst seeking to ensure that adverse effects are managed.

80. The purpose of the designations is to improve the security and capacity of the electricity distribution network. The proposal seeks to co-locate a zone substation and a national grid substation directly adjacent to the existing Transpower transmission line. The subject site is flat rural land, located at a distance from waterways, outstanding natural features and landscape and outside of any cultural or heritage sites identified in the District Plan.

81. The proposal provides landscaping and mitigation planting to screen or buffer the bulk of the proposal and manage any adverse effects on the character and amenity of the site and surrounding environment. As the application notes, while some structures are made of zinc galvanised steel materials with high reflectivity vales, these structures will weather and dull over time. On balance, it is considered that the proposal is consistent with Objectives B2.2.1 and B2.2.2 and Policies B2.2.5(a), B2.2.6 and B2.2.7.

82. Policy B2.2.4 seeks to ensure that the emissions of electromagnetic radiation are managed to avoid any adverse effects on health. An assessment of emissions and exposures confirms that compliance with the guidelines can be achieved. Therefore, it is considered that the designations are consistent with Policy B2.2.4.

83. Policy B2.2.10 provides for utility networks that serve extensive areas to be located in rural areas as required for operational needs. As has been noted, the purpose of the development is to improve capacity and security of the network, to meet the electrical demand growth within the Selwyn District and Christchurch City.

84. It is considered that the proposal is consistent with the relevant utility objectives and policies of the District Plan.

Objective B3.4.1

The District's rural area is a pleasant place to live and work in.

Objective B3.4.2

A variety of activities are provided for in the rural area, while maintaining rural character and avoiding reverse sensitivity effects.

Policy B3.4.3

Avoid, remedy or mitigate significant adverse effects of activities on the amenity values of the rural area.

Policy B3.4.6

Maintain low levels of building density in the Rural zone and the predominance of vegetation cover.

Policy B3.4.7

Avoid high rise buildings or highly reflective utility structures.

85. The policy framework for rural character seeks to ensure that amenity values are maintained and reverse sensitivity effects are avoided. It is considered that the proposed electricity substations and associated infrastructure are not out of character with the existing modified rural landscape, and will be viewed in the context of the existing electricity infrastructure and surrounding farming activities.

86. The proposal includes landscaping plans that will ensure that the development will be screened from direct views into the lower portions of the site, once plantings reach approximately 2-3 metres in height (year 3 – 4). The site will maintain a low level of building density. The buildings on site are proposed to be limited to a maximum height of 5m and have a small footprint. The remaining portion of the site not developed with electricity infrastructure will be retained in vegetation.

87. It is considered that the proposal is consistent with the relevant character and amenity objectives and policies of the District Plan.

Policy B3.4.13

Recognise temporary noise associated with short-term, seasonal activities as part of the rural environment, but ensure continuous or regular noise is at a level which does not disturb people indoors on adjoining properties.

Policy B3.4.15

Avoid remedy or mitigate adverse effects caused by excessive or prolonged vibration.

88. Policy B3.4.13 and B3.4.15 seek to ensure that noise and vibration is managed appropriately. On review of the proposed noise from the operational phase of the substations, it is concluded that audibility may occur with activity levels (transformer hum) equal to or a little lower than ambient noise. On balance, it is considered that the proposal is consistent with Policies B3.4.13 and B3.4.15.

Summary – District Plan Objectives and Policies

89. Overall, I consider the proposal to be consistent with the relevant objectives and policies.

90. I have read the NOR assessment of the above objectives and policies and agree with the conclusions reached that the NOR is consistent with them.

Proposed District Plan Objectives and Policies

91. The Proposed District Plan objectives and policies that I consider relevant are:

SD-IR-O1

The important infrastructure needs of the community are fulfilled and their operation is protected.

SD-IR-O2

The development, upgrade, maintenance and operation of all important infrastructure is enabled in a way that minimises adverse effects, while having regard to the practical constraints and the logistical and technical practicalities associated with important infrastructure.

92. The Infrastructure, Risk and Resilience objectives and policies framework in the Strategic Directions Chapter seek to provide an overarching direction for infrastructure matters and for managing risk from natural hazards. The focus of this policy framework is to provide for the development and maintenance of important infrastructure while ensuring that adverse effects are minimised.

93. The purpose of the designations is to improve the security and capacity of the electricity distribution network. As has been discussed, the proposal provides landscaping and mitigation planting to screen or buffer the bulk of the proposal and manage any adverse effects on the character and amenity of the site and surrounding environment.

94. It is considered that the proposal is consistent with the Strategic Directions objectives and policies.

EI-O1

Important infrastructure is

1. *Efficient, effective and resilient; and*
2. *Provides and distributes essential and secure services as part of local, regional or national networks, including in emergencies; and*
3. *Integrates with urban development and land uses throughout the district; and*
4. *Enables people and communities to provide for their wellbeing*

EI-O2

Important infrastructure is located, designed and operated to manage adverse effects on the physical and natural environment.

EI-P1

Recognise the benefits and national, regional and local importance of important infrastructure by

1. *Enabling the operation, maintenance and removal of existing important infrastructure throughout the District;*
2. *Providing for replacement and upgrades, including new technologies, to network utilities and the development of new network utilities*
3. *Providing for the functions and responsibilities of network utilities as lifeline utilities during an emergency;*
4. *Acknowledging that important infrastructure can have a functional need or operational need to locate in a particular areas, including areas with high natural, visual amenity or cultural value.*

EI-P2

Minimise the adverse effects of important infrastructure and renewable electricity generation on the physical and natural environment by:

1. *Encouraging the co-location of structures and facilities where efficient and practicable*
2. *Locating, designing and operating development while minimising the effects on, the amenity values of the surrounding environment, public access and the health and safety of people;*
3. *(…)*

EI-P4

Manage the adverse effects from the construction and operation of important infrastructure, and renewable electricity generation including noise, and vibration by requiring compliance with standards and regulations.

EI-P5

Avoid radio, electric and magnetic emissions that do not meet the recognised standards or guidelines

95. The Energy and Infrastructure chapter provides for renewable energy, important infrastructure and network utilities. The relevant objectives and policies of this chapter seek to provide for the operation and maintenance of important infrastructure and to manage any adverse effects on the surrounding environment.

96. The proposal seeks to co-locate a zone substation and a national grid substation directly adjacent to the existing Transpower transmission line. The subject site is flat rural land, located at a distance from waterways, outstanding natural features and landscape and outside of any cultural or heritage sites identified in the District Plan.

97. It is considered that the proposal is consistent with the relevant objectives and policies of the Energy and Infrastructure chapter of the plan.

Summary – Proposed District Plan Objectives and Policies

98. Overall, I consider the proposal to be consistent with the relevant objectives and policies of the Proposed District Plan.

99. I have read the NOR assessment of the above objectives and policies and agree with the conclusions reached that the NOR is consistent with them.

Weighting Between District Plans

100. Section 104(1)(b) requires decision makers to take account of any relevant plan or proposed plan. Where there is conflict between an operative and proposed plan, a weighting assessment is required to determine which plan should be afforded dominant weight.

Weighting Assessment

101. In this case, as the conclusions reached in the above assessment lead to the same conclusion under both the Operative District Plan and Proposed District Plan, no weighting assessment is required.

National Policy Statement on Electricity Transmission

102. The NPSET provides the overall policy framework for electricity transmission and contains policies that must have regard to when resource consents are considered under the RMA.

103. The objective of NPSET is to recognise the national significance of the electricity transmission network, providing for the operation, maintenance and upgrade of the network, while managing any adverse effects.

104. *Policy 1* directs decision makers to recognise and provide for the benefits of maintaining or improving efficient electricity transmission. *Policy 2* seeks to ensure that decision-makers recognise and provide for the effective operation, maintenance, upgrading and development of the electricity transmission network. The proposed substations will provide for the upgrading and development of the electricity network, improving the security and capacity of the existing distribution network.

105. *Policy 3* requires that when considering mitigation measures, the decision-maker is to consider the constraints on achieving those measures on the technical and operations requirements of the network. Similarly, Policy 5 seeks to ensure that the requirements for the operation, maintenance and upgrade of the network is considered as part of the assessment of environmental effects. It is considered that the potential adverse effects of the proposed substations can be adequately managed through mitigation plantings.

106. *Policy 4* requires a consideration of the extent to which any adverse effects have been avoided, remedied or mitigated by the route, site and method selection. It is considered that the co-location of the substations and their close proximity to the existing network infrastructure will less the visual effects of the development.

107. *Policy 9* seeks compliance with relevant guidelines and National Standards or Environmental Standards, including the International Commission on non-ionising Radiation Protection Guidelines for limiting exposure to time varying electric magnetic fields (up to 300 Ghz), and recommendations from WHO, to manage electric and magnetic fields. The applicant has provided conditions to address this matter to ensure compliance with policy 9.

108. *Policy 13* directs decision makers to recognise that the designation process can facilitate long-term planning for the development, operation and maintenance of electricity transmission infrastructure. It is noted that the designation sought for the National Grid substation will ensure the establishment of a long term planning tool that will provide for the establishment, maintenance and ongoing operational phase of the site.

Summary – NPSET District Plan Objectives and Policies

109. Overall, I consider the proposal to be consistent with the objective and policies of the NPSET.

Canterbury Regional Policy Statement

110. The Canterbury Regional Policy Statement (CRPS) objectives and policies that I consider relevant are:

Chapter 5: Land use and Infrastructure

111. Chapter 5 provides for land use and infrastructure. Objective 5.2.2 and associated Policies 5.3.2 and 5.3.9 recognise the importance of providing infrastructure that is regionally significant, whilst ensuring that any adverse effects from the development and operation of the infrastructure is avoided, mitigated or remedied. The proposed substations will provide for improved supply security and increased network capacity to meet future demand.

Chapter 11 Natural Hazards

112. Chapter 11 provides for the management of subdivision, use and development to reduce the risks associated with natural hazards. Policies 11.3.1, 11.3.3 and 11.3.4 seek to ensure that critical infrastructure is not located in high hazard areas, or in close proximity to earthquake hazards. The site is not located in an area defined as a High Hazard Area under the provisions of the proposed District Plan,

is located at a distance from the Greendale Fault and in an area where damaging liquefaction is unlikely to occur.

113. In summary, the proposed NOR is considered to be consistent with the CRPS.

Alternative sites

114. Under s. 171(1)(b) the Council must have particular regard to whether adequate consideration has been given to alternative sites or methods if the requiring authority does not have an interest in the land sufficient for undertaking the work, or it is likely that the work will have significant adverse effects on the environment.

115. The Requiring Authority has an option to purchase the site and therefore has an interest in the land sufficient to undertake the proposed development. Therefore it is considered that there is no requirement to consider alternative sites under s.171(1)(b).

116. It is noted that the applicant has provided a discussion of Section 171(1)(b) noting that in order to address electricity demand growth and to manage the constraints on Orion's distribution network, new substations were required in the vicinity of the existing Roxburgh-Islington A (ROX-ISL-A) 220 kV transmission line. The applicant has provided a detailed summary of the site selection process and a memorandum outlining the demand and site selection process undertaken.

Necessity of the designation

117. Section 171(1)(c) requires the Council to have particular regard to whether the designation is reasonably necessary to achieve the objectives of the requiring authority.

118. The proposed designations for a zone substation and national grid substation is required to improve the capacity and security of Orion's electricity distribution network to meet the continued residential and commercial electrical demand growth in Dunsandel, Halswell, Lincoln, Rolleston and Springston and more generally across the grater Christchurch network.

119. Once stated, it is not appropriate to question the Requiring Authority's choice or expression of objective for which the designation is said to be necessary. Therefore, the question becomes whether the designation, as a form of RMA approval, and the associated works are reasonably necessary to achieve the objective stated by the Requiring Authority, and whether the extent of land affected by the designation is reasonable necessary for achieving the objectives of the works.

120. Having considered the information provided in the NOR, the Requiring Authority's stated objective, the Requiring Authority has adequately demonstrated that the NOR is reasonably necessary for the provision of a connection between the existing national grid transmission infrastructure and the distribution network and to ensure a safe, secure and resilient supply of electricity to meet customer growth and future demand. Designation of these sites as a zone substation and national grid substation will formally confirm the site's use in the District Plan, and confirms the certainty of the use of the site.

Section 176A Outline Plan

121. Section 176A(2)(b) states that an Outline Plan need not be submitted to a territorial authority if the details of the proposed public work, project or work, are incorporated into the designation. The NOR provides details of the proposed works associated with the one substation and national grid substation within the application. It is considered that sufficient information has been provided to meet the requirement of s.176A(2)(b) and therefore a separate Outline Plan is not required.

Part 2 Resource Management Act 1991

122. The purpose of the Resource Management Act 1991 is to promote the sustainable management of natural and physical resources. In summary enabling people and communities to provide for their well-being, while sustaining resources and addressing any adverse effects.

123. I consider that the proposed designation will promote the sustainable use of land, building and infrastructure to provide a safe, secure and resilient supply of electricity to meet customer growth and future demand for the Selwyn District and Christchurch City while avoiding, remedying or mitigating adverse effects on the environment. Therefore I consider that the proposal is in accordance with the purpose and principles of the Resource Management Act 1991.

Conclusion

124. Having taken into account the matters that must be considered under s. 171 of the RMA, it is my conclusion that the NORs for the zone substation and national grid substation promotes the purpose of the RMA and is reasonably necessary to achieve the Requiring Authority's objectives.

125. The range of actual and potential adverse effects on the environment have been assessed and reviewed. Provided appropriate conditions are imposed in the NOR as recommended in this report, in my view any adverse effects caused by the construction and ongoing operation and maintenance of the infrastructure can be avoided, remedied, or mitigated and therefore will not be significant on the receiving environment.

126. The NOR is also considered to be consistent with the relevant statutory documents and is reasonably necessary in the context of the s.171 considerations.

Recommendations

127. For the reasons set out in the foregoing assessment, I recommend that the Council recommend to the Orion New Zealand Ltd that the Notice Of Requirement D210005 and D210006 be confirmed pursuant to s.171(2)(a) of the Resource Management Act 1991, subject to the following conditions, imposed under s.171(2)(c) of the Act:

D210005 Zone Substation Conditions

Purpose of Designation

'Zone Substation Purposes'

General Accordance

1. The initial works to give effect to the designation shall be undertaken in general accordance with the plans and information submitted with the Assessment of Environmental Effects and the Notice of Requirement dated 11 November 2021.

Operational Noise

2. Operational noise emissions from the site shall not exceed the following noise limits at or within the notional boundary of any existing dwelling as at 11 November 2021:
   a. Daytime (0700 – 2200 hours) 55 dB $L_{Aeq(15min)}$
   b. Night-time (2200 – 0700 hours) 45 dB $L_{Aeq(15min)}$
3. Noise shall be measured and assessed in accordance with NZS 6801:2008 *"Acoustics – Measurement of Environmental sound"* and NZS 6802:2008 *"Acoustics – Environmental noise"* respectively.

Construction Management Plan

4. At least 20 working days prior to commencement of activities associated with the initial earthworks programme and construction of the facility the Requiring Authority shall submit a construction management plan (CMP) to the Team Leader Compliance, Selwyn District Council, for certification. The Council shall respond within 10 working days. The CMP shall include:

a. Management of construction noise and vibration;
b. A Dust Management Plan (DMP);
c. Erosion and sediment control measures;
d. Development of an emergency spill response plan;
e. Procedures for temporary storage and handling of hazardous substances, including insulation oil;
f. Unexpected contamination protocols;
g. Accidental discovery protocols;
h. Traffic management measures, including speed and intersection management;
i. Monitoring requirements of the condition of the Telegraph Road / Highfield Road intersection pre construction, at regular 6 monthly intervals during the construction period, and once post construction. The Requiring Authority shall pay the cost of remediating any degradation of the condition of Telegraph Road / Highfield Road intersection attributable to construction works.

5. The traffic management assessments and monitoring required in accordance with condition 4(h) and 4(i) shall be undertaken by a suitably qualified independent traffic engineer.

6. The CMP prepared under condition 4 above, can be amended at any time. Any amendments shall be:

   a. For the purpose of improving the efficacy of the CMP; and
   b. Submitted in writing to the Team Leader, Compliance, Selwyn District Council, prior to any amendment being implemented unless the changes are required to be immediately implemented to mitigate adverse effects , in which case the amendments are to be submitted to the Council as soon as practicable.

Landscaping

7. A landscape plan shall be prepared by a suitably qualified landscape expert and submitted to the Team Leader Compliance, Selwyn District Council for certification. The Council shall respond within 10 working days. The Plan shall be in general accordance with the landscape concept plans (Figures 3 – 6 Boffa Miskell Graphic Supplement) submitted as part of the Notice of Requirement.

8. The landscape plan shall be implemented within the first planting season following completion of bulk earthworks and shall thereafter be maintained.

9. Any landscape required by the landscape plan may be trimmed or removed where:

   a. It is necessary in order to remove or reduce any risk to the maintenance or operational integrity of the substation; or
   b. Future development of facilities on the site, or to the site necessitates the removal of any landscaping.

10. Where landscaping is removed in accordance with Condition 9 above, replacement landscaping shall be re-established where possible in general accordance with the landscape concept plans submitted as part of the Notice of Requirement

11. A Landscape Management Plan (LMP) shall be prepared by a suitably qualified landscape expert and submitted to the Team Leader Compliance, Selwyn District Council for certification. The Council shall respond within 10 working days. The LMP shall provide a management framework for ensuring that the mitigation planting is maintained.

Transport

12. The Telegraph Road vehicle crossing shall be constructed in accordance with the Selwyn District Plan Diagram E10.D, but shall only include those elements of the Diagram that are on the same side of the road as the substation (i.e. tapers and radii). The crossing shall be sealed to the site boundary as a minimum.

13. Gates at the vehicle crossing shall open inwards and / or be set back at least 10m from the road boundary.

D210006 National Grid Substation Conditions

Purpose of Designation

'National Grid Substation Purposes'

General Accordance

1. The initial works to give effect to the designation shall be undertaken in general accordance with the plans and information submitted with the Assessment of Environmental Effects and the Notice of Requirement dated 11 November 2021.

Operational Noise

2. Operational noise emissions from the site shall not exceed the following noise limits at or within the notional boundary of any existing dwelling as at 11 November 2021:
   a. Daytime (0700 – 2200 hours) 55 dB $L_{Aeq(15min)}$
   b. Night-time (2200 – 0700 hours) 45 dB $L_{Aeq(15min)}$
3. Noise shall be measured and assessed in accordance with NZS 6801:2008 *"Acoustics – Measurement of Environmental sound"* and NZS 6802:2008 *"Acoustics – Environmental noise"* respectively.

Construction Management Plan

4. At least 20 working days prior to commencement of activities associated with the initial earthworks programme and construction of the facility the Requiring Authority shall submit a construction management plan (CMP) to the Team Leader Compliance, Selwyn District Council, for certification. The Council shall respond within 10 working days. The CMP shall include:
   a. Management of construction noise and vibration;
   b. A Dust Management Plan (DMP);
   c. Erosion and sediment control measures;
   d. Development of an emergency spill response plan;
   e. Procedures for temporary storage and handling of hazardous substances, including insulation oil;
   f. Unexpected contamination protocols;
   g. Accidental discovery protocols;
   h. Traffic management measures, including speed and intersection management;
   i. Monitoring requirements of the condition of the Telegraph Road / Highfield Road intersection pre construction, at regular 6 monthly intervals during the construction period, and once post construction. The Requiring Authority shall pay the cost of remediating any degradation of the condition of Telegraph Road / Highfield Road intersection attributable to construction works.
5. The traffic management assessments and monitoring required in accordance with condition 4(h) and 4(i) shall be undertaken by a suitably qualified independent traffic engineer.
6. The CMP prepared under condition 4 above, can be amended at any time. Any amendments shall be:
   a. For the purpose of improving the efficacy of the CMP; and
   b. Submitted in writing to the Team Leader, Compliance, Selwyn District Council, prior to any amendment being implemented unless the changes are required to be immediately implemented to mitigate adverse effects , in which case the amendments are to be submitted to the Council as soon as practicable.

Electric and Magnetic Fields (EMF)

7. Any equipment shall be designed and operated to limit the electric and magnetic field exposure to the International Commission on Non-Ionising Radiation Protection, Guidelines for limiting exposure

to time-varying electric and magnetic fields (1Hz – 100 KHz), (Health Physics 99(6):818-836; 2010) (ICNIRP Guidelines). That is the public exposure reference levels of 5kV/m for electric fields and 200 µT for magnetic flux density at one metre above ground level under maximum normal operating conditions (i.e. when there are no faults in the transmission system).

Landscaping

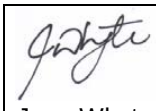
8. A landscape plan shall be prepared by a suitably qualified landscape expert and submitted to the Team Leader Compliance, Selwyn District Council for certification. The Council shall respond within 10 working days. The Plan shall be in general accordance with the landscape concept plans (Figures 3 – 6 Boffa Miskell Graphic Supplement) submitted as part of the Notice of Requirement.
9. The landscape plan shall be implemented within the first planting season following completion of bulk earthworks and shall thereafter be maintained.
10. Any landscape required by the landscape plan may be trimmed or removed where:
    a. It is necessary in order to remove or reduce any risk to the maintenance or operational integrity of the substation; or
    b. Future development of facilities on the site, or to the site necessitates the removal of any landscaping.
11. Where landscaping is removed in accordance with Condition 10 above, replacement landscaping shall be re-established where possible in general accordance with the landscape concept plans submitted as part of the Notice of Requirement
12. A Landscape Management Plan (LMP) shall be prepared by a suitably qualified landscape expert and submitted to the Team Leader Compliance, Selwyn District Council for certification. The Council shall respond within 10 working days. The LMP shall provide a management framework for ensuring that the mitigation planting is maintained.

Transport

13. The Telegraph Road vehicle crossing shall be constructed in accordance with the Selwyn District Plan Diagram E10.D, but shall only include those elements of the Diagram that are on the same side of the road as the substation (i.e. tapers and radii). The crossing shall be sealed to the site boundary as a minimum.
14. Gates at the vehicle crossing shall open inwards and / or be set back at least 10m from the road boundary.

Reported and recommended by **Jane Anderson** **Consultant Planner**	**Date: 15 February 2022**

That, having considered the notice of requirements and the above report, I adopt the findings of this report and recommend that the Selwyn District Council recommend Orion New Zealand Ltd confirm the designation pursuant to s. 171 of the Resource Management Act 1991.

 Jane Whyte, Commissioner	**Date:** 21 February 2022

REPORT

TO: Chief Executive Officer

FOR: Council Meeting -23 March 2022

FROM: George Sariak, Policy Analyst

DATE: 09 March 2022

SUBJECT: **COUNCIL FEEDBACK ON PROPOSALS TO REFORM THE RESOURCE MANAGEMENT SYSTEM**

RECOMMENDATION

'That Council:

(a) Receives the report;
(b) Retrospectively endorses the attached feedback on the engagement materials provided by the Ministry for the Environment on the reform of the resource management system, titled Our future resource management system - Materials for Discussion / Te pūnaha whakahaere rauemi o anamata - Kaupapa kōrero'

1. PURPOSE

The purpose of this report is to seek approval of the attached (Attachment A) feedback provided to the Ministry for the Environment on proposals to reform the resource management system.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

The decisions and matters of this report are assessed to be of low significance, in accordance with the Council's Significance and Engagement Policy. The level of significance has been considered low as the report relates to Council feedback on a Central Government process.

3. HISTORY/BACKGROUND

In July 2019, the Government agreed to a comprehensive independent review of the resource management system. The review was undertaken by the independent Resource Management Review Panel and is considered the most significant, broad-ranging and inclusive review of the resource management system since the Resource Management Act (1991) was enacted. The review culminated in a final report that was published in July 2020 with a suite of

recommendations to reform the resource management system. In February 2021, the Government committed to reforming the resource management system based on the recommendations of the Resource Management Review Panel. The Government proposed to repeal the Resource Management Act (1991) and enact three new pieces of legislation as part of a reformed resource management system. The proposed replacement legislation is as follows:

- Natural and Built Environments Act (NBA), to protect and restore the environment while better enabling development, as the primary replacement for the Resource Management Act (1991)
- Strategic Planning Act (SPA), to help coordinate and integrate decisions made under relevant legislation, through requiring the development of long-term regional spatial strategies; and
- Climate Adaptation Act (CAA), to address complex issues associated with managed retreat.

In June 2021, the Government released an 'exposure draft' outlining key aspects of the proposed Natural and Built Environments Act (NBA), the primary piece of legislation replacing the Resource Management Act (1991). In July 2021, the Environment Committee commenced an inquiry into the parliamentary paper on the Natural and Built Environments Bill, including the 'exposure draft'. The final report of the Environment Committee was provided to Parliament in November 2021.

In November 2021 the Government announced an additional targeted engagement opportunity for local authorities to provide feedback on parts of the resource management system not included in the 'exposure draft' or where initial decisions on reform detail had been made since the 'exposure draft' was prepared.

This additional engagement opportunity along with the submissions provided to the Environment Committee's inquiry on the 'exposure draft' are set to inform Ministerial decisions on the resource management reform legislation that will be introduced into Parliament this year. The Council will have an opportunity to make a formal submission once resource management replacement Bills are introduced into Parliament.

The deadline for providing feedback to the Ministry for the Environment was the 28th February 2022.

As the timeframe was tight, the feedback was drafted and submitted before it was endorsed at a Council Meeting.

4. PROPOSAL

That the Council receives and retrospectively endorses the feedback.

5. OPTIONS

As the feedback has already been provided, the Council has the following options:

Option 1 – receive and retrospectively endorse the feedback.

Option 2 – do not retrospectively endorse the feedback and immediately contact the Ministry for the Environment to withdraw the feedback.

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected and Consultation

The additional engagement opportunity provided by Ministry for the Environment on proposals for the reform of the resource management system is targeted to resource management system partners, these being Local Government and Māori. The feedback provided by Selwyn District Council to the Ministry for the Environment on resource management reform proposals does not have implications on affected parties or require a Council consultative process. The reform of the resource management system will allow for public consultation once proposed resource management legislation is introduced into Parliament.

(b) Māori and Treaty implications

The feedback provided by Selwyn District Council to the Ministry for the Environment on proposals for the reform of the resource management system does not have Māori and/or Treaty implications. In addition to Central Government and Local Government, Māori are a system partner in the resource management system. The Ministry for the Environment has directly engaged with hapū, iwi and Māori on the resource management reforms including this targeted engagement opportunity.

(c) Climate Change considerations

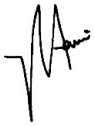
The feedback provided by Selwyn District Council to the Ministry for the Environment on proposals for the reform of the resource management system has negligible climate change implications.

7. FUNDING IMPLICATIONS

There are no funding implications.

George Sariak
POLICY ANALYST

Endorsed For Agenda



Tim Harris
GROUP MANAGER ENVIRONMENTAL AND REGULATORY SERVICES

[Attachment A: Selwyn District Council's Feedback]

Ministry for the Environment

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New Zealand

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Selwyn District Council Feedback on Resource Management Reform Engagement

1. Selwyn District Council (the Council) thanks the Ministry for the Environment for the opportunity to provide written comment on the resource management reform discussion document, published in November 2021.[1]

2. The Council commends the Ministry on initiating this additional engagement opportunity to provide feedback on elements of the design of the future resource management system beyond the scope of the 'Exposure Draft' of the Natural and Built Environments Act (NBA). The period between the NBA Exposure Draft and the formal introduction of resource management replacement legislation to the House of Representatives represents a critical juncture for the future resource management system.

3. The feedback prepared by the Council supports the feedback provided to the Ministry by the Canterbury Mayoral Forum.

4. The Council acknowledges that the current resource management system has not adequately protected the natural environment, provided the necessary outcomes for the built environment, or afforded proper recognition to the principles of Te Tiriti o Waitangi. The Council is broadly supportive of the objectives of the resource management system reform programme.

5. The Council supports ongoing and effective engagement between the Ministry and hapū/iwi/Māori, local government, other interested parties and the general public on the reform of the resource management system. The reform of the resource management system is a once-in-a-generation opportunity. Ongoing engagement will be critical to ensuring an effective and enduring resource management system. The Council expresses concern that those tasked with engaging on the reform of the resource management system are considerably overwhelmed by the broader Central Government reform agenda which may impede optimal engagement efforts.

6. The significance of the role that local government will play in the implementation of the future resource management system cannot be understated. The Council considers that drawing on the

[1] Ministry for the Environment (2021) *Transforming Aotearoa New Zealand's resource management system: Our future resource management system - Materials for Discussion*. Wellington: Ministry for the Environment.

insight and expertise of local authorities in the design of the future resource management system will yield significant value in both legislative design and implementation.

7. The Council is concerned that current capability and capacity deficits of local authorities will be exacerbated by the reform of the resource management system. Local authorities will face additional costs in the implementation of the reformed resource management system.[2] Local authorities must be supported and resourced to address capability and capacity deficits to ensure the future resource management system operates effectively.

8. The Council is highly supportive of the strengthened role for iwi, hapū, and Māori in a future resource management system and the greater recognition of te ao Māori, including mātauranga Māori. The Council considers that to truly enable a more effective role for hapū, iwi and Māori in a future resource management system, resourcing and funding of mana whenua groups to build capability and increase capacity is essential.

9. The Council supports the recommendation of the Environment Select Committee for Central Government to develop a system partners (local authorities and mana whenua groups) 'capability strategy' that will detail how capability and capacity deficits will be addressed.[3]

10. The Council has given due consideration to the proposed resource management system components as detailed in Part 2 of the Ministry for the Environment (2021) *Transforming Aotearoa New Zealand's resource management system: Our future resource management system - Materials for Discussion*. Wellington: Ministry for the Environment. The Council has constructed its feedback based on the specific questions contained within Appendix 1. The feedback is set out in the table below.

[2] Ministry for the Environment. Interim regulatory impact statement: Reforming the resource management system. 15th June 2021. https://environment.govt.nz/assets/publications/7-Interim-regulatory-impact-statement-Reforming-the-resource-management-system-signed-15-06-2021.pdf

[3] Environment Select Committee. Inquiry on the Natural and Built Environments Bill: Parliamentary Paper: Report of the Environment Committee. Fifty-third Parliament. November 2021. www.parliament.nz/resource/en-NZ/SCR_116599/0935c4f14c63608e55c528b75167a69daee92254

National Planning Framework

1. **What role does the national planning framework (NPF) need to play to resolve conflicts that currently play out through consenting?**	The Council considers that the design of the future resource management system must ensure that conflicts are identified and resolved at the appropriate level. The Council is of the opinion that the proposed Natural and Built Environments Act should provide overarching direction on the principles and procedure for resolving resource management conflicts. Conflict resolution within the National Planning Framework should be reserved for matters most appropriately resolved at the national level, particularly matters of national significance. The components of the National Planning Framework should be well integrated to avoid internal conflicts. The Council considers that a single instrument for national direction, as is proposed, is more likely to achieve better integration. The design of the National Planning Framework should not be overly complex or unwieldly to ensure it remains accessible. The National Planning Framework should outline the approach and considerations that joint planning committees must take when undertaking conflict resolution at the sub-national level through plan-making. This advice and guidance should be sufficiently clear and directive to ensure that there is national consistency in the interpretation; but flexible enough to allow local application. The Council considers that consents should be the last bastion for conflict resolution in the resource management system. The Council recognises that clear national direction and more prescriptive plans, particularly regional spatial strategies, should resolve conflicts earlier in the system.
2. **How would we promote efficiency in the Board of Inquiry process while still ensuring its transparency and robustness?**	The Council recognises that balancing efficiency with transparency and robustness in the Board of Inquiry process will be challenging. The Council considers that efficiency in the Board of Inquiry process could be promoted by providing an opportunity for consultation and for submitters to be heard but by limiting rights of appeal to points of law only. Furthermore, early partnering with system partners (local government and iwi, hapū and Māori) in the co-development of the National Planning Framework will provide overall efficiency. The Council would strongly urge the Ministry to engage system partners early on the drafting of the first National Planning Framework. A permanent board of inquiry could promote greater efficiency, however there must be careful consideration of the composition of members in their expertise and versatility. The Council supports the use of an independent body for the development of the National Planning Framework. The Council considers that there should be a simplified process for less significant matters or technical changes to the National Planning Framework, however a threshold test must be in place to establish whether it is more appropriate that the Board of Inquiry process be used.
3. **How often should the NPF be reviewed, bearing in mind the relationships between the NPF, regional spatial strategies and Natural and Built Environments Act plans?**	The Council considers that either a nine year or ten year review cycle would provide sufficient time to monitor and evaluate the implications and effectiveness of the local application of national direction. The Resource Management Review Panel recommended that nine years better aligns with three year Central Government electoral cycles as well as three-year local authority electoral and three-year long-term planning cycles. The Council considers a nine year review cycle could lend itself to greater system integration in principle and therefore has considerable merits. Although a firm nine year review cycle for the National Planning Framework would be preferable, the Council anticipates that adhering to a firm review schedule would be difficult in practice. Presently, there is much flexibility in the updating and creation of national direction instruments which allows for responsiveness and adaptability. The constant cycle of change to national direction to implement new or amended national direction is resource intensive for local authorities and often necessitates a full plan change process. It would be ill-conceived and inefficient to disallow interim reviews of the National Planning Framework in part or in whole within the nine year review cycle. However, the circumstances for updating the National Planning Framework in part or in whole outside a scheduled review should be exceptional and limited to addressing system inadequacies or in response to unforeseen change. The case for new, updated or amended national direction in the National Planning Framework within the review cycle should be made to an independent body and pass a gateway test informed by a process similar to an evaluation under Section 32 of the Resource Management Act (1991). This would ensure that reviews within the nine year review cycle are undertaken only when completely necessary to maintain the integrity of the National Planning Framework review cycle. Where a full review of the National Planning Framework is undertaken as opposed to a 'rolling-review', the sequencing of the resource management system document hierarchy remains intact. It is the opinion of the Council that first-generation Natural and Built Environment Plans should be prepared following the National Planning Framework and a regional spatial strategy.

Regional Spatial Strategies

4. **To what degree should regional spatial strategies (RSSs) and implementation agreements drive resource management change and commit partners to deliver investment?**	The Council welcomes the new provision for spatial planning and environmental outcomes in the future resource management system. The Council considers that long-term regional spatial strategies developed under the Strategic Planning Act should have legal weight on Natural Built Environment Plans so as to drive resource management change. It should be codified that Natural Built Environment Plans should be consistent with regional spatial strategies, rather than be required to 'give effect to' regional spatial strategies. The Council supports the development of separate implementation plans to accompany a regional spatial strategy. The implementation plan should focus on flagship or anchor projects and outline project-level detail not included in a high-level spatial planning document. The implementation plan must be transparent and clearly outline costs, funding share, timings and delivery milestones to hold system partners accountable. The Council recognises that implementation agreements could reinforce an implementation plan to ensure that there is a firm commitment from system partners to project delivery. This is particularly important considering the long timeframes for project delivery of infrastructure and its sensitivity to political shifts at the national level. Of the three options presented for structuring implementation agreements, the Council would recommend that the Ministry outlines the relative strengths and weaknesses of the options being considered and presents this information comparatively. This comparative assessment should be supported by international case studies in their application. The Council would also add that the sequencing of development outlined in a regional spatial strategy should interface with Natural Built Environment Plans, so that land use activities become permitted only when infrastructure has been delivered so as to better align land use and infrastructure. The Council considers that Central Government should greatly expand the infrastructure financing and funding tools and arrangements to support effective delivery of spatial planning outcomes.
5. **How can appropriate local issues be included in RSSs?**	The Council considers that the regionalisation of resource management will have considerable impact on local democracy and community input into the resource management system. There are examples from international best practice where regional and strategic planning mandates have been repealed for being too top-down and too far removed from local communities' needs, values and aspirations.[4] The Council considers that there are several ways appropriate local issues could be included in regional spatial strategies. Joint committees that develop regional spatial strategies must include sufficient representation of all local authorities within the region to ensure that local issues are represented and accounted for. The Council has provided feedback on joint committees in greater detail as a response to questions 11 to 14. Joint committees should be enabled to formulate sub-committees to address particular topics or sub-regional areas. These sub-committees should have oversight from a representative of the joint committee. For clarity, sub-committee membership should not be solely comprised of joint committee members. The Council considers that for the Canterbury context, sub-committees for sub-regions would be key to ensuring local issues are included in regional spatial strategies. Spatial planning in the Greater Christchurch sub-region has been underway for some time (since 2007) and is instrumental in the development of the sub-region. The Council considers that local authorities should have a significant role in the preparation of regional spatial strategies by way of joint committee and sub-committee membership and in a support-based function with membership of the secretariat. The involvement of local authorities through the secretariat function should draw on the expertise and insight of Council staff. The development of regional spatial strategies should include regular review intervals, and at the very least pre-commencement and pre-notification consultation with local authorities. The Council must be able to make a submission on a regional spatial strategy to give voice to the interests of local communities. The Council considers that the design and accessibility of the engagement process for regional spatial strategies is paramount when it comes to engaging local communities on high-level issues. The Council strongly considers that local authorities are best-placed to undertake engagement on regional spatial strategies. Furthermore, engagement should be co-designed by the joint committee, relevant sub-committee (where applicable) and the local authority to ensure that both region-wide and localised issues and options are presented effectively. As it is proposed that final plan-making decisions are held by a joint committee, the Council considers that involvement of local authorities throughout the process is paramount for incorporating local issues. The Council considers that top-down strategic planning will be a powerful addition to the future resource management system, but this must be met with bottom-up initiatives to empower local communities. The Council considers that planning reform underway in Scotland is an excellent comparator to the reform of the resource management system in Aotearoa New Zealand. The Planning (Scotland) Act 2019 amended the Town and Country Planning (Scotland) Act 1997 by introducing a requirement for local authorities, two or more, to prepare and adopt a regional spatial strategy to guide the long-term strategic development of an area. Regional spatial strategies under the two systems have considerable similarities. Scottish regional spatial strategies are non-operative but local authorities must have regard to regional spatial strategies when preparing Local Development Plan, an equivalent of a District Plan. The Planning (Scotland) Act 2019 also makes provision for Local Place Plans with an 'aim is to significantly enhance engagement in development planning, effectively empowering communities to play a proactive role in defining the future of their places by setting out their proposals for the use and development of land'.[5] Local Place Plans can be incorporated in to a Local Development Plan. With regional spatial strategies under the Strategic Planning Act and combined plans under the Natural and Built Environments Act, the reform of the resource management system must establish appropriate provision for communities to shape their local areas and place an active role in placemaking. The Council considers that the scope of regional spatial strategies should be clearly set out in the Strategic Planning Act and should be kept high-level. The Council considers that the Natural and Built Environments Act must empower communities to shape their local areas, this could be a requirement for local-place plans (structure plans) for certain areas that are then given sufficient weight in resource management decisions by incorporation in to a combined plan under the Natural and Built Environments Act.

[4] United Kingdom Department for Communities and Local Government. Localism Bill: abolition of the regional planning tier and introduction of the Duty to Cooperate: Impact assessment. January 2011. www.parliament.uk/globalassets/documents/impact-assessments/IA11-010AD.pdf

[5] Scottish Government. Local Place Plans - proposals for regulations: consultation analysis. September 2021. www.gov.scot/publications/proposals-regulations-local-place-plans-consultation-analysis/documents/

6.	**With regional and unitary council boundaries proposed for RSSs, how should cross-boundary issues be addressed?**	The Council considers that regional spatial strategies based on regional and unitary council boundaries are appropriate until the conclusion of the review in to the future for local government. The interim report, Ārewa ake te Kaupapa, of the Future for Local Government Review has clearly outlined that the any new structures in the reformed resource management system should be transitional, since it is highly likely that local government reform will see new structures recommended. In the interim, the Council would suggest that cross-regional boundary issues be addressed principally through inter-regional collaboration and partnering. A device or vehicle to facilitate this cross-boundary partnering could be the creation of a 'cross-regional sub-committee' with membership from the relevant joint committees. The explicit focus of the cross-regional sub-committee would be to advance a holistic and coherent area based strategic plan for a cross-regional area, (territorial authority boundary) which is in keeping with both of the relevant regional spatial strategies. The national consistency applied to Resource Management Act (1991) plans by way of the National Planning Standards (2019) should be applied to regional spatial strategies. The Council considers that there may be instances where hapū and iwi rohe may not align with regional boundaries which the Ministry must also take in to account when determining how to address should cross-boundary issues.

NBA Plans

7.	**Do you agree with the Randerson Panel's recommendation to have one combined Natural and Built Environments Act (NBA) plan per region?**	The Council is concerned whether the regionalisation of resource management is an appropriate mechanism for local democratic input and for addressing local considerations. The Council considers that the combined plan output in the context of resource management reform cannot be separated from the plan development process proposed under the Natural and Built Environments Act. Where the Council recognises potential merits of a combined plan for the Canterbury region, it is clear that the plan preparation process, the composition of planning committees and the role of local government, in the secretariat or otherwise, all will have implications on the output of a combined plan. The Canterbury region has the largest land area of all the regions in Aotearoa New Zealand with incredible diversity across the region. The Council considers the incredible variation in the natural and built environments of the Selwyn district, requires bespoke resource management considerations such as the alpine design requirements for settlements of Castle Hill and Arthur's Pass. The Council considers the nuanced approach to resource management that has been undertaken in the Selwyn district and is concerned how this will be captured in a combined plan with ten other territorial authority areas. The Council acknowledges that there are merits to a combined plan for each region, however is concerned whether this approach is right for Selwyn and the Canterbury region. The differences between the regions should be reflected in the timelines and resourcing, there is greater complexity in the Canterbury context than there will be fore existing unitary authorities. The Council considers that the consolidation of numerous resource management plans in to one combined plan could offer efficiency gains and resolve jurisdictional issues for certain resource management matters. The Council considers that combined plans must be able to address sub-regional and local considerations, this could be achieved in various ways. The Council considers that separate sub-regional plans (that could be combined in to a singular region combined plan) or at least providing for territorial chapters in a combined plan would ameliorate some of the drawbacks of proposed combined plans. The Council considers the Greater Christchurch area is unique and should be able to produce a bespoke combined plan.
8.	**Would there be merit in enabling sub-regional NBA plans that would be incorporated into an NBA plan?**	The Council considers that there is merit to enabling sub-regional combined plans. This approach has particular merit for sub-regions that already undertaken a concerted sub-regional approach to resource management. Sub-regional plans would benefit from the formulation of area-based sub-committees. The Council considers that the secretariat should have a significant role in the preparation of combined plans and be comprised of Council staff. The role of Greater Christchurch in the Canterbury context is a clear case where sub-regional planning would be more suitable for addressing the unique resource management challenges and opportunities of the sub-region.

9.	**What should the role of local authorities and their communities be to support local place-making and understanding of local issues in NBA plans?**	The Council considers that local authorities should have a significant role in the preparation of combined plans developed under the Natural and Built Environments Act to support local place-making and the understanding of local issues. The development of combined plans developed under the Natural and Built Environments Act should be a co-development process between the joint committee, mana whenua and local authorities. The development of combined plans should include regular review intervals, and at the very least pre-commencement and pre-notification consultation with local authorities. The Council must be able to make a submission on a combined plan to give voice to the interests of local communities. The Council should be appropriately represented on joint committees and sub-committees with Council staff taking an active role in the functions of the secretariat. It is our opinion, Council membership on the joint committee should be an elected member. The Council considers that the design and accessibility of the engagement process for combined plans will be critical to engaging local communities and ensuring that local issues filter-up into combined plans. The Council strongly considers that local authorities are best-placed to undertake engagement on combined plans. Furthermore, engagement should be co-designed by the joint committee, relevant sub-committee (where applicable) and the local authority to ensure that both region-wide and localised issues and options are presented effectively. As it is proposed that final plan-making decisions are held by a joint committee, the Council considers that involvement of local authorities throughout the process is necessary to support local place-making and understanding of local issues. The Council considers that the Natural and Built Environments Act must empower communities to shape their local areas, this could be a requirement for local-place plans (structure plans) to be developed for certain areas that are given sufficient weight in resource management decisions by incorporation in to a combined plan. The Council considers that local place-based environmental outcomes would be best developed by the community. The hierarchy of the future resource management system will largely shape the ability for local placemaking, it will depend on the directiveness of the National Planning Framework, the scope of regional spatial strategies and the flexibility afforded to combined plans. As an example, the National Planning Framework could set strategic housing bottom lines, a regional spatial strategy could spatially define development priority areas and then a combined plan could require a mixture of housing typologies and neighbourhood shaping provisions as local place-based outcomes. The Council is concerned that the resource management reforms will further remove the community's opportunities to participate in the planning process. The Council considers that the proposed shift to more regional and national planning moves the processes away from communities. The Council considers that residents and communities should still have a key role in the planning process as they will be required to live with the outcomes, positive or negative, of planning decisions.

10. **Will the proposed plan-making process be more efficient and effectively deliver planning outcomes?**	The Council acknowledges that there are significant issues with the plan-making process under the Resource Management Act (1991). The current process under Schedule 1 is too slow, too long, unresponsive to change and prone to litigation. The Streamlined Planning Process, the Freshwater Planning Process, the Auckland Unitary Plan process, the Canterbury Earthquake Recovery Act and the newly created Intensification Streamlined Planning Process are clear incidences of efforts to circumvent a cumbersome Schedule 1 process. The Council considers that the proposed plan-making process could result in expediency and efficiency but does that not necessarily guarantee the delivery of better planning outcomes. This is particular relevant to the Canterbury context where sheer geographic scope may result in certain local issues being overlooked. Further details on the process and composition of joint committees will be the determinant of the efficiency and effectiveness of the plan-making process for both expedience, due process and delivering outcomes. The Council considers that early and meaningful engagement with local communities, hapū, iwi and Māori will be important to ensuring that an expedient process is also an effective process. This engagement must be designed appropriately, be far-reaching and accessible to all. The duty to undertake engagement in the plan-making process should be codified in the Natural and Built Environments Act under Schedules 1 and 2. Schedules 1 and 2 of the Natural and Built Environments Act should require: • local opportunity for people to participate in the process • duty to engage with each local authority in the region prior to any formal notification • full consultation with the affected community/communities • more engagement at the start of plan making processes • easier opportunities for non-professionals to be involved in hearings • provision for the opportunity for local authorities to consult on draft provisions, regulations and regional spatial strategies prior to any formal public notification process. The Council considers that if appeal rights are curtailed, early engagement, submissions, further submissions and a robust hearing process will be necessary. The Council considers that the proposal for appeals based on the model used for the Auckland Unitary Plan process, which would allow for the rehearing of any independent hearings panel recommendations not accepted by the joint committee is appropriate. The Council would prefer the inclusion of local government representation on the hearings panel alongside independent commissioners to preserve democratic representation. The Better Urban Planning report by Te Kōmihana Whai Hua o Aotearoa / New Zealand Productivity Commission considers the ability to appeal provisions of resource management plans is unusual by international standards.[6] The report fails to recognise the importance and emphasis on plan-making stage in resource management, especially due to the use of zones and an effects-based approach. The other systems cited in the report, particularly discretionary planning systems, have a greater focus on the consent/permit/permission stage with very little scope for permitted activities and no equivalent of a non-notified resource consent. The Council considers that the intention to reduce the need for consenting in the future resource management system places even greater significance on the plan-making stage. The final decision of a joint committee may not be unanimous on certain issues or matters therefore, the Council must be enabled to undertake the role of submitter and appellant in the hearings process for combined plans. Hearings should not be an adversarial or overly legalistic platform, but rather an inquisitorial one. The hearings process should be robust but not be a barrier to public participation so that community views are able to be voiced and are given appropriate consideration. The Council seeks clarity on the process for a plan change that is area specific and whether the entire joint committee would be required to convene.

RSS and NBA joint committees

11. **How could a joint committee model balance effective representation with efficiency of processes and decision-making?**	The Council supports the proposal for the structure and composition of joint committees being determined on a region-by-region basis. The Council considers that there should be representation of all local authorities in the region on a joint committee. The Council considers that in terms of local government representation, there are two options: 1. An appointed local authority representative that would represent the local district to give to local issues but still input in to region-wide issues 2. Proportional representation based on cohesive areas of relatively equal population (e.g. general electorates or electoral wards). The Council considers that Canterbury must collectively decide on the structure and composition of joint committees, but consider that there is an inherent trade-off between effective representation and efficiency. With greater representation comes efficiency losses and with efficiency gains there will be inadequate representation.

[6] Te Kōmihana Whai Hua o Aotearoa / New Zealand Productivity Commission. Better Urban Planning: Final Report. February 2017. www.productivity.govt.nz/assets/Documents/0a784a22e2/Final-report.pdf

12.	**How could a joint committee provide for local democratic input?**	The Council understands that an objective of resource management reform is to "improve system efficiency and effectiveness, and reduce complexity, while retaining appropriate local democratic input". The Council considers that the resource management reforms, as proposed, may not retain appropriate local democratic input. The transfer of final decision-making powers to a joint committee diminishes the role of local government and elected members in resource management matters. The Council considers that a joint committee could provide for local democratic input by ensuring that elected members are appointed to the joint committee. The Council strongly supports allowing the formulation of sub-committees to address particular topics or sub-regional areas. These sub-committees should have oversight from a representative of the joint committee. For clarity, sub-committee membership should not be solely comprised of joint committee members. The Council considers that for the Canterbury context, sub-committees for sub-regions would be key to ensuring local issues are included in combined plans. The Council would prefer the inclusion of local government representation on the hearings panel alongside independent commissioners to preserve democratic representation. The Council has already stipulated the need for a considerable ramping up of engagement efforts to encourage public participation in resource management. The Council strongly considers that local authorities are best-placed to undertake engagement on both regional spatial strategies and combined plans.
13.	**How could a joint committee ensure adequate representation of all local authority views and interests if not all local authorities are directly represented?**	The Council would strongly suggest that all local authorities are involved in the co-development of both regional spatial strategies and combined plans where there is no direct representation on the joint committee. Joint committees must consult with local authorities and could enable direct input through the formulation of sub-committees. The Council considers that direct representation on a joint committee is the best option to ensure that there is adequate representation of all local authorities' views and interests.
14.	**Are sufficient accountabilities included in the proposed new integrated regional approach to ensure the strategies and plans can be owned and implemented by local authorities?**	The Council considers that the strengthened role of Central Government in the proposed resource management system, the regionalisation of resource management and transfer of decision-making to the joint committees will significantly degrade the sense of ownership that both local authorities and communities currently have in the co-creation and stewardship of resource management plans. The Council has already provided feedback on ways that local democratic input and the consideration of local issues can be incorporated in to a proposed resource management system so far removed from localism.
15.	**How should joint committees be established?**	The Council considers that the structure and composition of joint committees should be determined on a region-by-region basis. Therefore, it should be the system partners in the Canterbury region that decide on what the appropriate arrangements for the joint committee will be. The Council envisages that there would need to be a joint committee establishment process that would involve hui between the system partners involved, this could be hui between the Canterbury Mayoral Forum to represent local government, representatives of Papatipu Rūnanga and Te Rūnanga o Ngāi Tahu and for the regional spatial strategy Central Government representation. The Council considers that process for establishing a joint committee should be informed by Central Government guidance that is not overly directive so that the process has direction, but system partners are not directed. The Council considers that the selection and appointment processes for mana whenua membership on joint committees should be determined by Māori.

Consenting

16. **Will the proposed future system be more certain and efficient for plan users and those requiring consents?**

The Council considers that certainty and efficiency for plan users will largely depend on the certainty afforded through the higher order documents of the resource management system. This must begin with the legislative drafting of the principle statute, the Natural and Built Environments Act. The Natural and Built Environments Act, as far as reasonably possible, should not be drafted with ambiguity so that interpretation is resolved through the courts. The adequacy of national direction, in both quantity and quality, is also important. The National Planning Framework must be cohesive, coherent, robust and sufficiently clear to avoid interpretational issues. The purpose of the Natural and Built Environments Act should not be used as a basis for determining individual resource consent applications, but should inform the National Planning Framework. The National Planning Framework must be able to resolve conflicts so that both regional spatial strategies and combined plans give plan users greater certainty as to the appropriateness of their intended activity.

The Council acknowledges that by ensuring that resource management plans have greater certainty for plan users there will be greater efficiency in the system by reducing the volume of resource consents. The Council considers that the use of permitted activities and prohibited activities must be improved in combined plans to give plan users greater certainty of generally appropriate and inappropriate activities. The reduction to four activity classes is likely to simplify consenting, however, there are nuances that will be lost. For example a non-complying activity typically has 'avoid' policies attached, subject to criteria. Planning authorities will have to choose between discretionary and prohibited activities and may lean towards a more risk averse 'prohibited' activity if discretionary activity is not sufficiently robust to decline inappropriate activities. With greater use of permitted activity status in combined plans, these must be accompanied by appropriate standards or requirements. Where activities require a consent, the Council would seek that the notification process be simplified so that consent authorities can better utilise processing time engaging with mana whenua, assessing adverse effects and environmental outcomes. The Council understands that consent activity classes and notification rules will be standardised, with key requirements set out in combined plans rather than assessed on a case-by-case basis. The Council is supportive of this change and considers that this will be more certain and efficient for plan users. The Council, as consent authority, should be directly involved in determining notification thresholds and information requirements for resource consents. The Council acknowledges that there are certain instances where it may serve the interests of the wider public or the natural environment to extinguish existing use rights or existing resource consents however further details must be provided on how this would work in practice. The Council would support the streamlining of resource consent application processes and the implementation of a single online national consenting application portal and believe this will be an essential component of the future resource management system.

Compliance, monitoring and enforcement

17. **Do you agree with the proposed changes to compliance, monitoring and enforcement provisions and tools?**

The Council supports the decision that local authorities will continue to be responsible for the delivery of compliance, monitoring and enforcement services, including decision-making on when to take enforcement action and what type of action to take. The Council favours a local approach to compliance, monitoring and enforcement, therefore the decision to defer further consideration of regional compliance, monitoring and enforcement hubs for the time being is welcomed. The Council considers that there is a strong interrelationship between consenting and enforcement that benefits for further integration and a local application. The Council does not support the independence and structural separation of compliance, monitoring and enforcement services from the local authorities in a region. The Council seeks that sufficient national oversight and auditing of local authorities engaged in compliance, monitoring and enforcement be undertaken to ensure that these regularly functions are not subject to inappropriate influence or bias.

The Council considers that current institutional arrangements and a lack of compliance, monitoring and enforcement funding have affected the capacity and capability of the system to deliver effective compliance, monitoring and enforcement services. The Council considers that there are many instances where compliance, monitoring and enforcement is undertaken by local authorities on national matters and this should be the remit of Central Government. The Council supports:

- The strengthening of the offence and penalties regime - penalties need to be set at a level high enough to deter non-compliance
- The introduction of new compliance, monitoring and enforcement measures and strengthening of existing measures
- broadening the range of offences subject to fines for commercial gain
- A stronger legislative link between resource management offending and criminal legislation
- The move to an outcomes-focused resource management system and changes to compliance monitoring to support both state of the environment monitoring and monitoring progress towards achieving outcomes
- Mana whenua involvement in compliance, monitoring and enforcement
- Creative sentencing options
- broadening the cost recovery provisions, allowing for costs to be recovered for compliance monitoring of permitted activities and investigations of noncompliant activities
- Taking the right to use the resource away for repeat or major offences. Proposed change to provide for alternative sanctions to traditional enforcement action and provide for new intervention tools, including enforceable undertakings and consent revocation
- allowing consent authorities to consider an applicant's compliance history in the consent process

As the institutional arrangements for the future of compliance, monitoring and enforcement are yet to be settled, the Council considers that serious consideration must be given to the proposed regionalisation of resource management and the implications on compliance, monitoring and enforcement services.

18. **How practical will the proposals be to implement?**

The Council considers that legislative drafting, implementation guidance, support and funding is key to the practicality of implementing proposals.

Monitoring and system oversight

19. **Will these proposals lead to more effective monitoring and oversight of the system?**

The Council considers that monitoring and oversight is essential for the future of the resource management system and its status must be elevated so that monitoring and oversight is integrated throughout the system and not merely an afterthought.

System oversight roles are fragmented across several institutions within the system and across statutes, the Council considers a more robust outline for addressing inadequacies of current monitoring and system oversight is needed for Council to make sufficient comment. The Council recognises that monitoring to date as placed too much an emphasis on processes rather than on system performance, environmental health and positive outcomes. The Council considers Central Government needs to improve its performance as a regulatory steward of the resource management system.

The Council remains concerned around the practicality of setting and subsequently monitoring qualitative limits set by the National Planning Framework or by joint committees in combined plans. The Council is concerned that there are not sufficient mechanisms for the raising the bar on environmental limits so that limits do not become a race to the bottom for a minimum acceptable state of environment. The Council seeks further details on how limits can be strengthened by targets to provide for transitional improvements over time and towards the achievement of outcomes.

The Council supports local authorities continuing to have primary responsibility for the collection of data and the monitoring of system performance at local government level, however this must be sufficiently resourced. As combined plans are to provide for monitoring and reporting requirements of local authorities, there must be considerable involvement of local authorities in the preparation of combined plans to ensure that requirements are workable and reflect local input. The Council considers that Central Government should consider the development of digital tools to support systematic, coordinated and consistent real-time monitoring. The Council considers that digital tools for consenting should interface with digital tools for monitoring to ensure that there is sufficient integration and transparency. The Council supports a stronger link between future resource management legislation and the Environmental Reporting Act. The Council supports the requirement for Central Government to respond to state of the environment reports within an appropriate allotted timeframe.

Monitoring frameworks should be established on the 'waka hourua' approach of the Environmental Protection Authority, a dual-hulled waka, representing partnership and a symbiotic relationship between Western science and mātauranga Māori.[7] Mana whenua should have a more effective role as Te Tiriti partners in monitoring and system oversight. The Council acknowledges that feedback from hapū and iwi supports a National Māori body for partnering with Central Government at a national level and for monitoring Te Tiriti performance. The Council considers that mana whenua groups must be enabled to undertake regional and local monitoring roles in respect of their takiwā or rohe. The Council supports the requirement to "give effect to" Te Tiriti and considers that the primary legislation and the National Planning Framework need to provide clear direction and guidance on how to give effect to Te Tiriti.

National system oversight must be greatly improved, with Central Government undertaking a greater role. Oversight of system performance must be based on a robust evidential basis informed by comprehensive monitoring data. The Council considers that there must be a coordinated and regular systematic approach to scheduled periodic review of resource management legislation and national direction. The Council considers that the resource management system should not be subject to ad hoc amendments based on political dispensation. The Council strongly supports independent oversight of the resource management system. The Council considers that an independent oversight body is necessary to provide accountability and impartial analysis and advice. The Council supports the expanded role of the Parliamentary Commissioner for the Environment in the future resource management system. The Council would seek that the Parliamentary Commissioner for the Environment's regular reporting to Parliament on the performance of the resource management system should be accompanied by recommendation options and require a Central Government response.

20. **Will the system be able to adequately respond and adapt to changing circumstances?**

The Council considers a more robust outline of addressing inadequacies of current monitoring and system oversight is needed for Council to make sufficient comment on whether proposals will be able to adequately respond and adapt to changing circumstances.

[7] The Environmental Protection Authority. Partnership in action: The mātauranga framework. 2020. www.epa.govt.nz/assets/Uploads/Documents/Te-Hautu/Matauranga-Maori-Report_Framework-Report.pdf

Role of local government in the future system

21. **What does an effective relationship between local authorities and joint committees look like?**	The Council considers that an effective relationship would see local authorities working with a joint committee to co-develop regional spatial strategies and combined plans. The Council considers that local authorities should be considerably involved in the plan-making process. An effective relationship would see local authorities involved in community engagement, drafting and decision-making on resource management matters. An ineffective relationship would be the usurping of the role that local authorities have traditionally undertaken in regard to local input into resource management, neighbourhood shaping and placemaking. If engagement is insufficient and the role of local authority is limited or tokenistic, there could be an ineffective or even adversarial relationship between Central Government and local government. The Council considers that the planned resource management reforms risks both local authorities and local communities not having a sense of ownership for a regional spatial strategy or combined plan. Local authorities must be enabled to advocate on behalf of local communities during the plan-making process for regional spatial strategies and combined plans. There should be guidelines on how this interaction is managed including avoiding perceived conflicts of interest. The Council has already provided feedback on the role that local authorities should undertake in relation to joint committees. In summary, local authorities should be involved in undertaking engagement, directly in the joint committee and sub-committees, on the secretariat and as a representative on a hearings panel.
22. **What other roles might be required to make the future resource management system effective and efficient?**	The Council considers that local authorities should be able to continue to seek to influence, outside of planning committees, the policy determinations of regional and sub-regional committees on matters that affect (or could affect) local communities or the local environment. This should include the statutory provision for councils to formally seek changes to combined plans and regional spatial strategies, as is currently the case in respect of Regional Policy Statements under the Resource Management Act (1991). Councils should still also be able to continue to pursue outcomes through submissions, hearings and appeals on behalf of their communities.
23. **What might be required to ensure the roles and responsibilities of local authorities can be effectively and efficiently delivered?**	The Council understands that the Ministry has decided that regional councils will retain responsibility for natural resource functions, and territorial authorities will retain their core land use and subdivision responsibilities. The Council considers this will largely undermine the efficiency gains of combined plans and will not take full advantage of the opportunity presented by the resource management reforms. The Council considers that territorial authorities should be the consent authority for all consents under the proposed resource management system including coastal permits, water permits and discharge permits. The Council considers that it is appropriate to devolve regional consenting to territorial authorities as it would be a more efficient consent pathway under combined plans and would align with the role of territorial authorities as building consent authorities under the Building Act (2004). Compliance monitoring and enforcement should be undertaken by territorial authorities, as there are clear system efficiencies and strong interrelationship between the roles of compliance and consenting. The Council seeks that regional councils instead be responsible for state of the environment monitoring and to provide technical expertise and environmental knowledge-base to support territorial authorities, as with the current Resource Management (National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health) Regulations 2011. The Council would also recommend that there is an appropriate mechanism to allow local authorities to be the final decision-maker on changes to combined plans that are solely of local significance.

National Māori entity

24. **What functions should a national Māori entity have?**	The Council has noted that a summary of the themes from hapū/iwi/Māori submissions on the Exposure Draft of the Natural and Built Environments Bill found that there was general support for a National Māori body.[8] The Council understands that initial thoughts are that the role of the national Māori entity may be to co-develop the National Planning Framework as well involvement in system oversight and monitoring (including monitoring of Te Tiriti performance). The Council strongly supports more effective means for enabling Māori as Treaty partners to participate in decision-making at a national level. The Council believes that there must be continued engagement and partnering with mana whenua to co-develop the membership and functions of a national Māori entity.

[8] Ministry for the Environment. Themes from hapū/iwi/Māori submissions on the Exposure Draft of the Natural and Built Environments Bill (NBA). www.parliament.nz/resource/en-NZ/53SCEN_ADV_111944_EN7844/504ec553a8d94be490ef8d27170e5ba71703c7b9

25. **What should the membership and appointments process be for the entity?**	The Council considers that the membership and appointment processes for a National Māori entity should be determined by Māori to ensure the group has sufficient mana.

Joint committee composition

26. **Should parties in a region be able to determine their committee composition?**	Yes, the Council supports parties in a region be able to determine their joint committee composition. The Council would extend this to determining the nature and remit of sub-committees.
27. **What should be the selection and appointments processes for joint committee members?**	The Council envisages that there would need to be a joint committee establishment process that would involve hui between the system partners involved, this could be hui between the Canterbury Mayoral Forum to represent local government, representatives of Papatipu Rūnanga and Te Rūnanga o Ngāi Tahu and for the regional spatial strategy Central Government representation. The Council considers that process for establishing a joint committee should be informed by Central Government guidance that is not overly directive so that the process has direction, but system partners are not directed. The Council considers that the selection and appointment processes for mana whenua membership on joint committees should be determined by Māori.
28. **Are sub-committees needed to meet regional needs including Treaty settlements?**	The Council considers that sub-committees will be needed to meet regional needs and should be determined on a region-by-region basis.
29. **How do we best provide for existing arrangements (eg, Treaty settlement or other resource management arrangements)?**	The Council considers that upholding Te Tiriti settlements in the future resource management system is an imperative. The Council supports the decision for Te Tiriti settlements that have governance arrangements through with post settlement governance entities to be fully transitioned into the new system as well as takutai moana rights. The Council seeks that Central Government works with post settlement governance entities on the practical workings of carrying over existing Te Tiriti settlements so that there are no unintended consequences. The Council considers that other resource management arrangements such as joint management agreements, Mana Whakahono ā Rohe and Resource Management Act (1991) Section 33 transfers must be carried over to the new resource management system. The Council seeks that Central Government works with hapū/iwi/Māori on the practical workings of ensuring that resource management arrangements are appropriately carried over to the new resource management system.

Enhanced Mana Whakahono ā Rohe arrangements, integrated with transfers of powers and joint management agreements

30. **How could an enhanced Mana Whakahono ā Rohe process be enabled that is integrated with transfers of powers and joint management agreements?**	The Council considers that an enhanced Mana Whakahono ā Rohe process must enable both local authorities and mana whenua greater opportunities to engage and partner on resource management matters. The ability for mana whenua to initiate the Mana Whakahono ā Rohe process must be retained and an obligation must be placed on local authorities to give due consideration to any request. The Council recognises that there would be merits of an integrated partnership process to better enable mana whenua involvement and to bring together power-sharing mechanisms such as transfer of powers and joint management agreements. An enhanced Mana Whakahono ā Rohe process must be supported and adequately funded to ensure effectiveness.
31. **What should be covered in the scope of an enhanced Mana Whakahono ā Rohe and what should be mandatory matters?**	The Council considers that an enhanced Mana Whakahono ā Rohe process should move beyond a mechanism for establishing consultation procedures and enable more effective partnering. The Council would encourage that further work be undertaken by Central Government and other system partners on the scope and mandatory matters of an enhanced Mana Whakahono ā Rohe.

32.	**What are the barriers that need to be removed, or incentives added, to better enable transfers of powers and joint management agreements?**	The Council considers that the final report of the independent Resource Management Review Panel broadly outlines the barriers that need to be removed, or incentives added, to better enable transfers of powers and joint management agreements. The Council considers that reform of the resource management system must not only address legislative barriers to greater use of these power-sharing arrangements, but also seek to address capability and capacity barriers.

Funding in the future system

33.	**How should funding be distributed across taxpayers, ratepayers and individuals?**	The Council is concerned by the little information provided so far on funding mechanisms to support the transition to, and operation of, the future resource management system. The Council considers that unfunded mandates from Central Government have placed considerable strain on local authorities. The Council is eager for details to be provided on supporting local authorities in the transition and implementation of the future resource management system. The Council supports the benefit principle (that those who benefit from a service should pay) as an equitable way to distribute funding across taxpayers, ratepayers and individuals. The Council considers that there is a need for greater funding transfers from Central Government, particularly for national-benefit spillovers, fulfilling Te Tiriti o Waitangi obligations and assisting with adaptation to the effects of climate change. Where local authorities provide services that are of considerable national benefit, such as climate change mitigation, this should be proportionally funded by Central Government. The Council seeks transparency on where funding responsibilities lie in the future resource management system and recommends that this be outlined in the National Planning Framework. The Council considers that an independent body, modelled on Planning Aid England/Wales, Planning Advice Scotland, should be funded by Central Government to provide resource management advice and support to individuals and communities to better enable involvement in the resource management system. This independent body would subsume the role of the Citizens Advice Bureau on providing advice on resource management issues. The Council seeks that Central Government provides greater resources, including funding, for hapū, iwi, Māori entities to build capability and improve capacity to undertake a greater and more effective role in resource management. The Council is concerned as to how the strategic integration of land use, transport and infrastructure will be improved from a funding perspective. The proposal for joint committee as the final decision-maker on resource management plans, local authorities overseeing long-term plans, infrastructure plans and regional land transport plans and the future role of the Southern Water Services Entity will greatly separate key land use and infrastructure decision-making.
34.	**How should Māori participation be supported at different levels of the system?**	The Council supports improving Māori participation at all levels of the future resource management system, from governance and decision-making. The Council considers that mana whenua involvement at the strategic level of the system in both spatial planning and combined planning is a positive step for more effective partnering. The Council agrees with independent Resource Management Review Panel that Māori participation at the front-end of the system is highly likely to be more effective for incorporating te ao Māori and mātauranga Māori in to resource management plans. This could reduce the burden on mana whenua involvement in lower-level decision-making at the consent level. The Council still considers that the strategic role of mana whenua should not take from the role of mana whenua on individual consent applications. The Council has already provided feedback on the imperative for the resource management reforms to address the historic underfunding of mana whenua to effectively engage in resource management. The strengthened role for mana whenua is strongly supported, however it is clear that for this to be effective there must be adequate support and funding for mana whenua.

REPORT

TO: Chief Executive Officer

FOR: Council Meeting – 23 March 2022

FROM: Acquisitions Disposals & Leasing Officer

DATE: 8 March 2022

SUBJECT: **APPROVAL TO GRANT EASEMENT PURSUANT TO SECTION 48 OF THE RESERVES ACT 1977 – IRIS TAYLOR AVENUE, WEST MELTON**

RECOMMENDATION

'That the Council, in accordance with delegated powers dated 12 June 2013 conferred on it by the Minister of Conservation in relation to section 48 of the Reserves Act 1977, agrees to granting an easement in gross in favour of the Selwyn District Council over an area of land approximate 30 square metres (more or less) of the recreation reserve held in Record of Title 555398 being Lot 405 Deposited Plan 443759, Iris Taylor Avenue, West Melton.'

1. PURPOSE

The purpose of this report is to seek the Council's approval to grant an easement in gross across recreation reserve covering an area of 30 square metres (more or less) at the Council-owned recreation reserve held in Record of Title 555398 being Lot 405 Deposited Plan 443759 ('the recreation reserve').

The need to grant this easement arises as a result of a two-lot subdivision being consented at the property of 71 Iris Taylor Avenue, West Melton (the current property will be split into two lots). Proposed Lot 2 of this subdivision will require connection into the sewer line already in existence as part of Council's wastewater network on the recreation reserve. It is the lateral sewer of Lot 2's connection which is the subject of this report and the proposed easement.

The requirements of the Reserves Act 1977 ('Reserves Act') dictate that the approval to grant this easement should come from Council itself (details in paragraph 3 below).

The easement is granted by Council, in favour of Council, due to the requirements of the Wastewater & Drainage Bylaw 2016 (details in paragraph 3 below).

See Appendix A for a general aerial map of the recreation reserve and 71 Iris Taylor Avenue. See Appendix B for a draft plan (note 'proposed lateral sewer' – area circled red for identification).

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

The issue and decision that is the subject of this report has been assessed against Council's Significance and Engagement Policy. The degree of significance attached to the issue in this report is considered to be low. The reason for this rating is because the decision Council is asked to make in this report is a mechanical/procedural decision arising as a result of the Reserves Act, which will not affect Council's pre-determined budgeting decisions in the Long-Term Plan or the Annual Plan.

3. HISTORY/BACKGROUND

(a) Subdivision consent

The consent to subdivide and build at 71 Iris Taylor Avenue has been granted to the current landowners/developers ('the developers') in consent numbers RC215816 and RC215817. The need to seek Council approval for the granting of an easement across the recreation reserve was identified during the Planning team's consultation with the Open Space & Strategy Manager and the Acquisitions Disposals & Leasing Manager.

(b) Impact of Council's Wastewater & Drainage Bylaw 2016

During internal consultation on this report, it was identified in discussion with Council's Water & Wastewater Engineer that ownership of the infrastructure within the easement to be placed on the recreation reserve will vest in Council and form part of its wastewater network. This is due to the Wastewater & Drainage Bylaw 2016 (see sections 7.3 and 7.4 of the Bylaw).

However, there is still merit in having the easement registered on the recreation reserve's title, even if the infrastructure is to be eventually owned by Council. Having a registered easement ensures a complete picture in terms of sewer placement, as well as the roles each parties are legally required to play with respect to maintenance and damage issues. It will also ensure clearly defined areas should this infrastructure be impacted by any Three Waters related assets acquisition.

(c) Section 48 Reserves Act compliance

Section 48 of the Reserves Act provides that the administering body may grant rights of way and easements over reserves for a number of reasons including for the provision of water systems or facilitating drainage (s48(1)(e)-(f)). Whilst the Reserves Act further states that prior to granting such a right the administering body must give public notice, it also provides an exception to this rule. Where the reserve is not likely to be *materially altered* or *permanently damaged* as a result of the granting of the right; and, where the rights of the public in respect of the reserve are not likely to be permanently affected, the administering body may grant such a right without the need for public notice (ss 48(2) and (3)).

In this situation, it is the view of Council officers involved that granting the easement to cover the 30 square metre area required, does not require public notice. As the infrastructure will be placed underground and the recreation reserve will be made good after construction by the developer, there will be no material alteration to the reserve, nor any permanent damage affected. Aside from a temporary period of construction and reinstatement, there will be no impact on the rights of the public in using the reserve.

A further point around compliance is the need for Council to approve this easement by resolution, rather than its approval being able to occur at officer level with sign-off from the Chief Executive. Section 48 stipulates that the administering body of the reserve needs to seek the Minister of Conservation's consent to do so. The Minister of Conservation's delegation of power to territorial authorities dated 12 June 2013 means that power is conferred on Council to make the decision to grant the easement without the Minister's consent. That delegation, however, does not extend to officer level. If officers were to make the decision without Council's approval, there would be a risk of the decision being considered *ultra vires* and therefore beyond the scope of the Minister's delegation.

4. PROPOSAL

The proposal contained in this report is specifically limited to the granting of the easement as described. If Council choose not to approve this report granting the easement for sewer connection through recreation reserve, the subdivision will still occur as it has already been formally consented in accordance with the Resource Management Act 1991.

The location of the lateral sewer and the proposed easement is shown on the draft engineering plan enclosed as Appendix B (see 'proposed lateral sewer' – area circled red for identification).

5. OPTIONS

The options before Council are as follows:

Option 1
Endorse and approve the Recommendation in the report as tabled.

This is the preferred and recommended option. A decision of approval would be in accordance with section 48 of the Reserves Act. It is the more prudent decision ensuring that the plans proposed by the developer are executed accordingly and that all the placement of infrastructure is documented on title.

Option 2
Decline to approve the Recommendation.

This would not be the preferred option. Whilst it would not stop the development from going ahead as planned, it would mean that the placement of the infrastructure is not formally documented on title.

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected and consultation

Please see paragraph 3 above for statements regarding the reasoning for not consulting with the public in this instance.

However, Council staff have undertaken consultative conversations with colleagues to ensure the granting of an easement across this recreation reserve is acceptable.

The Reserves Operations Manager noted no major issues from a reserves perspective, aside from a request that the ground, vegetation and fencing be reinstated, and that site-specific safety plans are initiated. This has subsequently been conveyed to the developers as their responsibility. The Reserves Operations Manager also noted that no footpath will be impacted and no trees removed, which was favourable. If Council approve the Recommendation in this report, staff will write on formal Council letterhead to the developers noting their obligations in this respect.

The Open Space & Strategy Manager was also supportive of the proposed easement. The Open Space & Property Planner raised the matter of lateral sewer ownership and who would own the infrastructure that is subject to the easement, which was how the conversations with the Water & Wastewater Engineer noted in paragraph 3 above came about.

The question was also raised generally in discussions as to why the developers have not planned for Lot 2's sewer connection to run underneath the property's driveway and connect into the sewer main underneath Iris Taylor Drive.

Staff spoke with Council's Development Engineering Manager who advised that it was their team's preference that Lot 2's sewer connect in through the recreation reserve, rather than the road. This preference is due to the depth of the sewer main underneath Iris Taylor Avenue being greater than most sewer mains, as well as a difficult angle that connection would have required. The reason utilising Council's recreation reserve rather than the road sewer main is therefore due to engineering considerations.

(b) Māori implications

Māori implications are not specifically applicable in this report. The registration of the proposed easement does attract any legislative triggering event in relation to Ngāi Tahu.

(c) Climate change considerations

The decisions and matters of this report are assessed to have low climate change implications. As the resource consents relating to the development of 71 Iris Taylor Avenue have already been processed, the actual works are set to go ahead and therefore the decision before Council in this report relates only to one, comparatively minor element of the development.

To comment more broadly on environmental impact, the recreation reserve is a greenspace of West Melton and therefore the importance of such a greenspace needs to be considered when making decisions that involve its legal status or other legal interests to be registered against its land title. In defining the area of placement for the easement, established vegetation has been avoided where possible. However, if construction should impact vegetation, this will need to be made good at the developer's expense.

7. FUNDING IMPLICATIONS

The Recommendation tabled does not have any financial implications on Council's current budgets.

The developer has agreed to cover all reasonable legal costs incurred as a result of the proposed easement, as well as the legal surveying costs required to register the easement. As noted, the developer will also be responsible for reinstating the recreation reserve to Council's satisfaction.

Bianca White
ACQUISITIONS DISPOSALS & LEASING OFFICER

Endorsed For Agenda

Douglas Marshall
GROUP MANAGER PROPERTY

APPENDIX A

N
Iris Taylor Avenue
Recreation reserve
Laird Place
West Melton
Land to be subdivided
Environment Canterbury Regional Council; Hurunui District Council; Waimakariri District Council; Timaru District Council; Waimate District Council; Mackenzie District Council; Otago Regional Council; LINZ; NIWA
Selwyn DISTRICT COUNCIL
0 10 20 30 40
Metres
Date: 11/03/2022
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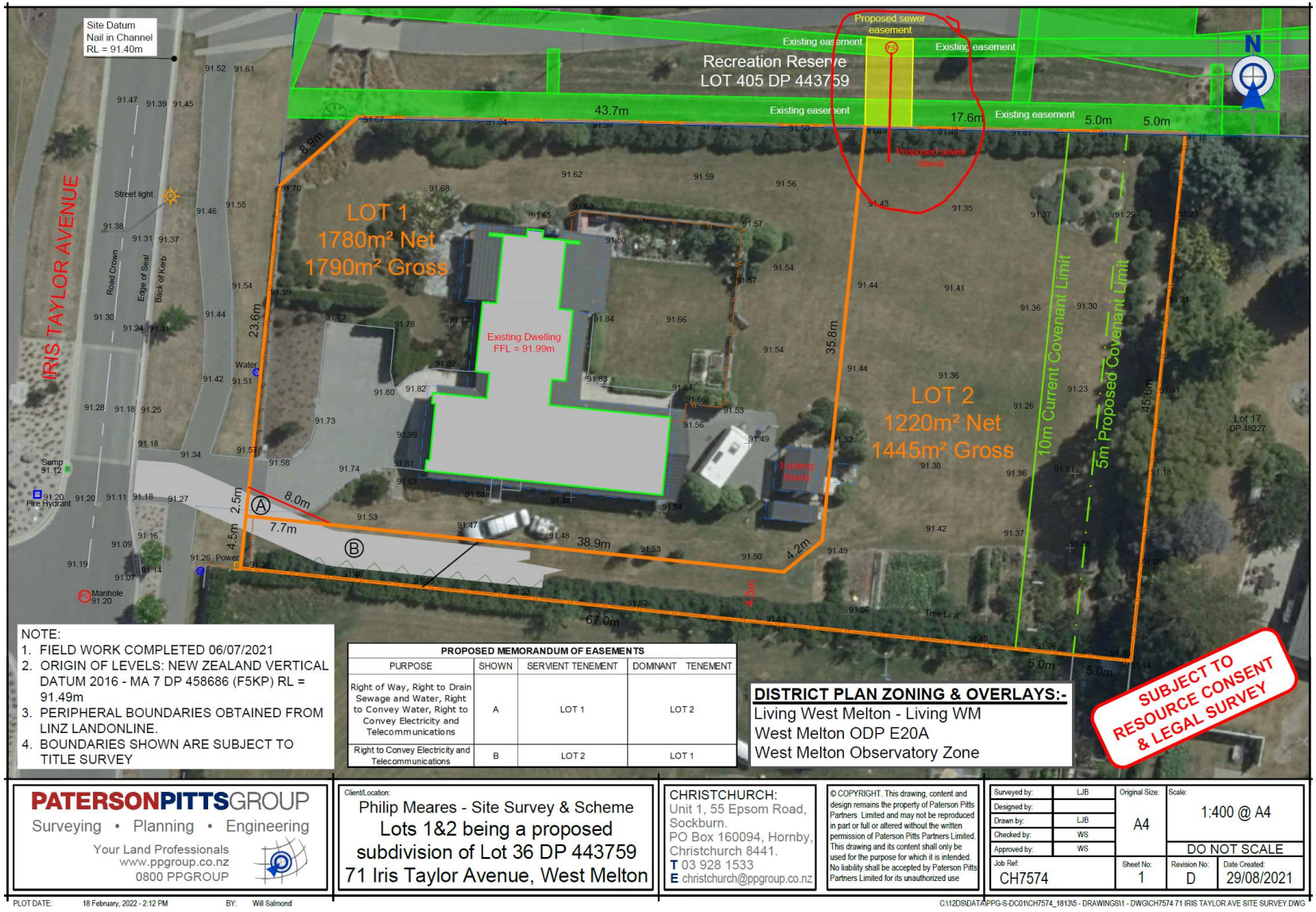
APPENDIX B



NOTE:
1. FIELD WORK COMPLETED 06/07/2021
2. ORIGIN OF LEVELS: NEW ZEALAND VERTICAL DATUM 2016 - MA 7 DP 458686 (F5KP) RL = 91.49m
3. PERIPHERAL BOUNDARIES OBTAINED FROM LINZ LANDONLINE.
4. BOUNDARIES SHOWN ARE SUBJECT TO TITLE SURVEY

PROPOSED MEMORANDUM OF EASEMENTS

PURPOSE	SHOWN	SERVIENT TENEMENT	DOMINANT TENEMENT
Right of Way, Right to Drain Sewage and Water, Right to Convey Water, Right to Convey Electricity and Telecommunications	A	LOT 1	LOT 2
Right to Convey Electricity and Telecommunications	B	LOT 2	LOT 1

DISTRICT PLAN ZONING & OVERLAYS:-
Living West Melton - Living WM
West Melton ODP E20A
West Melton Observatory Zone

PATERSONPITTSGROUP
Surveying • Planning • Engineering
Your Land Professionals
www.ppgroup.co.nz
0800 PPGROUP

Client/Location:
Philip Meares - Site Survey & Scheme
Lots 1&2 being a proposed subdivision of Lot 36 DP 443759
71 Iris Taylor Avenue, West Melton

CHRISTCHURCH:
Unit 1, 55 Epsom Road, Sockburn.
PO Box 160094, Hornby, Christchurch 8441.
T 03 928 1533
E christchurch@ppgroup.co.nz

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REPORT

TO: Chief Executive Officer

FOR: Council Meeting – 23 March 2022

FROM: Jocelyn Lewes, Strategy and Policy Planner

DATE: 9 March 2022

SUBJECT: **PRIVATE PLAN CHANGE 73 – REZONING OF LAND IN ROLLESTON**

RECOMMENDATION

'That the Council:

a. *accepts the recommendation of the independent Commissioner in regards to the private plan change request (Plan Change 73) from Rolleston West Residential Limited to rezone land in Rolleston;*
b. *pursuant to Clause 29(4) of the First Schedule of the Resource Management Act 1991, declines Plan Change 73 for the reasons given in the Commissioner's recommendation dated 1 March 2022;*
c. *approves the public notification of Council's decision in accordance with Clause 11 of the First Schedule of the Resource Management Act 1991; and*
d. *delegates the Team Leader Strategy and Policy to take any steps necessary to give effect to recommendation (b) and (c) above.*

1. PURPOSE

This report seeks a decision from Council that Private Plan Change 73 (PC73) be declined in accordance with the Commissioner's recommendation dated 1 March 2022 (**Attachment 1**).

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

This report does not trigger the Council's Significance Policy. Considering to accept the Commissioner's recommendation as Council's decision is a procedural requirement of the Resource Management Act 1991 (the Act).

3. HISTORY/BACKGROUND

PC73 is a private plan change initiated by Rolleston West Residential Limited to rezone two areas of land on the western side of Dunns Crossing Road, Rolleston, and comprises two parcels that are currently zoned Living 3.

The Holmes Block contains approximately 87.5 hectares and is located on the west side of Dunns Crossing Road, south of State Highway 1 and north of Burnham School Road. The Skellerup Block contains approximately 72.2 hectares and again is located on the west side of Dunns Crossing Road between Brookside Road to the north and Selwyn Road to the south, as shown in Figure 1.

The plan change request largely seeks the rezoning from Living 3 to Living Z Zone. On each block, and along the road frontage with Dunns Crossing Road, the request also seeks the inclusion of a small area of Business 1 (Local Centre) Zone.

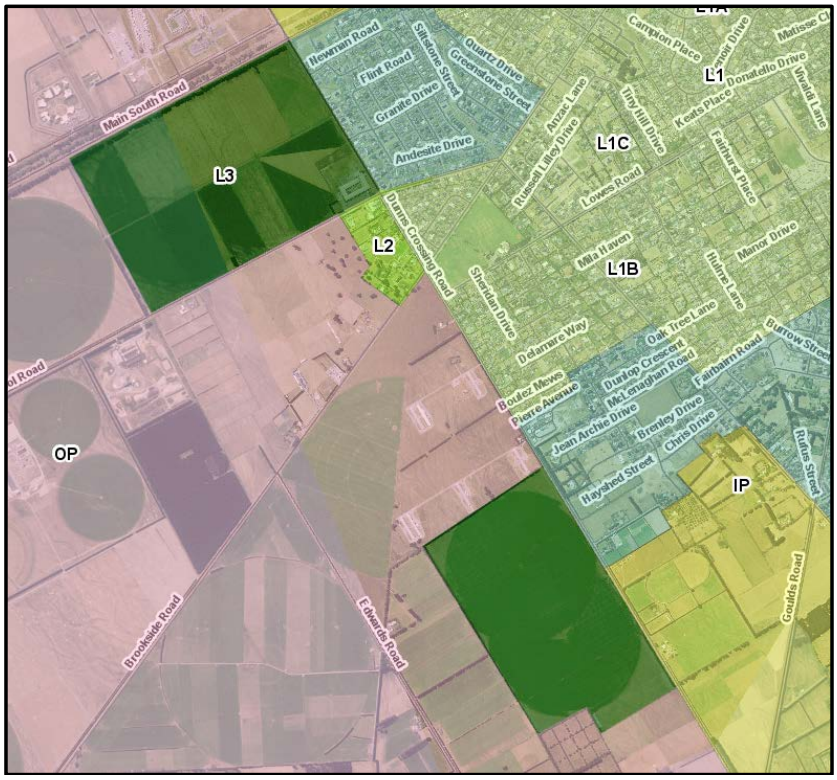

Figure 1- Aerial photograph of PC73 areas (shown in green) (Source: Selwyn District Council Maps)

The following is the general timeline of the plan change's progress so far through the statutory process:

a. Formally received by Council on 18 November 2020.
b. Accepted by Council on 10 March 2021.
c. Publically notified on 31 March 2021.
d. Hearing held on 28-30 September 2021.
e. Hearing Commissioner's recommendation provided on 1 March 2022.

Following notification on 31 March 2021, the plan change attracted 51 submissions and three further submissions.

The hearing ran over three days in September 2021, with the Commissioner hearing evidence heard from 26 parties on behalf of either the Council, submitters or the applicant.

4. PROPOSAL

An independent Planning Commissioner, Mr David Caldwell, was appointed to consider all the relevant material in respect of the plan change and to make a recommendation to the Council on the plan change and the submissions received.

This recommendation relates to whether the plan change should be approved, approved with modification (in accordance with the scope provided by the plan change) or declined. The final decision on whether or not this recommendation and, as a consequence the plan change, should be adopted is the responsibility of the Council.

For the reasons set out in his recommendation, as set out below, the Commissioner recommends that Plan Change 73 be declined and that the matters raised in submissions are accepted, accepted in part or rejected.

5. OPTIONS

In accordance with Clause 29(4) of the First Schedule of the Act, Council may decline, approve, or approve with modifications, the plan change.

a. Decline

Through the statutory processes set out in the Act, the Commissioner has concluded that PC73 in its current form is not the most appropriate way to achieve the objectives and policies of the relevant planning documents, including the Canterbury Regional Policy Statement and the Selwyn District Plan.

While the Commissioner acknowledged that the plan change would provide significant development capacity, and that most of the effects identified by the submitters had been appropriately addressed by the proponent, he concluded that approving PC73 would not be in accordance with the purpose and principles of Part 2 of the Act.

In particular, in relation to the Holmes Block, as set out at paragraph 285, the Commissioner expressed his concern around potential reverse sensitivity effects on the Pines Waste Water Treatment Plan and the Pines Resource Recovery Park. While he acknowledged that, on the expert evidence, reverse sensitivity effects were of low probability, given the absolutely critical nature of this infrastructure to the future growth and development of Rolleston, and indeed the wider Selwyn District, he considered that a degree of caution is appropriate.

In relation to the Skellerup Block, the Commissioner expressed concerns relating to urban form and connectivity and indicated at paragraph 282 that he was not satisfied that PC73 would lead to the provision of an appropriate compact urban form.

Ultimately, the Commissioner concluded that approving PC73 would not be in accordance with the purpose and principles of Part 2 of the Act. The Commissioner's overall conclusion can be found at paragraphs 507-510 of his recommendation.

b. Approve

It is considered that it would be inappropriate for the Council to approve the plan change, as this would be contrary to the recommendation of the independent Commissioner who has determined, through the statutory processes, that the plan change is in appropriate.

c. Approve with modification

It is considered that it would be inappropriate for the Council to amend any of the findings contained in the Commissioner's recommendation in the absence of hearing the submissions and considering the substantive material that has been considered.

Recommended Option:

It is recommended that Council accepts the Commissioner's recommendation and decline PC73 for the reasons set out in the Commissioner's recommendation.

I note that, in accordance with the statutory process of the Act, a 30-day appeal period is provided to lodge an appeal, by any party to the plan change, against the decision to the Environment Court.

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected and Consultation

These matters are addressed in the recommendation of the Commissioner, with the mandatory public notification, serving of the notice of the request on potentially affected parties and submissions processes required under the Act having provided appropriate opportunity for interested parties to participate in the private plan change process. These process have also provided the wider public an opportunity to participate in the private plan change process

(b) Māori and Treaty implications

Mahaanui Kurataiao Limited, who provide mana whenua environmental services that are endorsed by local Rūnanga, reviewed the request, and this review formed a component of the notified version of the plan change request. The review did not identify any wāhi tapu or wāhi taonga sites of cultural significance within the plan change area.

(c) Climate Change considerations

Climate change considerations were considered through the statutory processes. At paragraph 403, the Commissioner noted that, other than a change from the existing rural land use, there was nothing proposed in the request to specifically address greenhouse gases or to encourage sustainable energy use. He did acknowledge that linkages via pedestrian/cycle paths may assist and that that Our Space seeks to direct additional capacity to Rolleston (in so far as it relates to the Selwyn District) to support public transport enhancement opportunities.

7. FUNDING IMPLICATIONS

The funding implications are limited to any appeal proceedings. All costs incurred in notifying the decision are on-charged to the private plan change proponent.

Jocelyn Lewes
STRATEGY AND POLICY PLANNER

Endorsed For Agenda

Tim Harris
GROUP MANAGER ENVIRONMENTAL AND REGULATORY SERVICES

Attachment: Commissioner’s Recommendation Report [98 pages]

BEFORE THE SELWYN DISTRICT COUNCIL

IN THE MATTER OF	Clause 21 of the First Schedule of the Resource Management Act 1991 (Plan Change 73)
AND	
IN THE MATTER OF	Rolleston West Residential Limited
	Applicant

RECOMMENDATION BY COMMISSIONER DAVID CALDWELL

Dated 1 March 2022

SUBJECT TO DECISION OF COUNCIL

Hearing Held: 28, 29 and 30 September 2021

Appearances:

Council:

Ms Liz White – Consultant Planner for Selwyn District Council

Mr Chris Bender – Service Leader (Air Quality) at Pattle Delamore Partners

Mr Ben Baird – Policy Analyst with Selwyn District Council

Mr Murray England – Asset Manager- Water Services with Selwyn District Council

Mr Andrew Boyd – Solid Waste Manager with Selwyn District Council

Mr Mat Collins – Associate in Transportation Planning at Flow Transportation Specialists

Dr Jeremy Trevathan – Acoustic Engineer and Director of Acoustic Engineering Services Limited

Applicant:

Ms Jo Appleyard and Ms Lucy Forrester, Chapman Tripp – Legal Counsel

Mr Timothy Carter, Director and owner of Rolleston West Residential Limited – Company Representative

Mr Chris Jones – real estate

Mr Mike Copeland, Consulting Economist at Brown, Copeland and Company Limited – economics

Mr Greg Akehurst, Director, Market Economics – economics/capacity/demand

Mr Fraser Colegrave, Managing Director, Insight Economics – demand/economic costs and benefits

Mr Paul Farrelly, Principal Consultant at Lumen – greenhouse gas emissions

Ms Cathy Nieuwenhuijsen, Senior Air Quality Consultant at Golder Associates New Zealand Limited – odour (PRRP and PWTP)

Mr Donovan Van Kekem – air quality/odour/peer review PRRP

Mr Tim McLeod, Senior Civil Engineer at Inovo Projects Limited – infrastructure

Mr Nicholas Fuller, Senior Traffic Engineer at Novo Group Limited – traffic/transportation

Mr David Compton-Moen, Director, DCM Urban Design Limited –landscape/urban design

Ms Nicole Lauenstein, Director, +Urban – peer review urban design

Mr Mark Lewthwaite, Acoustic Consultant with Powell Fenwick – noise

Mr Jeremy Phillips, Senior Planner and Director with Novo Group Limited – planning

Submitters

Mr Ivan Thomson, Senior Planner at Ashton Consultants, on behalf of Gallina Nominees Ltd and Heinz-Wattie Ltd Pension Plan and A Smith, D Boyd and J Blanchard

Mr Michael Wakefield, Simpson Grierson – Counsel, and Mr Keith Tallentire, Director of i2i Strategies Limited – Planning, for CCC/CRC

Ms Sarah White, Planner, accompanied by Mr Stewart Fletcher, for Waka Kotahi

SUBJECT TO DECISION OF COUNCIL

ABBREVIATIONS TABLE

CARP	Canterbury Air Regional Plan
CCC	Christchurch City Council
CLWRP	Canterbury Land and Water Regional Plan
CRC	Canterbury Regional Council/Environment Canterbury
CRPS	Canterbury Regional Policy Statement
FUDAs	Future Urban Development Areas
HCA	Greater Christchurch Housing Development Capacity Assessment 30 July 2021
LTP	Long Term Plan
LURP	Land Use Recovery Plan
NPS-UD	National Policy Statement – Urban Development
NZDF	New Zealand Defence Force
ODP	Outline Development Plan
Our Space	Our Space 2018-2048: Greater Christchurch Settlement Pattern Update Whakahāngai O Te Hōrapa Nohoanga
PC73	Private Plan Change 73
PDP	Proposed Selwyn District Plan
PIB	Projected Infrastructure Boundary
PRRP	Pines Resource Recovery Park
PWTP	Pines Wastewater Treatment Plant
RMA	Resource Management Act 1991
RSP	Rolleston Structure Plan
SCGM	Selwyn Capacity for Growth Model
SDC	Selwyn District Council
SDP	Operative Selwyn District Plan
UDS	Urban Development Strategy
Waka Kotahi	Waka Kotahi NZ Transport Agency

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Introduction

1. I have been appointed to hear submissions and make a Recommendation on Private Plan Change 73 to the Operative SDP.

2. I attended and conducted a hearing at the Habgood Lounge, Lincoln Event Centre on 28, 29 and 30 September 2021. Closing submissions on behalf of the Applicant were provided on 1 November 2021. The hearing was formally closed on 29 November 2021.

3. I commence my Recommendation by briefly introducing PC73 and the process to date, recording my site visit, and addressing the site and surrounding environment.

4. I have not included a specific summary of all the documents considered, evidence provided and submissions made. All of that information is publicly available and has been uploaded to SDC's plan change site at www.selwyn.govt.nz/pc73. I refer to the relevant evidence, submissions and other documents, when addressing the particular issues and statutory provisions. I have carefully considered all of the relevant documents, evidence and submissions.

PC73

5. PC73 is a private plan change initiated by Rolleston West Residential Limited (**the Applicant**) to rezone two areas of land on the western side of Dunns Crossing Road. The Holmes Block contains approximately 87.5 hectares. This is located on the west side of Dunns Crossing Road, south of State Highway 1 and north of Burnham School Road. The Skellerup Block contains approximately 72.2 hectares and again is located on the west side of Dunns Crossing Road between Brookside Road to the north and Selwyn Road to the south (**the Site**). The Request largely seeks the rezoning of the Site from Living 3 to Living Z Zone. On each block, and along the road frontage with Dunns Crossing Road, the Request seeks rezoning to Business 1 (Local Centre) Zone.

6. The Request also includes the insertion of new ODPs to guide development. These would replace existing ODPs and are designed to achieve an overall minimum net density of 12 households per hectare (hh/ha) to provide for the establishment of up to 2,100 new households. There is a maximum of 1,150 on the Holmes Block and 950 on the Skellerup Block.

7. A number of other amendments to existing plan provisions are sought. These are generally changes which are consequential to the rezoning.

8. PC73 was formally received by SDC on 18 November 2020. A Request for Further Information was issued on 22 December 2020. Following the provision of that further information, PC73 was accepted by SDC under clause 25(2)(b) of Schedule 1 to the RMA on 10 March 2021. Public notification occurred on 31 March 2021.

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9. 50 submissions were received. The Summary of Submissions was notified on 16 June 2021. 3 further submissions were received. A late submission was also received from NZDF. Its records indicated that it was sent on 3 May 2021, but SDC's records do not indicate receipt. With the agreement of the Applicant, I determined to accept this submission. This was notified on 21 July 2021. No further submissions were received.

Site Visit

10. I undertook a site visit on 6 October 2021. I viewed the Holmes and Skellerup Blocks and the surrounding areas to identify locations identified in submissions and evidence. I spent some time driving around the area and the local roads and the State Highway.

11. I attended the PWTP and the PRRP. I was escorted on my visit to the PWTP by Mr Darryl Collins and Mr Amit Chauhan. On my visit to the PRRP I was accompanied by Mr Tony Sheard, the Manager.

The Site and Surrounding Environment

12. The site and the surrounding environment was described in the s32 evaluation.[1] Ms White provided a site description in paragraphs [11] and [12] of her s42A Report, and a description of the surrounding environment in paragraphs [13] to [16] of that report.[2]

13. Ms White described the land as flat and its current use was identified as for cropping and grazing. Ms White also advised that the Holmes Block contained an existing well and the Skellerup Block contained two wells which are currently being used for irrigation purposes. Ms White's description of the surrounding environment incorporated Figure 2 showing the current zoning of the Site and surrounding area under the SDP.

14. As identified by Ms White, the Holmes Block adjoins, east across Dunns Crossing Road, a Living Z Zone. The West Rolleston Primary School also adjoins the Holmes Block. This is zoned Living 3 and is designated for education purposes. There is an existing area of Living 2 zoning to the south-east of the Holmes Block. The remainder of the southern boundary, the western boundary and the northern boundary of the Holmes Block adjoin the Rural Outer Plains Zone, and the land along that block's western boundary and further to the south-west contain the PWTP and the land adjoining the south-west corner contains the PRRP. The PWTP is designated pursuant to Designations D411 and D416. The PRRP is designated pursuant to Designation D412.

15. The Skellerup Block adjoins land zoned Rural Outer Plains along its northern, western and southern boundaries. Approximately half of its eastern boundary adjoins land zoned Rural Inner Plains with the north-eastern half of the boundary adjoining the Living Z Zone again across Dunns Crossing Road.

[1] Appendix 6 to Request to Change SDP dated 17 November 2020 at paras [18] - [28]
[2] s42A Report 6 September 2021

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Statutory Framework

16. The Environment Court has provided a comprehensive summary of the mandatory requirements in its decision in *Long Bay*.[3] This was updated to reflect changes to the RMA in 2009 in the Environment Court's decision in *Colonial Vineyards.*[4]

17. The general requirements are:

    (a) The district plan (change) should accord with and assist the local authority to carry out its functions under s31 and to achieve the purpose of the RMA;[5]

    (b) When preparing the district plan (change) the territorial authority must give effect to any National Policy Statement, a National Planning Standard, the New Zealand Coastal Policy Statement and the operative Regional Policy Statement;[6]

    (c) When preparing its district plan (change) the territorial authority shall:

        (i) Have regard to any proposed Regional Policy Statement;[7]

        (ii) Give effect to any operative Regional Policy Statement;[8]

    (d) The district plan (change) must not be inconsistent with an operative Regional Plan for any matter specified in s30(1) or a Water Conservation Order,[9] and must have regard to any proposed Regional Plan on any matter of regional significance;[10]

    (e) The territorial authority must also have regard to any relevant management plans and strategies under other Acts, and must take into account any relevant planning document recognised by an iwi authority and lodged with a territorial authority, to the extent that its contents has a bearing on the resource management issues of the district;[11]

    (f) The policies are to implement the objectives, and the rules are to implement the policies;[12]

    (g) The plan change shall have regard to the actual or potential effects on the environment of activities including, in particular, any adverse effects.[13]

18. Section 32 requires that:

[3] *Long Bay – Okura Great Park Society Inc v North Shore City Council* A078/08
[4] *Colonial Vineyards Limited v Marlborough District Council* [2014] NZEnvC 55
[5] s74(1)(a) and (b) of the RMA
[6] s75(3)(a), (ba) and (c) of the RMA
[7] s74(2)(a)(i) of the RMA
[8] s75(3)(c) of the RMA
[9] s75(4) of the RMA
[10] s74(2)(a)(ii) of the RMA
[11] s74(2)(b)(i) and s74(2A) of the RMA
[12] s75(1)(b) and (c) of the RMA
[13] s76(3) of the RMA

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(a) Each proposed policy or method (including each rule) is to be examined, having regard to its efficiency and effectiveness, as to whether it is the most appropriate method for achieving the objectives of the district plan taking into account the benefits and costs of the proposed policies and methods, and the risk of acting or not acting if there is uncertain or insufficient information;

(b) If a National Environmental Standard applies, and the proposed rule imposes a greater prohibition or restriction than that, then whether the greater prohibition or restriction is justified in the circumstances;

(c) The objectives of the proposal (here the stated purpose of the proposal) are to be the most appropriate way to achieve the purpose of the RMA;[14]

(d) The provisions in PC73 are the most appropriate way to achieve the objectives of the SDP and the purpose of the proposal.[15]

Assessment of Issues Raised by Submitters

19. As noted, a total of 50 submissions and 3 further submissions were received. Ms White noted that a submission was lodged by a group of landowners whose land is located in the block between Burnham School Road, Dunns Crossing Road and Brookside Road. She noted that these had been treated as individual submissions within the Summary of Submissions. She referred to those submitters collectively as the 'Dunns Crossing Residents' as the content of the submissions were the same.[16]

20. Ms White identified the key matters either raised by submitters, or necessary to be considered in ensuring that SDC's statutory functions and responsibilities are fulfilled, at paragraph [33] of the s42A Report. She identified those matters as:

(a) Traffic effects;

(b) Servicing;

(c) Effects on community facilities;

(d) Density;

(e) Rezoning of additional land;

(f) Water race, stormwater and flooding;

[14] s32(1)(a)
[15] s32(1)(b)
[16] Those included were the following submitters: G Smith (PC73-0017); J Smith (PC73-0018); M Wright (PC73-0019); D Edwards (PC73-0020); J Edwards (PC73-0021); M Buchanan (PC73-0022); T Lonsdale (PC73-0023); A Franklin (PC73-0024); G Chamberlain (PC73-0025); L Chamberlain (PC73-0026); K Ponsonby (PC73-0027); L Ponsonby (PC73-0028); P Mason (PC73-0029); H Maule (PC73-0030); P McDermott (PC73-0031); D Clarke (PC73-0032); D Mayers (PC73-0033); D Horne (PC73-0034); C Gillies (PC73-0035); A Gillies (PC73-0036); G Gill (PC73-0037); D Alderson (PC73-0038); C Hughes (PC73-0039); S Franks (PC73-0040); K Franks (PC73-0041); T Wang (PC73-0042); J Payne (PC73-0044); A Thomas (PC73-0045); and J Thomas (PC73-0046)

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(g) Soils;

(h) Environmental quality;

(i) Reverse sensitivity;

(j) The form of urban growth;

(k) Geotechnical and ecological considerations;

(l) Other matters.

21. I largely adopt those headings in this Recommendation.

Traffic Effects

Submissions

22. A number of submitters raised concerns about potential traffic effects. The concerns raised were summarised by Ms White in her paragraph [34] through to paragraph [43].

23. I accept and adopt Ms White's summary of the concerns raised. The submissions related to matters such as safety and congestion, particularly around the West Rolleston Primary School, existing safety issues at various intersections, speed, delays, congestion, costs and traffic management.

24. Submitter Chris Barrett (PC73-0016) identified a number of issues but in his tabled document focused on the state of the section of Dunns Crossing Road south of Lowes Road.

25. CCC (PC73-0007) and CRC (PC73-0049) were concerned in relation to a future reliance on private motor vehicles given the lack of planned public transport services, greenhouse gas emissions and wider transport and environmental impacts such as congestion and carbon emissions arising from trips into Christchurch City.

26. Waka Kotahi (PC73-0010) identified existing safety issues with the Dunns Crossing Road/Walkers Road/State Highway 1 intersection which were proposed to be addressed and submitted that the safety risks were such that any development occurring prior to the upgrade being completed should be limited. Provision for multi-node transport, potential land requirements and an internal connection and connections to the wider network were also identified as matters of importance to Waka Kotahi.

Evidence

27. The Request included, as Appendix D, a comprehensive Integrated Transport Assessment (**ITA**) dated November 2020. This was peer reviewed by Mr Collins, again in a very comprehensive Transportation Hearing Report, which included a number of recommended amendments.

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28. Mr Nicholas Fuller provided expert traffic and transport evidence. He prepared the ITA. His evidence addressed transportation effects of the proposed rezoning, development timing in relation to intersection upgrades, integration of the plan change with the surrounding transport network, responded to submitters' concerns and responded to matters raised in the s42A Report.

29. Overall he considered that the transport effects of the proposed plan change on the transport network would be acceptable, subject to construction of intersection upgrades and deferral rules proposed within the ODPs to limit the amount of development that could occur prior to critical upgrades being completed. He also advised that the plan change site would provide financial contributions through development contributions towards other transport upgrades that were required to accommodate general growth in Rolleston. He considered the site had good accessibility and provided for a range of transport modes that could be integrated with existing passenger transport routes.

30. Mr Fuller set out the timing of development relative to the provision of transport infrastructure in paragraph [25] of his Evidence in Chief. These included:

    (a) No occupation of houses will be permitted on the Holmes Block prior to the completion of the upgrade of the State Highway 1/Dunns Crossing Road/Walkers Road intersection and the traffic signals being installed at the Dunns Crossing Road/Burnham School Road intersection;

    (b) 148 houses may be developed and occupied at the Skellerup Block prior to the completion of the upgrades discussed above;

    (c) The Newman Road approach to Dunns Crossing Road to be upgraded prior to the occupation of any houses on the Holmes Block; and

    (d) Traffic signals be installed at the Granite Drive/Dunns Crossing Road intersection with the construction of the Holmes Block access to that intersection.

31. Mr Collins, following his review of the evidence, supported the amendments proposed by Mr Fuller to the ODP for the Holmes Block and Skellerup Block. He considered the proposal to enable 148 dwellings on the Skellerup Block and no dwellings on the Holmes Block prior to the completion of several intersection upgrades, while different from his initial recommendation, was satisfactory.

32. While he had some further recommendations in relation to the setback distances specified and where they were to be measured from, he confirmed that the evidence of Mr Fuller and Mr Phillips had satisfactorily addressed all matters that he had identified relevant to the immediate effects of PC73.

33. Ms Sarah White addressed the NZTA/Waka Kotahi upgrade programme. She identified that as part of the NZUP Canterbury Package, the Dunns Crossing Road/Walkers Road/State

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Highway 1 intersection was proposed to be upgraded and likely to become a roundabout. She advised that funding had been allocated for the upgrade and a construction programme scheduled, but the finalised layout for the roundabout was not yet available. She noted that a key aspect in refining a design is determining land requirements and working with various adjoining landowners, and advised that it was anticipated the works would commence in 2024.[17]

34. Ms Sarah White addressed the importance of multi-modal transport connections including walking, cycling and public transport. She advised that the Applicant had engaged with Waka Kotahi to work through the issues identified within its submission and that the consequent amendments to the District Plan rules, ODPs and associated text were generally satisfactory.[18]

35. In relation to the development of the Holmes Block, she advised that the proposed amendments to the District Plan rules, ODP and associated ODP text were generally satisfactory to address issues raised by Waka Kotahi in relation to the Holmes Block.[19]

36. In relation to the development of the Skellerup Block, she advised that Mr Fuller had provided a further assessment on the development timing of the Skellerup Block in so far as it related to the upgrades to the State Highway 1/Dunns Crossing Road intersection. She noted that there would be a limited time period where crossover occurred between occupation of the dwellings and use of the existing State Highway 1/Dunns Crossing Road intersection. On the basis of the projected minor increase in vehicle movements and the temporary nature of any impacts, she considered such an arrangement to be acceptable.

37. Mr Keith Tallentire in his evidence on behalf of CRC and CCC addressed traffic and transportation issues, largely from a policy perspective, but did consider that PC73 would generate significant downstream effects for Christchurch City where many of the ultimate destinations of Rolleston residents lie and where levels of service in relation to traffic congestion are already poor. He advised that modelling indicates that average speeds at the am peak period could fall substantially by 2048, especially for trips between Selwyn, Waimakariri and Christchurch.[20] It was his view that the effects on the wider transport network were not adequately addressed by the ITA or in the transportation evidence. Overall he concluded that PC73 did not support the integration of land use and transport infrastructure (CRPS Policy 6.3.5) and would impede the maintenance of an efficient and effective transport network (CRPS Policy 6.3.4). He considered it to be inconsistent with Policy B2.1.13 of the SDP that requires *"consolidated land use patterns that will reduce the demand for transport"*.[21]

38. In relation to Mr Tallentire's evidence, Mr Collins advised that in his experience unplanned or out-of-sequence development creates complex challenges for Councils and road controlling authorities. Assessing the effects of such development on the long term planning and funding

[17] Summary of Evidence of Sarah White 30 September 2021 at paras [2.1] – [2.3]
[18] Summary of Evidence of Sarah White 30 September 2021 at paras [3.1] – [3.3]
[19] Summary of Evidence of Sarah White 30 September 2021 at para [4.1]
[20] Statement of Evidence of Keith Roger Tallentire on behalf of CRC and CCC 20 September 2021 at para [108]
[21] Statement of Evidence of Keith Roger Tallentire on behalf of CRC and CCC 20 September 2021 at para [116]

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commitments associated with bulk transport infrastructure was complex and requires assessment of multiple land use scenarios.[22]

39. However, he considered that the wider area effects of "unplanned" plan changes such as PC73 may not be overly apparent in a macro scale regional traffic model. As an example he advised that Appendix C of his Transportation Hearing Report identified that PC73 would generate some 580 vehicle movements leaving the eastern boundary of Rolleston during the am peak hour. As those movements distribute across the transport network external to Rolleston, they become a smaller and smaller percentage of vehicle movements through the network.[23]

Assessment and Findings

40. As can be seen from the above, there was a high level of agreement between the relevant traffic experts. Both Mr Fuller and Mr Collins considered that traffic effects had been addressed appropriately. The evidence and the ITA were comprehensive. The Applicant has engaged with a number of the submitters in relation to transportation effects and taken steps to address issues.

41. The timing of development relative to the provision of transport infrastructure was summarised by Mr Fuller in his paragraph [25], as I have recorded in paragraph [30] of this Recommendation.

42. In terms of passenger transport, the existing passenger transport network does not serve the site, although as noted by Mr Fuller, this is to be expected as there is no development at present.[24] The provision of changes to bus services is a matter for CRC to address.

43. The ODPs provide for multi-modal travel within and to and from the site.

44. In terms of the Ministry of Education issues, the proposed site access opposite Granite Drive is to be signalised 112 metres north of the school access. That, together with associated upgrades, will need to undergo a road safety audit process, as will the traffic signals proposed at the Burnham School Road/Dunns Crossing Road intersection. Mr Fuller considered those works will improve pedestrian safety for school children and are anticipated to be acceptable from a road transport perspective.[25]

45. Activities in the commercial areas proposed will be subject to District Plan requirements regarding access arrangements and similar and that can appropriately be addressed at the time of resource consent.

[22] Summary Statement of Evidence of Mathew Ross Collins 30 September 2021 at para [4.6]
[23] Summary Statement of Evidence of Mathew Ross Collins 30 September 2021 at para [4.7]
[24] Statement of Evidence of Nicholas Peter Fuller 13 September 2021 at para [31]
[25] Statement of Evidence of Nicholas Peter Fuller 13 September 2021 at para [44]

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46. In relation to the NZDF, an assessment of the effects of the proposed plan change ahead of the proposed roading upgrades has been undertaken and deferment or limitation of development have been provided.

47. In terms of the general submissions relating to the need to upgrade the State Highway 1/Dunns Crossing Road/Walkers Road intersection, these have been addressed.

48. In relation to the submission by Mr Horne regarding traffic congestion at the Burnham School Road/Dunns Crossing Road intersection, as noted by Mr Fuller, this intersection is planned to be upgraded by SDC and a limit has been placed on the amount of development that can occur at the Holmes Block prior to that upgrade.[26]

49. As noted by Mr Fuller, several submitters identified a need to undertake general transport improvements to the surrounding network to accommodate the traffic generation of the proposed plan change. Development of the plan change site requires upgrades to Dunns Crossing Road and Burnham School Road along the road frontages which will lead to an urbanisation of those roads and provide footpaths including, potentially, a shared path.[27]

50. In terms of speed limits and traffic speed, as noted by Mr Fuller, several submissions had requested a consistent speed limit along Dunns Crossing Road. Mr Fuller advised that the urbanisation of Dunns Crossing Road is anticipated to lead to a consistent speed limit to provide a safe environment, particularly with the increase in accesses and intersections through development on adjacent land. The setting of speed limits is a matter for SDC.[28]

51. In terms of the Newman Road upgrade which was queried by SDC, that issue was addressed in a manner satisfactory to Mr Collins. As to the effects on the Greater Christchurch transport network, in my view they are likely to be at the most minor. This is primarily due to the dispersal of traffic movements from Rolleston throughout the Christchurch City. I accept the evidence of Mr Collins in that regard.

52. In terms of public transport and greenhouse gases, these will be considered in more detail in my discussions in relation to the CRPS and NPS-UD.

53. Overall, I am of the view that the traffic impacts have been appropriately addressed.

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Servicing

Submissions

54. A number of concerns were raised in the submissions in relation to servicing. These are summarised in paragraph [54] of Ms White's s42A Report. I accept this is an appropriate summary of the matters raised, and I adopt it for the purposes of this Recommendation.

[26] Statement of Evidence of Nicholas Peter Fuller 13 September 2021 at para [52]
[27] Statement of Evidence of Nicholas Peter Fuller 13 September 2021 at para [54]
[28] Statement of Evidence of Nicholas Peter Fuller 13 September 2021 at para [56]

Evidence

55. The Request included an infrastructure assessment dated 12 November 2020, prepared by Mr Tim McLeod of Novo Projects. This identified, in relation to wastewater, a number of upgrades which would be needed in relation to the reticulation infrastructure.[29] In terms of capacity, it identified that the plan change could be supported with new infrastructure servicing the plan change area.[30]

56. In terms of potable water, the Infrastructure Report concluded that from a water supply perspective, the plan change could be supported with upgrades or extensions of existing infrastructure to service the plan change area.

57. Mr Murray England provided officer comments in relation to infrastructure as part of the s42A Report. In terms of water availability, he noted that there was potential for plan changes outside of the RSP area to be recommended for decline due to water availability limitations, but in this instance he was satisfied that sufficient water could be made available to service the plan change on the basis that the consents CRC203009 and CRC203010 are vested in Council. He considered that capacity within the reticulated network to service the plan change is available and/or further capacity upgrades are proposed and planned for, and therefore future water conveyance capacity can be provided. Vesting of land to facilitate capacity upgrades would be required.[31]

58. In terms of wastewater, Mr England discussed the PWTP. He advised that SDC had consulted on the expansion of the PWTP to cater for growth as part of the 2021-2031 LTP. He noted that the PWTP is currently at or near capacity, with upgrades currently underway and additional upgrades planned and budgeted for. He advised that the PWTP is designed to be progressively upgraded to accommodate up to 60,000 person equivalents (PE) of incoming flow, with plans to increase the treatment capacity to 120,000 PE being prepared. The current connected catchment in 2021 has a PE of approximately 42,000 – 45,000. He advised that connections from Darfield and Leeston are planned for the next 3-4 years and that those connections, along with projected growth, were estimated to require additional treatment processes (beyond the 60,000 PE) to be developed. These were planned and budgeted for within the 2021-2031 LTP. He advised that completion of the PWTP upgrade programme was necessary to ensure that there was sufficient capacity to provide for additional growth, including that which would be enabled by the proposed plan change.[32]

59. He advised that in terms of the wastewater conveyance in terms of the Holmes Block, connection of the development's wastewater network to the Council's reticulated network was feasible and would be the subject of an engineering approval process in the future. In relation to the Skellerup Block, he advised that Council had begun the master planning process for the

[29] Infrastructure Report dated 12 November 2020 at para [4.1]
[30] Infrastructure Report dated 12 November 2020 at para [4.2]
[31] Officer Comments of Murray England at paras [25] and [26]
[32] Officer Comments of Murray England at paras [28] – [31]

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Southern Rolleston Catchment. He discussed in some detail the planning which was underway to expand the ultimate treatment capacity of the PWTP to a 120,000 PE capacity – known as Pines 120. He discussed in considerable detail what the upgrades would include.[33] He also outlined the consents which are potentially required for the proposed Pines 120 upgrade.[34]

60. He concluded that the ultimate planned development of the PWTP would have capacity to accept and treat wastewater from the proposed plan change areas and that infrastructure to convey wastewater could be provided by the Applicant in agreement with the Council. Mr England had significant concerns around potential reverse sensitivity issues which could obstruct the consenting and upgrade programme. I address that issue separately.

61. Mr Tallentire addressed infrastructure through a planning lens, and particularly identified CRPS Policy 6.3.5(2). He acknowledged that Mr England states he is satisfied that feasible options are available and there are processes in place to consider the detail of those options through the subdivision and engineering approval processes. He also noted Mr England's advice that the PWTP was currently at or near capacity with upgrades currently underway and additional upgrades planned and budgeted for and that the current connected catchment (2021) has a PE equivalent of approximately 42,000 – 45,000.[35] Mr Tallentire advised of his understanding that the current operational consents granted by CRC for the PWTP allow for up to 47,777 PE and that there had been no application to increase this.

62. He noted that land within the Rolleston FUDA had already been enabled through consents granted pursuant to the fast-track consenting process under the COVID-19 Recovery (Fast-track Consenting) Act 2020 or subject of notified plan changes, and that significant planned development is signalled for the wider townships of Selwyn that is ultimately relying on capacity of the PWTP.[36] His concern was that approving PC73 could undermine the timely delivery of land already identified for urban development within the PIB that would be reliant on the remaining infrastructure capacity at the PWTP until such time as the upgrades are completed and the full range of consents are obtained.[37]

Assessment and Findings

63. I am satisfied that the site can be developed with adequate on demand potable water services and that this would be enhanced with the transfer of existing water take consents to Council. I am also satisfied that planned upgrades to the water reticulation network, in conjunction with extensions of the water supply network associated with the development of the plan change site would improve supply pressure to existing residential properties in the area. I am satisfied that in terms of stormwater discharge, there are no obvious impediments to the obtaining of stormwater discharge consent for disposal of stormwater to ground via soak pits and

[33] Officer Comments of Murray England at paras [54] – [57]
[34] Officer Comments of Murray England at para [59]
[35] Statement of Evidence of Keith Roger Tallentire on behalf of CRC and CCC 20 September 2021 at para [94]
[36] Statement of Evidence of Keith Roger Tallentire on behalf of CRC and CCC 20 September 2021 at para [97]
[37] Statement of Evidence of Keith Roger Tallentire on behalf of CRC and CCC 20 September 2021 at para [98]

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appropriate treatment devices where required.[38] Likewise, I am satisfied that power and communication network extension requirements can be carried out prior to any subdivision occurring and that there is nothing apparent which would prevent such extensions.[39]

64. The issue in relation to wastewater and the PWTP are, in my view, not as clearcut. I accept on the evidence of Mr McLeod and Mr England that the options identified by the Applicant to convey wastewater to the PWTP are feasible.[40] There was no evidence otherwise.

65. In terms of the capacity of the PWTP, it is my understanding that the Pines 120 project is well underway, including a master plan having been developed and the option of a primary treatment and anaerobic digestion system has been budgeted within the LTP.[41] Mr England was clear in his evidence that the extension of the PWTP to 120,000 PE capacity had been identified and funded in the LTP with the design and consenting works programmed for the forthcoming years to allow for development within the District, including that proposed in this plan change request.[42]

66. Overall I accept the evidence of the experts in relation to infrastructure and the capacity for this plan change to be serviced. There is, of course, some uncertainty. The PWTP is at or approaching capacity. There is considerable reliance on planned but at this stage unconsented expansion. There are issues with some of the components of the PWTP which have generated odour complaints. I acknowledge that SDC has considerable experience with dealing with growth and its impacts on infrastructure and has, through a combination of good planning, and at times responsive planning, met the demand.

67. Infrastructure and capacity for the plan change to be serviced are not such, of themselves, to render the rezoning inappropriate but given the scale of this proposal, and its location outside of the PIB, in my view infrastructure remains relevant to the overall question of whether this plan change is the most appropriate option.

Effects on Community Facilities

Submissions

68. As identified by Ms White, several submitters[43] raised concerns in relation to additional pressure on existing schools. The Ministry of Education raised concerns that there had been a lack of consultation with them regarding this matter and that its school network planning and investment in Rolleston is guided by SDC's advice on future development which has been shaped by the PIB and areas already identified for development through ODPs. The submission stated further that the current school network has generally not been designed to

[38] Statement of Evidence of Timothy Douglas McLeod 13 September 2021 at para [21.5]
[39] Statement of Evidence of Timothy Douglas McLeod 13 September 2021 at para [21.6]
[40] Officer Comments of Murray England at paras [33] and [36]
[41] Officer Comments of Murray England at paras [52] and [53]
[42] Officer Comments of Murray England at para [66]
[43] J Munro (PC73-0002); B & H Mitchell (PC73-0004); J Horne (PC73-0006); M & X Bentley (PC73-0012) and Ministry of Education (PC73-0048)

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accommodate any development outside of those areas. It sought consultation and provision of site to accommodate school age children. The submission also raised issues in relation to potential precedent for development occurring outside existing planned areas.

Evidence

69. By letter dated 27 September 2021 (tabled) the Ministry of Education advised that it had been working with the Applicant and their agent to address submission points. It identified amendments which had been proposed including to Rule 12.1.4.76 of the SDP. It supported the upgrades to the intersections which it identified as being nearby to West Rolleston Primary School and expressed its preference that the upgrades to those intersections were included in the ODPs or rules or standards in the SDP. It supported the amendments to the Holmes Block ODP in relation to walking/cycle links extending around the periphery of the school. The Ministry also reinforced its view that the rezoning of additional land outside of PC73 be rejected. If the above matters were adopted, the Ministry considered its submission points appropriately addressed.

70. Mr Phillips confirmed that the Applicant had consulted with the Ministry and supported the amendments to the SDP which were set out in attachments to his evidence.

Assessment and Findings

71. In terms of the effects on other community facilities, including that raised by submitters M Green (PC73-0008) and K Green (PC73-0009) in relation to medical facilities, I do not consider they are such as to warrant declining the plan change request. I accept Ms White's evidence that such impacts would arise in relation to any further growth of the township and are not sufficient to preclude the rezoning of the site.[44]

72. Overall, I am satisfied that the effects on community facilities have been appropriately addressed.

Density

Submissions

73. Again as identified by Ms White, CCC (PC73-0007) sought a minimum density requirement of 15hh/ha to better achieve efficiencies in coordination of land use and infrastructure and for other reasons. Conversely M & X Bentley (PC73-0007) were concerned that PC73 proposed a far greater density than either the PDP or the SDP provided.

Evidence

74. Ms White noted that the CRPS only requires a minimum net density of 10hh/ha in greenfield areas in the Selwyn District. She considered that the minimum net density of 12hh/ha was

[44] s42A Report 6 at para [66]

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consistent with the CRPS and was also comparable to the density in other greenfield areas in Rolleston which are subject to an ODP.

75. Mr Tallentire noted the concerns of CRC and CCC in relation to the proposed density and housing typologies and referenced CRPS Policy 6.3.7. He acknowledged that Policy 6.3.7(3) specifies minimum densities to be achieved in various locations but that does not account for the development of unplanned proposals such as PC73. He also acknowledged the proposed average minimum density of 12hh/ha was above that required for greenfield priority areas. Nevertheless, he considered that in light of the trends in housing needs identified in the 2021 HCA, and the requirement for a significant increase in the supply of smaller and multi-unit dwellings, PC73 did not go far enough. He was also concerned that PC73 did not specify the location or quantum of any medium or comprehensive development component so there is no certainty that any housing typologies enabled through the medium density comprehensive lot sizes would eventuate. He referenced Action 3 in Our Space and the review of appropriate densities, noting that had been completed and had concluded that on a case by case basis, 15hh/ha is desirable and feasible as the minimum net density in new greenfield areas.[45]

76. Ms Lauenstein identified that the low density environments provided for by the Living 3 Zone in these PC73 sites was no longer considered suitable. She considered the densities proposed by PC73 are the appropriate response to a current development pattern in Rolleston and in line with the NPS-UD requirements as to density and capacity for developments in close proximity to a key centre.[46]

77. Mr Compton-Moen considered that the proposed plan change is more consistent with the current urban development practice with a view to creating densities of 12hh/ha and greater. He was supportive of that approach.[47]

78. While Mr Nicholson did not specifically address the 12 v 15hh/ha directly, he did identify that the increase in numbers from the current zoning increased the potential number of people who might be adversely affected. This was because in general the people who are most affected by low levels of connectivity are people who live in the less connected areas and have fewer opportunities and higher costs.[48] That discussion was in relation to the Holmes Block noting the increase from the maximum of 97 houses permitted on the Holmes Block under the operative rules whereas PC73 would permit up to 1,150.

79. Mr Nicholson had the same concerns in relation to the Skellerup Block with the increase from 51 houses permitted to 950 houses under PC73.[49]

[45] Statement of Evidence of Keith Roger Tallentire on behalf of CRC and CCC 20 September 2021 at para [123]
[46] Statement of Evidence of Nicole Lauenstein 13 September 2021 at para [57]
[47] Statement of Evidence of David John Compton-Moen 13 September 2021 at para [28]
[48] Statement of Evidence of Hugh Nicholson on behalf of SDC September 2021 at para [10.10]
[49] Statement of Evidence of Hugh Nicholson on behalf of SDC September 2021 at para [11.8]

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Assessment and Findings

80. Having considered the evidence, if the Request were to be granted, then I accept that the proposed minimum net density of 12hh/ha is consistent with the CRPS and comparable to the density in other greenfield areas. Any increase in that minimum net density would not be, in my view, appropriate.

Rezoning of Additional Land

Submissions

81. A number of submitters raised this prospect. The Dunns Crossing Residents[50] were concerned that PC73 would rezone land either side of their own and as such may leave a central area that they consider is ideally suited for housing bound by current Living 2 and Rural Outer Zone frameworks. They submitted it was reasonable that their land be included.

82. A Smith, D Boyd and J Blanchard (PC73-0015) and Gallina Nominees Ltd and Heinz-Wattie Ltd Pension Plan (PC73-0047) identified that the plan change site is part of several land areas where urban development has been sought through submissions on the PDP. They considered the Holmes and Skellerup Blocks were strategically located to facilitate an integrated, comprehensive and orderly expansion to the Rolleston urban growth area.

83. In the event that the rezoning was outside of scope, the submitters requested a design to future-proof or facilitate rezoning of adjoining land including extension of the ODPs to include land (PC73-0015). Gallina Nominees Ltd and Heinz-Wattie Ltd Pension Plan sought amendment to the rules relating to the odour constrained area and associated setbacks on the ODPs such that they would cease to have effect upon the adjoining land being zoned for urban purposes with related amendment made to the legend of the ODPs.

Evidence

84. Ms White considered there was some benefit in considering, in a comprehensive manner, the potential rezoning of other land parcels in the vicinity of the site, but alongside other potential options for the Rolleston Township.[51] Ms White considered that the submissions were outside the scope of the Request because the Request related to the land parcels identified and does not include additional parcels identified by the submitters. As a consequence, she considered the parties who are potentially affected by the additional rezoning sought would not have

[50] This incorporates the following submitters: G. Smith (PC73-0017); J. Smith (PC73-0018); M. Wright (PC73-0019); D. Edwards (PC73-0020); J. Edwards (PC73-0021); M. Buchanan (PC73-0022); T. Lonsdale (PC73-0023); A. Franklin (PC73-0024); G. Chamberlain (PC73-0025); L. Chamberlain (PC73-0026); K. Ponsonby (PC73-0027); L. Ponsonby (PC73-0028); P. Mason (PC73-0029); H. Maule (PC73-0030); P. McDermott (PC73-0031); D. Clarke (PC73-0032); D. Mayers (PC73-0033); D. Horne (PC73-0034); C. Gillies (PC73-0035); A. Gillies (PC73-0036); G. Gill (PC73-0037); D. Alderson (PC73-0038); C. Hughes (PC73-0039); S. Franks (PC73-0040); K. Franks (PC73-0041); T. Wang (PC73-0042); J. Payne (PC73-0044); A. Thomas (PC73-0045); and J. Thomas (PC73-0046)

[51] s42A Report at para [74]

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understood, upon notification of the Request, that the proposal could include rezoning of the additional land.[52]

85. She noted that aside from the scope issue, there was insufficient evidence to consider the appropriateness of the rezoning of those sites. She considered that to be more appropriately considered through a separate and comprehensive plan change process.

86. In terms of the future-proofing, she noted that the ODP for the Skellerup Block provided for connections through to adjoining land and a further connection was recommended to ensure that connectivity was not precluded.

87. She did not consider that the making of amendments to rules and the ODP legend in relation to the odour constrained areas were appropriate.

88. Mr Ivan Thomson provided expert evidence on behalf of both the Gallina Nominees Ltd and Heine-Wattie Ltd Pension Plan, and A Smith, D Boyd and J Blanchard.

89. He accepted that there was likely to be a scope issue with aspects of the relief sought for the reasons set out in Ms White's report but, if PC73 was to be approved, as a minimum, particular regard should be had as to how the two ODPs promote a medium to long term development option for the remainder of the land fronting Dunns Crossing Road, Selwyn Road and State Highway 1.

Assessment and Findings

90. I did not receive any submissions in relation to scope for the rezoning of the submitters' land and that relief was, properly, not a matter pursued with any vigour by Mr Thomson.

91. Mr Thomson's evidence was helpful and thorough, but there was no expert evidence from the relevant specialties such as traffic, urban design, infrastructure and similar.

92. I do not consider I have anywhere near sufficient evidence to determine the appropriateness or otherwise of the requests for additional land to be rezoned. I acknowledge the amendments to the ODPs provide for appropriate connectivity between the Skellerup and Holmes Blocks and neighbouring lands, and would not impede future development on the neighbouring lands.

93. In relation to the proposed amendments seeking amendment to the rules relating to the odour constraint area and associated setbacks as sought by Gallina Nominees Ltd and Heinz-Wattie Ltd Pension Plan, I agree, for the reasons expressed by Ms White, that those potential amendments are more appropriately considered at the time a change of zoning for that adjoining land is proposed.

94. I recommend the submissions seeking rezonings of additional land outside PC73 be rejected.

[52] s42A Report at para [75]

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Water Race, Stormwater and Flooding

Submissions

95. T Dawson-McMurdo (PC73-0011) expressed concerns in relation to realignment of the water race and its potential impact on biodiversity and habitat. The submitter raised potential health and safety concerns for the school resulting from proposed stormwater swales and sought amendment of PC73 so that no stormwater swales are included and that further research is undertaken in relation to the best approach to the realignment of the water race.

96. E Lancaster (PC73-0014) raised concerns about the submitter's home being at risk of increased flooding if the stormwater soak pits on the Holmes Block are overwhelmed. The submitter sought a flood risk assessment to be completed at the plan change stage to ensure any excessive runoff could be managed by existing infrastructure.

Evidence

97. Mr McLeod, in reference to Mr Lancaster's submission, noted that there were currently no soak pits on the site so that during extreme storm events all rain falling on the site could contribute to overland flow and therefore flooding downstream. Development of the residential site would enable direct discharge of rainwater into the underlying gravel with the overall effect that runoff from the site may actually decrease in extreme events.[53]

98. Mr McLeod also noted that the subdivision would be designed, and subject to assessment at the consenting stage, in such a way as to direct any secondary flow paths to follow the path of natural servitude and therefore would not change the risk of flooding to existing properties downstream.[54]

99. Mr England advised that should the plan change go ahead, the engineering approval stage will require evidence that stormwater is managed and disposed of on-site for up to a 50 year rainfall event. In his opinion, this ensured no adverse flooding effects off-site.[55]

Assessment and Findings

100. On the basis of the expert evidence cited above, I am satisfied that any potential flood risk can appropriately be addressed at subdivision and engineering approval stage.

101. In relation to the water race, this flows across the north-west corner of the Holmes Block and then south-west along the western boundary before passing under Burnham School Road.

102. Mr England advised that there are a number of ways to treat the water race including incorporation within the development, closing it, diverting it, or piping it.[56] He advised that

[53] Statement of Evidence of Timothy Douglas McLeod 13 September 2021 at para [17]
[54] Statement of Evidence of Timothy Douglas McLeod 13 September 2021 at para [18]
[55] Officer Comments of Murray England at para [71]
[56] Officer Comments of Murray England at para [76]

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SDC's water race closure process requires 80% of downstream users' approval prior to going out for consultation and ultimate Council decision, and that the ultimate treatment of the water race could be determined at subdivision stage.[57]

103. I accept the evidence of Mr England in particular that the ultimate treatment of the water race can be determined at subdivision consent stage.

Soils

Submissions

104. There were two issues relating to soils raised in submissions. Mr Munro (PC73-0002) opposes what he described as "excellent growing land" being built on. The Ministry of Education (PC73-0048) acknowledged the Preliminary Site Investigation (PSI) concluded the site was suitable for residential use, but also recommended a Detailed Site investigation (DSI) is carried out prior to any earthworks or building consents being granted. The Ministry was concerned that the presence of contaminated land could be an issue for the West Rolleston Primary School during site excavation and supported the DSI being undertaken prior to development.

Assessment and Findings

105. In terms of soils, I received no expert evidence in relation to the nature of the soils on the site. Ms White recorded that the site is not identified as containing any Class 1, 2 or 3 soils under the Land Use Capability system. She also noted that a form of residential development was in any case anticipated under the current Living 3 Zone and she did not consider the loss of land from rural production was of any particular relevance to this plan change.

106. I agree with Ms White's opinion in this regard.

107. In relation to the contamination issue raised, Ms White advised that the PSI had been reviewed by the Contaminated Land Team at CRC which agreed with the recommendation for a DSI to be undertaken to assess the HAIL activities identified prior to large-scale earthworks being undertaken or houses being built. The Team also advised that if the DSI identified any contaminants exceeding the soil contamination standards, a remedial action plan and site validation report should be provided detailing the results of any remedial works undertaken.

108. Ms White noted that the mechanism for managing this was through the National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health (NESCS). That applies at subdivision stage or change in use.

109. Overall, I accept Ms White's opinion on this issue and likewise I am satisfied that there are no contamination matters which preclude the rezoning of the site.

[57] Officer Comments of Murray England at paras [77] and [78]

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Environmental Quality

Submissions

110. Ms White helpfully identified the submissions which had raised concerns about the impact the plan change will have on the amenity or environmental quality of the surrounding area. These included increase in noise, dust, heavy traffic, enjoyment of property, impacts on children attending school, impacts on the rural character in the area generally, and rural outlook of houses which were purchased for their semi-rural views including potential impact on property prices and enjoyment of those homes, pollution, contamination and health and safety issues, and one raising increased density resulting in increased crime.

111. The relevant submitters were J Munro (PC73-0002), T Parker (PC73-0003), J Horne (PC73-0006), T Dawson-McMurdo (PC73-0011), E Lancaster (PC73-0014), K & E Shaffer (PC73-0013), B & H Mitchell (PC73-0004), M Green (PC73-0008), K Green (PC73-0009), and M & X Bentley (PC73-0012).

112. As noted by Ms White, T Dawson-McMurdo also opposed the proposed medium density area and business zoning behind the West Rolleston Primary School due to effects this may have on environmental quality around the boundary and sought that they be moved.

113. The Ministry of Education (PC73-0048) was concerned about the potential impact that the proposed Business 1 (Local Centre) Zone in the Holmes Block and increased density of housing development may have on the amenity of the West Rolleston Primary School including in terms of visual effects, bulk and location, noise and traffic. It submitted that the interface between the school and the plan change areas was not addressed and sought mitigation measures in the event the plan change was approved.

Evidence, Assessment and Findings

114. In terms of construction effects, I accept Ms White's opinion that the effects resulting from construction can be appropriately managed through existing mechanisms and through subdivision consent conditions relating to the construction phase. I also accept Ms White's view that matters relating to crime, pollution, contamination of waterways, quality of potable water, rubbish, and health and safety are addressed through existing mechanisms which would apply to the development of the site, including controls that sit outside the District Plan.[58]

115. Ms White was of the view that any expansion of an urban area will alter peoples' experience of that area and she did not consider it reasonable to expect that townships remain static. It was her view that neither the RMA, nor the District Plan, require protection of the amenity derived from the current use of the site. She also noted that the amenity derived from the site

[58] s42A Report at para [95]

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by the adjoining landowners results from the current land use, not what is anticipated under the current zoning.[59]

116. In relation to landscape and visual effects, Mr Compton-Moen considered that the proposal would result in an overall change in character from open and rural (current) to one that is denser and more suburban than is anticipated within the operative Living 3 zoning. He noted the countryside area strip in the current zoning, and considered this to be somewhat redundant now with the growth of Rolleston to the west.[60] In his opinion, in terms of landscape character and the values of the area, subject to the mitigation measures proposed, the proposal would result in an acceptable magnitude of change on the existing rural landscape character and values. He noted the existing character of the plan change area is already highly modified with no natural features of note. The open character of the site would change to a character which is more compartmentalised into smaller units, but could be partially mitigated through fencing controls and landscape planting to retain a high level of amenity. He noted the change to open character was already anticipated in the current Living 3 zoning.[61]

117. Mr Compton-Moen also considered that the receiving environment would maintain aspects of openness through the creation of green corridors and that management of fencing and bulk and location of the development would help create a sense of openness throughout the site.

118. Mr Compton-Moen did not agree with Mr Nicholson's opinion that the landscape character change would have a moderate-high impact. He noted that both blocks were already zoned for residential development. He considered that in the Living 3 Zone, proposed dwellings would be clearly visible across Dunns Crossing Road and the 'countryside area' which in all likelihood would have an urban, albeit high amenity character. He agreed that there would be change, but that any adverse effects would be low.

119. In relation to the submission by the Ministry of Education, Mr Compton-Moen advised that this had been addressed with the inclusion of a Business 1 Zone interface treatment along the block's southern boundary to ensure any potential adverse effects on amenities relating to visual impact, bulk and location, noise and traffic are addressed. He noted that a road connection and greenway with a shared path had also been added into the corridor between the school and the Business 1 Zone creating a clear gap between the school and the proposed business zone.

120. As a result of Mr Nicholson being unavailable to attend the hearing, I directed expert conferencing of the urban design/landscape experts, being Mr Compton-Moen, Ms Lauenstein and Mr Nicholson. That was undertaken on Thursday 23 September 2021 and a Joint Witness Statement provided on 24 September 2021.

[59] s42A Report at para [94]
[60] Statement of Evidence of David John Compton-Moen 13 September 2021 at para [32]
[61] Statement of Evidence of David John Compton-Moen 13 September 2021 at para [33]

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121. In relation to landscape character and visual effects, the Joint Statement recorded that there was agreement between Mr Nicholson and Mr Compton-Moen that the landscape character and visual effects of PC73 would be localised and would primarily affect neighbours fronting Dunns Crossing Road. The disagreement relating to the scale of the impact on landscape character remained. Mr Nicholson considered it to be moderate to high due to the change from an existing open landscape to a more enclosed suburban landscape, and Mr Compton-Moen considering it is low due to the changes being localised and already anticipated due to the residential development potential under the Living 3 zoning.

122. Overall, while I largely agree with Mr Nicholson in relation to the change of character, I would place that at moderate given it is localised and, to a degree, is anticipated by the residential development potential under the Living 3 zoning. It will certainly lead to a much more compartmentalised and more urban environment than either the existing use of the site, or that anticipated by the Living 3 zoning.

Overall Conclusion on Environmental Quality

123. Overall, I consider that the effects on environmental quality, including the landscape and amenity effects raised by submitters, are not, of themselves, sufficient to render the Request inappropriate. I do not accept those submissions seeking decline largely on that basis. Nevertheless, such effects may be relevant to the ultimate determination as to whether or not the rezoning is the most appropriate option.

Reverse Sensitivity

Submissions

124. Waka Kotahi (PC73-0010) supported acoustic measures proposed to address potential reverse sensitivity effects from the development of sensitive activities adjacent to the State Highway network.

125. J Horne (PC73-0006) opposed housing in proximity to the chicken farm due to noise and odour from those farms.

126. CRC (PC73-0049) was concerned, notwithstanding the odour assessment provided, that residential development of the land could give rise to reverse sensitivity, particularly in regard to the planned expansion of the PWTP and the PRRP. They submitted that these facilities comprise important strategic infrastructure to the Selwyn District and that Policy 6.3.5(3) of the CRPS seeks to ensure the efficient and effective functioning of the infrastructure is maintained, and the ability to maintain and upgrade that infrastructure is retained.

127. Ms White considered that there were a range of activities in the vicinity of the site that could give rise to reverse sensitivity effects relating to noise and/or odour. These included State Highway 1, Dunns Crossing and Burnham School Roads; the PWTP; the PRRP; and the poultry farm located at 243 Dunns Crossing Road.

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128. I note that the NZDF filed a neutral submission which identified that the Burnham Military Camp hosts a wide variety of activities and reverse sensitivity can represent a major challenge to the continued operation of the NZDF's facilities. It sought to ensure that the operation of the Burnham Military Camp was not affected by the plan change and resulting increased residential and commercial development in the surrounding area.

129. I address the reverse sensitivity issues firstly in relation to noise and secondly in relation odour.

Noise

130. I had the benefit of receiving expert acoustic evidence from Mr Lewthwaite on behalf of the Applicant and Dr Trevathan as part of the officers report. Mr Lewthwaite's evidence addressed reverse sensitivity noise effects and specifically potential effects arising from State Highway 1 and the Main South Railway Line noise affecting the Holmes Block; the PRRP noise which included both on-site and noise generated from vehicle movements on public roads affecting the Holmes Block; PWTP noise affecting the Holmes Block; poultry farm noise affecting the Skellerup Block and future infrastructure expansion.

131. Mr Lewthwaite provided a design advice memorandum as Addendum 1 to the RFI response. This addressed noise from the PRRP, PWTP and poultry noise on the Skellerup Block as well as commenting on local road traffic environments.

132. In relation to the State Highway 1 noise and Main South Line noise, Mr Lewthwaite advised that he had undertaken an assessment comparing factors affecting the noise generated by State Highway 1 at the Holmes Block to those same factors at the established Stonebrook and ODP 3/8 residential subdivisions located to the east with State Highway 1. He outlined the methodology which had been adopted in relation to that issue, and provided, in tabular form, a comparison of subdivision rules and the NZTA guidance NZS6803. Mr Lewthwaite recommended that the existing rule wording and noise level criteria in Rules 4.9.3 and 4.9.4 apply to the Holmes Block. This would be consistent with the Stonebrook subdivision and equal to or better than wider design guidance for road traffic noise. Essentially this involves a prohibition of habitable spaces of dwellings less than 40 metres from the carriageway and internal design sound levels of 35 dB $L_{Aeq(24hr)}$ in bedrooms and 40 dB $L_{Aeq(24hr)}$ in living areas 40-100 metres from the carriageway.[62] He recommended an acoustic fence alongside State Highway 1 and specified the design criteria for that. In terms of height, he was satisfied that the barrier height may be made up in whole or in part by a landscaping bund. In terms of rail noise, he noted the presence of the Main South Line to the north of State Highway 1 and given the additional distance to the Holmes Block and occasional rail movements only, the noise effects would be less than that of State Highway 1 and in any case, attenuated by the proposed State Highway 1 mitigation measures.[63]

[62] Statement of Evidence of Mark Lewthwaite 13 September 2021 at para [24]
[63] Statement of Evidence of Mark Lewthwaite 13 September 2021 at para [27]

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133. In terms of the PRRP noise, Mr Lewthwaite summarised the observations and measurements which had been conducted on 26 January 2021. He did not consider on-site activities were likely to have any effect even in lower ambient noise situations given the separation distance of over 300 metres from the dumping location to the closest corner of the Holmes Block, and setbacks to the boundary proposed.

134. With regard to heavy vehicle movements along Burnham School Road servicing the PRRP, Mr Lewthwaite referred to a telephone conversation he had with Mr Andrew Boyd, the SDC Solid Waste Manager, and recorded his understanding that there were approximately 7 H-marked truck and trailer movements each day between 0400-1300 h taking waste from the site. 2-3 could be expected to be before 0800 h, being the end of the night-time period in the SDP.

135. He considered that at those hours, even in low traffic levels, sleep disturbance could result from short, loud noise events. These could be up to and in the order of 85 dB L_{Amax} at 5 metres from the road. Mr Lewthwaite addressed the initially proposed acoustic fence and considered that would be appropriate.

136. Mr Lewthwaite also identified that a preference had been expressed from urban design experts to avoid an acoustic fence along Burnham School Road. Given the early morning source of road noise from the PRRP trucks and trailers, and the reported future increase in those truck and trailer movements, he recommended the implementation of a setback or acoustic insulation of bedrooms only along the PRRP heavy vehicle route – including Dunns Crossing Road. He was satisfied that bedrooms greater than 15 metres from the carriageway would have lower noise exposure and would tend to be on the side of the dwelling with only one external wall exposure to the bedroom.

137. He proposed an external to internal noise reduction of 30 dB rather than design internal noise levels. He explained that this was because at low vehicle volumes, prediction of equivalent continuous noise levels is not reliable; maximum noise events are the issue to be addressed; determination of suitable maximum noise event levels would result in differing outcomes from one engineer to another; the noise exposure is reasonably known; the rules should be straightforward and cost-effective to assess by an acoustic engineer without specific site assessment; it is an enhancement level that is reasonably practicably implemented. He also suggested that alternative ventilation should be included for bedrooms within that 15 metre setback as in reasonably foreseeable cases the windows would need to be closed to meet the noise reduction requirement.

138. He provided an equivalency assessment of the proposed setback rule or acoustic insulation approach to the earlier proposed 2 metre acoustic fence.

139. Dr Trevathan also provided evidence. In his Summary, he noted that there was a high level of agreement between Mr Lewthwaite and himself on the key technical issues which included controls for the Holmes Block in relation to State Highway noise; moderate noise levels emitted

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from the PRRP and PWTP, and moderate noise levels from the poultry farm activities given the setbacks proposed.

140. Dr Trevathan noted there were some compromises with the approach now proposed by the Applicant. These included the need for people to keep windows closed and rely on mechanical ventilation and, in some unusual cases, elevated internal levels may be experienced in bedrooms that are more than 15 metres from the road. Overall, however, he considered that the proposed rule was a reasonable and balanced way to address the possible truck noise issue and was likely to ensure no noise related reverse sensitivity effects arise.

141. In terms of the noise generated from on-site activities at the PRRP and the PWTP, both Mr Lewthwaite and Dr Trevathan agreed they were unlikely to be an issue, primarily due to distance. Again, both were in agreement in relation to the poultry farm noise. In discussions during the hearing, Dr Trevathan advised that he had been unable to perceive any noise on his site visit. We discussed issues raised by the submitter in relation to the nature of the noise. Dr Trevathan was content that the setback distances were appropriate.

Finding on Noise Related Amenity and Reverse Sensitivity Effects

142. Overall, in terms of the noise aspects, I am satisfied that there are unlikely to be significant amenity effects and any consequential reverse sensitivity effects given the mitigation proposed. I accept the clear and thorough evidence and conclusions of both of the noise experts.

Odour

143. Odour effects, and potential reverse sensitivity effects relating to odour from the PRRP and PWTP was, arguably, more contentious. The issue of reverse sensitivity effects was also raised in relation to odour from the poultry farm (J Horne – PC73-0006). In terms of odour effects, I benefited from expert evidence from Ms Nieuwenhuijsen and Mr Van Kekem for the Applicant, and Mr Bender on behalf of Council. I also received legal submissions from Ms Appleyard on behalf of the Applicant, and commentary from the planning experts.

Tegal Poultry Sheds

144. The odour assessment accompanying the Request recommended a setback of 150 metres based on dispersion modelling undertaken in 2008. This was again addressed in the RFI response of 1 February 2021. Overall Mr Bender considered the emission factors to be appropriate and likely to be conservative.[64]

145. Mr Bender recorded that the Tegal poultry sheds were already adjacent to residential areas to the east of the sheds with the nearest houses being around 70 metres directly to the east of the shed and downwind of the predominant wind direction for the area. If there were odour

[64] Memorandum of Chris Bender – Plan Change 73 – Odour Assessment Review 3 September 2021 at para [30]

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issues associated with the operation of the poultry sheds, he anticipated they would likely be affecting the existing residences. Assuming there have been no complaints, he considered a 150 metre separation distance from the poultry sheds is likely to be adequate. He confirmed this in his Summary Statement of Evidence.[65]

146. On the basis of the information supplied with the Request, the response to the RFI, and the evidence, I am satisfied that the 150 metre separation distance is adequate in terms of amenity and to avoid reverse sensitivity effects on the Tegal poultry sheds.

PRRP

147. The Applicant proposes a recommended odour control area which is illustrated on Figure 1 of ODP39 (Holmes Block). This provides a setback of approximately 600 metres from the composting area.

Evidence

148. Mr Andrew Boyd, the Solid Waste Manager for SDC, provided evidence. He has the responsibility of managing Council's solid waste activities for both strategic planning and operations. This includes the PRRP and composting which occurs there. He has a range of other responsibilities in relation to District kerbside collection, preparation of activity management plans and waste minimisation and management plans.[66]

149. His evidence addressed the plan change Request primarily in relation to proximity of dwellings to the PRRP and the operations associated with it. His concerns were that the development of residential activities near the PRRP would result in reverse sensitivity issues that would affect the ongoing operation of the PRRP. He described this as a core Council service to residents and businesses, and a key facility for Selwyn to meet its obligations under the Zero Carbon Amendment Bill. He was concerned that the flow-on effects of reverse sensitivity issues would be significantly increased costs associated with mitigating effects, and the potential for Council to have to look at relocating the site or no longer being able to accept the District's kerbside, commercial and public organic material for composting.[67]

150. He described the activities undertaken on the site noting that for the year ending 30 June 2021, the site received 21,136 tonnes of general waste which was an increase of 16% of the 2019/20 year, and 7,957 tonnes of organics, together with 982 tonnes of hardfill and other recyclable and hazardous waste streams. He noted that some sorting and separation of waste occurs and this is expected to increase over time. He advised that residual waste and recovered materials are consolidated before being (generally) trucked off site for further processing.[68]

[65] Summary Statement of Evidence of Christopher James Bender 29 September 2021 at para [3.9]
[66] Officer Comments of Andrew Boyd at para [3]
[67] Officer Comments of Andrew Boyd at para [6]
[68] Officer Comments of Andrew Boyd at para [8]

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151. He advised that the facility is currently undergoing a significant expansion staged over several years, and this would include the provision of a reuse shop, salvage yard, micro enterprise units, education centre, garden hub, multipurpose waste hub, landscape supplies yard and high temperature pyrolysis plant processing waste materials into oil and gas for beneficial reuse.[69]

152. He noted that efforts to reduce waste are planned to intensify. He advised that within kerbside refuse bins, considerable food waste exists and that Council plans to trial food waste caddies within households, with biodegradable liners, in an effort to extract that material from general waste. He advised that these food caddy liners would be placed in the kerbside organics wheelie bins which are collected and taken to the park for composting. He noted that as food waste content grows, the potential for odour increases.[70]

153. Figure 1 to his evidence provided a helpful identification of the various activities and their location on the site.

154. In discussions during the hearing, he described the compost turning process and issues that can arise if the compost turns anaerobic. He also discussed difficulties if the compost rows get "wet feet" and advised that anaerobic conditions can occur even when compost is mature.

155. Mr Boyd discussed the Living Earth composting facility at Bromley and noted that despite the composting operation being in place for decades, with significant capital expenditure to upgrade it, CCC had looked to enclose the entire facility. He advised that the cost of that was expected to be $23 million but tenders came in significantly higher and so CCC is now investigating moving the composting operation in its entirety. He advised that this scenario is what he wanted to avoid for Selwyn.[71] He advised that the PRRP (and the PWTP) were specifically located to avoid reverse sensitivity issues and advised of his understanding that SDC had specifically planned for growth to occur to the south of Rolleston so that urban areas did not encroach on "this critical Council infrastructure". He advised this was reflected in the RSP.[72]

156. He noted that at present there was no requirement in relation to forced aeration of static piles, or tunnel composting, and this was largely due to the separation of the facility from sensitive activities. If such were to be required, they would come at considerable capital expense to the ratepayers of Selwyn.[73]

157. It was his view that the controls in the Odour and Dust Management Plan (ODMP) were typical of any well-managed windrow composting system and it was his view that a more appropriate point at which to take the setback buffer would be from the edge of the maturation area which is where the screening and loading out of mature compost occurs and there is a potential for

[69] Officer Comments of Andrew Boyd at para [9]
[70] Officer Comments of Andrew Boyd at para [10]
[71] Officer Comments of Andrew Boyd at para [15]
[72] Officer Comments of Andrew Boyd at para [18]
[73] Officer Comments of Andrew Boyd at para [19]

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odour and dust effects to result and reverse sensitivity issues for the composting operations from the residences within the PC73 Holmes Block area. He considered a compromise between the current 600m and the Victorian EPA recommended 2,000m could be "a more agreeable 1,000m setback".[74]

158. He addressed concerns in relation to sensitive receptor density, noting the current zoning of the Holmes Block allowed for 97 properties on large sections, and at the typical occupancy of 2.8 people per house, he would expect 271 residents. Under PC73, with 1,100 lots, he advised they could expect 3,080 residents, and that common sense dictated that the mathematical probability of someone taking issue with odour would be greater.[75]

159. Mr Boyd also reviewed the odour assessment provided with the Request and identified what he considered to be a number of errors. He identified that in section 2.2.2 of the odour assessment, it had relied on the basis that the throughput was maintained close to the current throughput (4,200 tonnes per annum (tpa)), and there was a high degree of control in the manufacture of the compost and leachate management, a 600m buffer was considered to be reasonable. He advised that condition 2 of CRC211594 provides for 53,000 tpa and Council expected an increase to that figure over the duration of consent.[76]

160. He commented on the further information response dated 25 February 2021, which considered it unlikely that the throughput will be able to substantially increase beyond what is currently being undertaken within the footprint defining the current consent application.

161. Mr Boyd considered that assumption was factually incorrect as the maximum limit of a 53,000 tpa was established as appropriate for the composting area. He noted at present that is partially used for storage of overburden and the existing area had been under-utilised, and it was his view that with more efficient utilisation of the entire available space, the maximum volume of 53,000 tpa could be composted. He also noted that the assumption that composting operations could be extended west was incorrect as the composting operations are directly adjacent to the border pine plantings which are a requirement of the site designation.

162. Mr Boyd advised that a minimum 1,000m odour setback would be more appropriate and acceptable when measured from the boundary of the mature compost area.

163. Mr Bender in his Summary of Evidence of 29 September 2021 concluded that the proposed separation distance of 600m from the active composting areas of the PRRP is likely to be sufficient for avoiding adverse effects of odour from normal operations at PC73. There was however potential for reverse sensitivity effects from the open air composting operations at the PRRP due to potential for abnormal emissions and the projected increased volumes of organic and green waste and increased proportion of kerbside organics.

[74] Officer Comments of Andrew Boyd at para [21]
[75] Officer Comments of Andrew Boyd at para [22]
[76] Officer Comments of Andrew Boyd at para [27]

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164. He advised that composting operations are hard to address. In response to questions, he tentatively accepted the 600m setback as appropriate. He noted that at that distance, and at capacity, he would expect some odour to be detectable but not necessarily at nuisance levels. He considered the biggest issues were the risk of it turning anaerobic and the proportion of organic material. He advised that the additional challenges could be addressed by a more frequent turning and similar. He noted that even fresh compost had an odour. He discussed sensitivity and noted that some receivers can be sensitive and others may not find it an issue. He advised that separation distances are a trigger. He considered the 2,000m setback was excessive and that according to some guidelines, it would be appropriate to set it at 1,000m. He considered 600m to be "okay on the face of it" but remained concerned about upset conditions.

165. Ms Nieuwenhuijsen provided a Statement of Evidence dated 13 September 2021, a Summary of Evidence dated 28 September 2021, and a Statement of Evidence in Reply dated 1 November 2021.

166. Ms Nieuwenhuijsen focused on the appropriate setback from the composting operation at the PRRP. She noted that consent had recently been granted for composting operations having inputs of up to 53,000 tpa and noted that it was granted on a non-notified basis. She identified condition 15 of that consent which provides that the discharge shall not cause odour or particulate matter (including airborne pathogens) which is offensive or objectionable beyond the boundary of the property on which the consent is exercised.

167. She noted this was an increase from the 4,200 tpa that she had previously assessed. She advised that while she considered that there could be some level of increase within the existing footprint, this was a larger scale than she had anticipated.[77] She discussed the conditions which had been added to the consent including the Odour Management Plan (OMP) and identified what she considered to be the key measures to mitigate odour included in the consent conditions and the OMP. She considered the leachate management systems were a key mitigation measure that was expected to significantly reduce the potential for off-site odour. She also noted the consent conditions identified the area for active composting which effectively limited the throughput of the operation; process controls including temperature monitoring and oxygen requirements and specified carbon:nitrogen ratios; and raw material control with limitations on material type, material acceptance criteria and time limits for storage of the raw materials.

168. Based on her understanding and experience of the activities at the PRRP, and a review of the three Australian EPA buffer criteria, she considered that a buffer distance of 600m from the active area was appropriate for the 4,200 tpa throughput. She noted that the Australian buffer guidance for the throughput is between 1,000m and 2,000m, depending on which

[77] Evidence of Catherine Nieuwenhuijsen 13 September 2021 at para [15]

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State's guidance documents were considered, and agreed with Mr Bender's statement that they were guidelines only.

169. She considered the consented turned windrow system to be a low technology system with a higher risk of upset conditions compared to, for example, covered forced aeration systems. She advised that she had only been able to undertake a desktop analysis based on the assessment of the composting operation. Her evidence was that having reviewed the application, conditions of consent, including raw material inputs and the existing receiving environment, there was likely to be an observable odour on occasions beyond the PRRP site boundary and on occasions it was possible that this may cause an off-site effect that is more than minor. She considered that for the current receiving environment, as the composting operation increases in scale to its consented limit, further onsite mitigation at the PRRP was likely to be required to ensure acceptable off-site limits.[78]

170. Ms Nieuwenhuijsen addressed the changes to the receiving environment noting that there were currently two existing houses within 600m of the composting plant and under the currently operative ODP for the Living 3 zoning, four more houses could be established on the Holmes Block within that distance. She noted that this proposal would remove the allowance for those unbuilt houses within 600m.[79]

171. In relation to the area within 650m of the composting operation, she noted that the current zoning allows for up to nine houses, being three existing and six that can be established. Based on a review of possible subdivision plans for the Holmes Block if rezoned, she advised that the proposal will provide for approximately 29 dwellings between 600m and 650m and if a 700m distance was considered the number of houses increased from 14 (current) and approximately 68 (proposed).

172. Overall, she considered that the number and location of houses currently allowed under the existing ODP and those proposed, lead her to, on balance*, "consider the proposal does not change the receiving environment from that which is currently established or can be established under the current plan zoning"*. She then advised her reasons for this were primarily due to the increased distance provided by the proposal (no houses within 600m), and the existing environment already allowing a number of houses on the Holmes Block. She considered there was already a high sensitivity to odour effects due to the residential nature of the current zoning, and the proposed additional dwellings did not change that. She considered the Living 3 Zone amenity expectations were not substantially different to Living Z Zone amenity expectations.

173. She considered that the requirement of the composting facility to avoid off-site odour effects is dictated by the existing environment and this proposal, including the proposed 600m

[78] Evidence of Catherine Nieuwenhuijsen 13 September 2021 at para [23]
[79] Evidence of Catherine Nieuwenhuijsen 13 September 2021 at para [25]

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setback, was not a *"substantial change to that environment that would require further mitigation should upset conditions occur …"*.[80]

174. By way of conclusion, she agreed with Mr Bender that upset conditions are the most likely conditions when off-site odour may occur, but she considered that the management plan required by the conditions of CRC211594 will reduce the risk of these.[81] She also concluded that the increased density of housing may potentially result in additional complaints but if odour occurs off-site, the risk of complaints is being reduced by increase in distance to the nearest dwelling[82] and the existing (current zoned) environment is equally or more sensitive due to potentially closer houses.[83]

175. Ms Nieuwenhuijsen provided a further Statement of Evidence in Reply dated 1 November 2021 where she further addressed the 600m buffer. This arose, at least partly, from discussions I had with Ms Nieuwenhuijsen during the hearing. Ms Nieuwenhuijsen identified that I had asked her about what she considered to be the change in the sensitivity of the environment if the underlying current zoning was ignored and whether the 600m would be appropriate in that situation. She advised that she had not considered that previously as she had understood that the existing environment against which she had to assess the change included the houses allowed by the existing zoning.

176. She advised that if the underlying zoning was not already in place, then the sensitivity of the receiving environment would obviously increase as a result of the PC73 proposal but again she advised that she understood from Mr Phillips that the underlying zoning is considered as part of the receiving environment. She noted that Mr Van Kekem was more familiar with the operations and odour management at the PRRP whereas her review was desktop based. She advised this reduced level of assessment "is a contributing factor" to her lower confidence in the 600m being appropriate to avoid offsite effects. Her evidence was, however, that she was confident the 600m buffer for this proposal was appropriate to avoid reverse sensitivity effects given the current zoning being part of the receiving environment.

177. Mr Van Kekem provided further expert evidence. Mr Van Kekem holds a Bachelor's Degree in Biochemistry from the University of Canterbury and a Post Graduate Diploma in Forensic Science from the University of Auckland, and is a member of the Clean Air Society of Australia and New Zealand and a Certified Air Quality Professional. He provided examples of his relevant work experience.

178. His evidence was limited to potential effects on the Holmes Block from the PRRP composting operation, although he provided a brief comment on the appropriateness of Ms Nieuwenhuijsen's recommended buffer distances.

[80] Evidence of Catherine Nieuwenhuijsen 13 September 2021 at para [40]
[81] Evidence of Catherine Nieuwenhuijsen 13 September 2021 at para [38]
[82] Evidence of Catherine Nieuwenhuijsen 13 September 2021 at para [39]
[83] Evidence of Catherine Nieuwenhuijsen 13 September 2021 at para [40]

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179. Of particular relevance to this proposal, Mr Van Kekem advised that he had provided expert advice to SDC and CRC in developing appropriate consent conditions on SDC's recent air discharge consent application (discussed earlier). Through that review, he concluded that there was a low potential for adverse air quality effects beyond the boundary of this site, and advised that the current Living 3 zoned Holmes Block was included within that review.

180. Mr Van Kekem discussed his previous involvement in some detail.[84] He confirmed that he was initially engaged by CRC to review a s127 application to amend condition 1 to effectively remove any numerical limit on the volume of compost that could be processed on site. He discussed the review he undertook of the Specialist Environmental Services' (SES) technical assessment in support of that s127 application which recommended a buffer/separation distance of 500m from the green waste composting operations. He advised that SES assessment considered that a numerical limit was not needed as the composting remained within the area designated.

181. He advised he undertook a site visit, reviewed the current facility, and had a number of discussions with both SDC and site operators. He had identified the odour and dust emission points across the composting operation. He had provided advice on best practicable operations for a composting operation and he advised CRC that a new consent should have a set of conditions to provide clearer bounds to the activity. He discussed his extensive involvement in the development and refining of the proposed consent conditions. He calculated that a conservative maximum volume of compost that could be processed on the site using the static windrow system consented was 53,000 tonnes per year.

182. He considered the limiting factor in terms of the volume of material which could be processed on-site was its location in the areas marked, rather than the consent condition limit.

183. Mr Van Kekem again addressed the existing environment noting the Living 3 zoning for the Holmes Block and that there was provision for up to four dwellings within the 600m buffer distance with the closest being approximately 500m from the active composting area. He also identified two other properties including a rural dwelling at 155 Burnham School Road and a dwelling at 362 Brookside Road approximately 570m from the active composting area.

184. Based on his interpretation of the SDP, he considered that the currently zoned Living 3 Holmes Block would have an expectation of amenity values most pleasant for living and the proposed Living Z zoned land would also have that expected amenity value. He noted that the sensitivity of a receiving environment to nuisance odour is discussed in Table 4 of the Ministry for the Environment's Good Practice Guide for Assessing and Managing Odour. He advised that residential zones were listed as high sensitivity to odour nuisance with rural residential listed as having a moderate to high sensitivity.

[84] Statement of Evidence of Donovan Van Kekem 13 September 2021 at paras [15] – [31]

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185. He considered the key question to be whether or not having a more densely populated area beyond the 600m buffer would result in any increase in potential for adverse nuisance effects.

186. He advised that whilst PC73 would enable more dwellings which have a high sensitivity to the odour discharge, beyond 600m, in his opinion this did not increase the potential for adverse effects as the odour discharge from the PRRP composting operation would not be observable/result in adverse effects to the current dwellings within 600m.[85]

187. He concurred with Ms Nieuwenhuijsen that the frequency and duration of the winds that would blow towards those receptors would remain the same and removing the closest dwellings – the four dwellings which could legally be established within 600m of the PRRP, the peak intensity of odour discharge at the nearest sensitive receptor would be lower due to progressive dispersion of the odour plume.[86]

188. He discussed the potential for upset conditions resulting in observable odour within the Holmes Block beyond the 600m. He agreed that at other poorly run/higher risk composting operations in New Zealand nuisance odour has been observed well beyond 600m but considered that the current consent conditions and the associated stipulated management practices would limit the potential for these upset conditions to occur. Further, he considered the likelihood that these upset conditions occur at the same time as the wind is blowing towards the Holmes Block (12% of the time) is even lower.[87]

189. He noted that condition 15 of the current air discharge consent required that activities did not result in offensive or objectionable effect beyond the boundary of the site. If they did, as Mr Bender considered, result in offensive odour being observed beyond 600m, that would be a breach of the current consent condition. In his view, that was regardless of whether the Holmes Block was developed under its current ODP or under the proposed PC73, so there would be sensitive receptors/land use beyond 600m in both instances. He considered that the only one of the FIDOL[88] factors and assessment tools that "might" change beyond 600m would be the location factor but he considered that the sensitivity of Living 3 and Living Z zoning remains the same.[89]

190. Mr Van Kekem provided evidence in reply. He addressed his understanding of Mr Boyd's concern that as the PRRP composting operation grows to meet the increased demand, population growth and Government directions to divert organic waste away from landfills, there would be an increased risk of odour nuisance.

191. He contended that this growth and subsequent potential for adverse effects was specifically addressed in the recent air discharge consent application.[90]

[85] Statement of Evidence of Donovan Van Kekem 13 September 2021 at para [56]
[86] Statement of Evidence of Donovan Van Kekem 13 September 2021 at para [57]
[87] Statement of Evidence of Donovan Van Kekem 13 September 2021 at para [58]
[88] Frequency, Intensity, Duration, Offensiveness/Character and Location – Table 3, MfE Good Practice Guide for Assessing and Managing Odour
[89] Statement of Evidence of Donovan Van Kekem 13 September 2021 at para [60]
[90] Evidence in Reply of Donovan Van Kekem 1 October 2021 at para [6]

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192. Mr Van Kekem spent some time in his evidence in reply addressing the documents provided with the s127 Change of Condition application which had originally sought there be no numerical limit on the amount of compost that could be processed on-site. He noted the report stated *"that a gradual increase in scale of composting operations (as the district grows) has not, and is not likely to, result in adverse effects*".

193. He noted that the increase in the composting rates was specifically acknowledged and assessed as not being likely to result in adverse odour effects beyond the site boundary in a number of reports which supported the consent application which he listed.[91]

194. He advised that all of the above reports had specifically acknowledged and assessed the potential for effects on the Living 3 zoned Holmes Block despite those houses not having been built yet.

195. Mr Van Kekem advised that during his review, he was of the opinion that it was not appropriate to have no limit on the volume of compost. He considered that the then ODMP and historic consent conditions did not contain sufficient detail to ensure that the operation would be operated in accordance with industry best practice.[92]

196. He again discussed the preliminary advice that he had provided to SDC and CRC after his initial site visit which included additional controls around leachate management, windrow monitoring, raw material mixing, contingency measures and other matters.

197. From a planning perspective, Mr Phillips, relying on the 600m buffer and the evidence of Mr Van Kekem and Ms Nieuwenhuijsen, considered that it would adequately avoid reverse sensitivity effects associated with the operation of the PRRP currently and in an expanded capacity as has been consented. He considered the additional matters in relation to proposed assessment matters, including no complaints covenant, would bolster the buffer as the principal means of avoiding effects. He was therefore of the view that there were no odour related reverse sensitivity effects from the proposal which should preclude the proposed rezoning.[93]

198. Ms White in her Summary Statement of 28 September 2021 remained concerned. Based on the evidence of Mr Bender, she continued to have concerns that the proposed setback from the PRRP may not be sufficient to avoid potential for reverse sensitivity effects to arise. She advised that her reliance on Mr Bender's evidence was also based on the consideration of s32(2)(c) in terms of the risks associated with the implementation of what subsequently turned out to be an insufficient buffer distance. She therefore favoured a more cautious approach, as once houses were established, then they could not realistically be removed if a problem arises and instead the PRRP would be required to address those issues.

[91] Evidence in Reply of Donovan Van Kekem 1 October 2021 at para [9]
[92] Evidence in Reply of Donovan Van Kekem 1 October 2021 at para [12]
[93] Statement of Evidence of Jeremy Goodson Phillips 13 September 2021 at para [46]

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Legal Submissions

199. In Reply Submissions, Counsel for the Applicant submitted that the existing zoning does provide for a 'quasi permitted baseline' to be considered as part of the existing environment. They submitted that under the existing Living 3 zoning, residential land use is a permitted activity but subdivision requires consent. As subdivision would likely occur prior to the land use, a resource consent would be required for the subdivision in order for the land to be used for residential purposes. They submitted the relevant matters of consent for subdivision of the zone are pro forma and not unusual for a subdivision application and could easily be accommodated by the Applicant. In a real world analysis, and in particular the likelihood that houses can establish at the densities provided for the Living 3 Zone, this forms the existing environment against which the change brought about by the plan change is to be assessed.[94] The Reply Submissions emphasised that reverse sensitivity effects do not arise where the first in line activities are being conducted outside the scope of a resource consent, or where the activity is not yet consented, and submitted that this was the case for both the PRRP in relation to concerns relating to upset conditions which would be in breach of their conditions of consent, and the PWTP concerns regarding the Council's intention to upgrade the facility.

200. Notwithstanding the above, the submissions recorded that the Applicant has proposed conditions, supported by multiple experts, to alleviate these concerns and otherwise manage effects to an appropriate level.[95]

Discussion

201. The PRRP is clearly, on the basis of Mr Boyd's evidence, important strategic infrastructure for the SDC. That was not disputed. Indeed the s32 analysis provided as part of the Request states:

> *Notwithstanding, recognising the strategic importance of this infrastructure and the potential need for increased operations at these facilities in response to population growth in the District, Golder Associates have considered potential growth in the scale of composting activity at the RRP, increased volumes of waste handled by the waste transfer operation at the RRP …*[96]

202. The 600m setback from the composting area was addressed in the odour assessment dated 11 November 2020 and forming part of the Request (Appendix A). This identified the South Australia, Victoria, Western Australia EPA recommended buffer distances. The South Australia EPA provides an evaluation distance of 1,000m for composting operations greater than 200 tonnes per year. The Victoria EPA guidance again is noted as providing examples of appropriate buffer criteria depending on the throughput of the operation, type of material being processed, and the type of composting process being used. The assessment records that it is "notable" that open air composting systems for processing mixed soils and separated

[94] Closing Legal Submissions on behalf of the Applicant 1 November 2021 at paras [35] – [38]
[95] Closing Legal Submissions on behalf of the Applicant 1 November 2021 at paras [39] – [41]
[96] s32 Evaluation at para [94]

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kerbside (garden waste/food waste) is not recommended and no buffer criteria are provided, but for an open air, with only green waste operation with a throughput of up to 1,200 tonnes per year, a buffer distance of greater than 600m is recommended and for up to 14,000 tonnes per year, greater than 1,100m is recommended. The Western Australia EPA recommends a buffer distance of 1,000m.

203. The assessment records:

> *In summary on the basis that the throughput is maintained close to the current throughput, i.e., limited to 4,200 tonnes/annum and there is a high degree of control in the manufacture of the compost, the leachate management (particularly maintaining both of these in an aerobic state), and given the location of the proposed residential area, a buffer distance of 600m is considered to be reasonable. This is consistent with the distance to the existing dwelling to the north east of the compost operation.*

204. As a result of the information provided with the Request, and in light of the subsequent consenting of the increased capacity, I discussed with Ms Nieuwenhuijsen what if any impact that had on her confidence in the 600m setback.

205. During these discussions, Ms Nieuwenhuijsen quite properly confirmed that the 600m setback recommendation was on the basis of her understanding of the then 4,200 tpa maximum. She advised that there may be some odour beyond 600m. Ms Nieuwenhuijsen advised that she did not have as much confidence as Mr Van Kekem that that would be acceptable, but noted that there had been a significant improvement in the documented conditions.

206. Mr Bender agreed that odour is likely to be strong at 100m but drops off after that. At times there could still be an odour at 500-600m and he remained concerned in relation to upset conditions potential for odour effects beyond that.

207. Ms Nieuwenhuijsen, in her Reply Evidence, referred to Mr Van Kekem's greater familiarity with the composting operation. I accept that Mr Van Kekem has considerable knowledge and understanding of the operation of the PRRP and the conditions of consent. It is fair to say that Mr Van Kekem had a high level of confidence that the 600m setback from the active composting area would avoid reverse sensitivity effects. His intimate knowledge and involvement with the consenting process for the site does, in my view, make it appropriate to give his evidence some weight.

208. In terms of the "baseline" argument, I am not convinced that there can be a reliance on a de facto permitted baseline when undertaking an analysis under s32 of the RMA. I do of course acknowledge that in the comparative analysis as to what is the most appropriate zoning, the ability to construct four dwellings, albeit of a rural residential nature, within the 600m setback is relevant. The proposed zoning does of course obviously enable a considerably higher number of sensitive activities on the site, albeit beyond the 600m setback proposed.

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209. Both Mr Bender and Ms Nieuwenhuijsen advised that odour is likely to be perceptible at 600m. I acknowledge that there are various matters in terms of frequency which are relevant, particularly given that it is the south-west wind which is most relevant for determining odour effects in the Holmes Block and the evidence was that that is essentially 12% of the time.

210. I accept that the 600m setback is likely to be sufficient for avoiding adverse effects of odour from the future residents of the Holmes Block from the normal operations of the PRRP. I remain concerned that there is potential for odour and consequential reverse sensitivity effects from the open air composting operations as a result of abnormal emissions and the projected increased volumes of organic and green waste and increased proportion of kerbside organics. Upset conditions can occur even at well-run composting operations. In my view, that risk is relevant to the overall appropriateness.

PWTP

211. The s32 evaluation assessed odour and associated reverse sensitivity effects on the PWTP. It noted the odour assessment had accounted for the lawfully existing environment (accounting for designations, permitted activities, and any applicable air discharge consents) on the basis that it would be speculative to do otherwise and that any further growth of odour-generating activities would be subject to further assessment, management and potential mitigation through an application for an air discharge consent as a minimum by the consent holder.[97]

212. Notwithstanding that, and in recognition of the strategic importance of the infrastructure and the potential need for increased operations of these facilities, the assessment considered potential growth of the PWTP capacity of 80,000 PE rather than the current 30,000 PE design capacity. It also assessed potential reverse sensitivity effects accounting for possible (albeit not presently consented) future increases in activity at the PWTP operating with a capacity of 120,000 PE. It concluded that even for an expanded PWTP facility up to and potentially beyond 120,000 PE, the proposed setbacks on the Holmes Block would adequately avoid reverse sensitivity effects.[98]

213. The s42A Report included an assessment from Mr Bender. Mr Bender considered a separation distance of 500m to be appropriate from the wastewater treatment plant to minimise the risk of reverse sensitivity for the PWTP. He noted that distance did not impinge on the proposed plan change areas and did not result in the need for odour control setback areas in either the Holmes or the Skellerup Blocks.[99] In terms of biosolids handling, he noted that the biosolids dried in a drying facility for which Golder had adopted a recommended separation distance from the ACT EPA guidelines of 400m. In terms of discharge of biosolids to land, he noted that the PWTP does not currently discharge biosolids to land but this was allowed for under the existing consent and noted that a 500m separation distance from the potential area

[97] s32 Evaluation at para [93]
[98] s32 Assessment at para [95]
[99] Memorandum of Chris Bender – Plan Change 73 – Odour Assessment Review 3 September 2021 at para [9]

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for disposal of biosolids was adopted by Golder. Again, these did not impinge on the proposed plan change areas.

214. Mr Bender noted that Mr England stated that they had received 11 odour complaints regarding the operation of the PWTP during the three year period August 2018 to August 2021, although the locations were not stated.

215. Mr Bender was comfortable with the separation distances proposed and noted that the Holmes Block was located 800m and the Skellerup Block 1,700m from the PWTP treatment infrastructure which he considered a sufficient separation from the odour generating activities.

216. In terms of the treated wastewater spray irrigation, he noted the conditions of consent (CRC153952) allow the irrigation of treated wastewater on land up to 25m of the boundary of the areas designated for the irrigation, and that was increased to 200m when the wind is blowing towards the boundary or if there is a potential for wastewater to be anaerobic. Mr Bender agreed with Golders that if the wastewater was adequately treated to comply with the water quality criteria as described in the resource consent, and aerobic conditions were maintained, then adverse odour effects were unlikely to occur from disposal to land of the treated wastewater.

217. He agreed that a separation distance of 100m was sufficient to protect against adverse effects from bacteria and viruses, and provided the PWTP maintained an internal separation of 25m from the site boundary, the odour control setback of 75m from the boundary was appropriate for the Holmes Block.[100]

218. Ms Nieuwenhuijsen addressed the PWTP on behalf of the Applicant. She noted her recommended buffer distances but, in light of what appeared to be agreement between the odour experts, did not address the PWTP in any detail in her evidence other than recording the buffer distances for the various aspects of the PWTP facility.

219. Mr Bender, by reference to Mr England's evidence, noted the complaints and recorded that he understood that the adverse odour discharges had occurred because the PWTP is currently operating at the upper end of the current design capacity of 30,000 PE. He advised his understanding that with the progressive upgrades, the plant would have additional wastewater treatment capacity controls which are expected to mitigate the effects of odour particularly from the sludge drying activities on the site. However he had formed the view that until the upgrades are made to the PWTP, there is potential for nuisance levels of odour to occur beyond the site which may extend into the PC73 area.

220. Mr England confirmed in his evidence that the PWTP is significant infrastructure and its ongoing expansion is critical to allow for the future growth of Rolleston and the other townships the plant treats. He considered it was critical that this plan change and specifically the Holmes

[100] Memorandum of Chris Bender – Plan Change 73 – Odour Assessment Review 3 September 2021 at para [18]

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Block proposal does not cause any reverse sensitivity issues which would obstruct the future Pines 120 consenting and upgrade process or lead to an increase in odour or other complaints relating to the PWTP. He noted that if reverse sensitivity issues result in obstructing the Pines 120 programme, then there will be insufficient wastewater treatment capacity to provide for additional growth, including growth sought to be enabled by the proposed plan change. If PC73 were to be approved, he sought measures to avoid reverse sensitivity issues arising from sensitive activities establishing on the Holmes Block. He identified one way that this could be achieved was through the imposition of a setback area within the Holmes Block preventing sensitive activities from establishing.

221. He referred to Mr Phillips' evidence proposing a new rule limiting the establishment of residential allotments within 1,500m of the PWTP prior to certification that the necessary regulatory approvals of the upgrade had been obtained, or 31 December 2025, whichever is sooner. He also noted the proposed inclusion of a no complaints covenant to the odour constraint area and a new assessment matter seeking staging of development westwards from Dunns Crossing Road.[101]

222. He advised that these measures went some way to addressing his concerns in terms of the future consenting of the PWTP, but he remained concerned that it would not address the potential for complaints after regulatory approvals are obtained, or after 31 December 2025 (whichever is sooner).

223. His concern was that the Applicant's proposal may not fully address the Pines 120 operation itself and was concerned that reverse sensitivity issues could be directed at the operations of the Pines 120 upgrade, including in relation to any unforeseen circumstances. These unforeseen circumstances might have odour impacts on the operations. He advised that these may include high potency/concentration of trade waste discharge, failure of plant components, extreme climatic conditions and similar. He sought the extension of the odour constrained area and for a no complaints covenant to be extended within a proposed 1,500m setback area.

224. During discussions at the hearing, Mr England advised that the majority of the complaints arose from Burnham Road to the west of the site and the majority of those were from one property, but there were also others. The property generating the majority of complaints was estimated to be some 1,500m away, but he noted that there had been complaints as far away as 2.5km. He advised that the process does have an odour and will always have one. In response to a request from Ms Appleyard, I asked Mr England whether he had read Mr Bender's evidence. He advised that he had and that it did not address his concerns as there had been complaints from 1,500m away.

225. In her reply evidence, Ms Nieuwenhuijsen commented on the complaints and her understanding, from responses to my questioning of Mr England, that these had been up to 1,500m away. She noted that Mr England's concerns were that additional dwellings on the

[101] Summary Statement of Murray England 28 September 2021 at para [13]

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Holmes Block within that distance could be expected to increase the number of complaints and therefore result in a reverse sensitivity effect.[102] Ms Nieuwenhuijsen advised that she did not have access to any PWTP investigation but based on her previous discussions with Mr England, she understood that a number of complaints were associated with the drying hall operation being operated beyond design capacity. She confirmed that the setback distances she recommended were based on the plant design and with a capacity of 120,000 PE. She noted that, as set out in the Vic EPA 2013, the separation distances take into account the upset conditions expected as part of good practice operation and that they were not an alternative to mitigating source emissions. She concluded that if there were odour effects beyond those distances, further mitigation may need to be considered by PWTP.

Assessment and Findings

226. The PWTP is undoubtedly critical infrastructure for Selwyn and its growth. As advised by Mr England, if the upgrades to 120,000 PE cannot be obtained, then essentially there would be no capacity for further growth in the Selwyn District.

227. The amendments proposed by the Applicant have been shaped to respond to the issues raised by Mr England in particular and his concern about the consenting process. The proposal that no residential allotments may be created within 1,500m of the PWTP buildings prior to certification that the resource management approvals have been obtained (or 31 December 2025, whichever is sooner) has some benefits in terms of the surety of the consenting process. It obviously limits potential objections.

228. However, if the Holmes Block is rezoned on that basis, there is potential that that may still impede the consenting process, or potentially result in more constraining conditions and additional costs. The no complaints covenant proposed is helpful but not, in my view, a 'cure-all' if complaints are made, and the no complaints covenants do not restrict CRC's compliance and enforcement obligations.

229. Overall, and on the basis of the expert evidence, I accept that the probability of reverse sensitivity effects is low. If significant reverse sensitivity effects were to arise, that creates a real concern given the absolutely critical nature of the PWTP in enabling growth in the Distict. If the SDC cannot obtain the relevant consents then, on Mr England's evidence, that stops all growth in Selwyn. In discussions he stated that there was no 'Plan B'. In my view, a precautionary approach is appropriate.

Conclusion on Reverse Sensitivity

230. In my view, the potential, albeit of low probability, of reverse sensitivity effects in relation to the PRRP and the PWTP should be given some weight in the overall consideration of the appropriateness of the rezoning sought.

[102] Evidence in Reply of Cathy Nieuwenhuijsen 1 November 2021 at para [9]

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Economic Effects

231. The s32 evaluation addressed economic effects somewhat briefly in its text but provided, as Appendix G, an economic assessment.

232. I received considerable expert economic evidence on behalf of the Applicant from Mr Copeland and Mr Colegrave in particular.

233. Mr Colegrave addressed the likely economic costs and benefits in addition to the land market competition benefits from a direct 'boost' in supply and increased land competition. He considered that the Request could have broader impacts including by reducing the rate at which dwelling prices grow, future residents will spend less on weekly rent or mortgage payments than would otherwise have been the case and this would boost disposable incomes. I discussed this with Mr Colegrave during the hearing, particularly in relation to the apparent correlation in some economic literature between the increase in property values and increased spending. Mr Colegrave was discussing the 'real' increases in disposable income here.

234. Mr Colegrave addressed the critical mass to support greater local retail/service provision. In his Table 5, he calculated that future households on the site when fully built out would spend $148.2 million on a range of household goods and services, many of which he considered would likely be purchased from the Rolleston Town Centre resulting in significant commercial support for Rolleston businesses.[103] He also identified the one-off economic stimulus from the construction of 2,100 new homes quantified by using the multiplier analysis, and in summary concluded that the future construction activity enabled by the proposal could boost regional GDP by $450 million, including flow-on effects, generate employment for 4,880 people years, and generate $230 million in household incomes, translating, assuming a ten year construction period, to $45 million in regional GDP.[104]

235. The main economic cost was identified as the loss of land for rural production, noting the Land Use Capability Class 4 soil classification. Mr Colegrave also addressed potential adverse impacts on the Rolleston key activity centre from the small local centres intended. He considered they would fulfil a much narrower yet complementary role.

236. Mr Copeland considered that the residential development enabled by the proposed plan change would bring expenditure, incomes and employment opportunities for local businesses and residents within the Selwyn District and elsewhere within Greater Christchurch. He considered that the extent to which the proposed rezoning would generate additional expenditure, incomes and employment for the Selwyn District and Christchurch City would be limited to the extent that the rezoning results in greater overall residential development within the Selwyn District and Greater Christchurch.[105] He advised that increases in expenditure, incomes and employment within the local Selwyn District economy during the construction

[103] Statement of Evidence of Fraser Colegrave 13 September 2021 at para [88]
[104] Statement of Evidence of Fraser Colegrave 13 September 2021 at paras [94] and [95]
[105] Statement of Evidence of Michael Campbell Copeland 13 September 2021 at para [48]

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phase, and the subsequent increased population within the District, are not in themselves measures of improvements in economic welfare or economic wellbeing, but that there are economic welfare enhancing benefits associated with increased levels of economic activity and population. He identified these as one or more of:

(a) Increased economies of scale;

(b) Increased competition;

(c) Reduced unemployment and under-employment of resources; and

(d) Increased quality of central government provided services.

237. In terms of economic costs he assessed these as lost agricultural production, retail effects, but noted the retail centres proposed were intended only to meet the convenience needs of local residents, would not undermine the viability, vibrancy and amenity values of existing larger centres within Rolleston or elsewhere. Mr Copeland also identified externality costs can arise when utilities provided are not appropriately priced requiring their provisions to be cross-subsidised by other District ratepayers. In this Request, he noted development contributions, rates and user charges will cover costs and there will be no need for Selwyn District ratepayers, residents or businesses to cross-subsidise the proposed rezoning and subsequent development.[106]

238. In terms of transport costs, he noted that any additional transport costs are internalised to owners or renters of the newly developed properties. He did not consider that there would be additional transport externality costs.

Finding/Conclusion on Economic Effects

239. Provided there is no displacement, the figures identified by Mr Colegrave show the benefits are significant.

<u>The Form of Urban Growth</u>

Submissions

240. A number of submitters raised issues relating to urban growth form.

241. CCC (PC73-0007) supported growth in townships in Selwyn but identified that this was outside the areas identified for development in the CRPS and within Our Space, and considered that as it did not give effect to the CRPS it must be declined. It also submitted that the additional capacity provided by the plan change was in excess of what was needed to meet housing capacity and that the rationale as to why development was directed to particular areas was relevant for determining the appropriateness of the proposal.

[106] Statement of Evidence of Michael Campbell Copeland 13 September 2021 at para [66]

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242. Waka Kotahi (PC73-0010) identified that it should be considered against the UDS, including settlement patterns in Our Space and CRPS. It submitted further that while the proposal would increase housing supply, consideration to prioritising development within areas within the PIB should be promoted.

243. M & X Bentley (PC73-0012) submitted the rezoning will shift the suburban edge of Rolleston too far west, and this would push out traditional large lot residential options and blur the boundary between Rolleston and Burnham. They also raised a concern about the Business 1 zoning and considered it unnecessary.

244. CRC (PC73-0049) submitted it was inconsistent with Objective 6.2.1(3) and Policy 6.3.1(4) of the CRPS as it was not a Greenfield Priority Area and was outside the PIB. It submitted that neither Our Space nor the CRPS identified the land as necessary for future growth demands. It submitted further it was not within the Urban Growth Overlay notified as part of the PDP and noted that Policy 6.3.9(7) of the CRPS directs that rural residential development is not to be regarded as a transition to full urban development. It submitted that urban development would be more appropriately considered through a comprehensive review and long-term strategic growth planning. CRC also identified concerns with density, and the prevalence of land covenants in the District inhibiting affordability. It also submitted that PC73 did not give effect to a number of key objectives and policies in the NPS-UD.

Evidence

245. In response to submissions, Ms White in her s42A Report noted that there was no proposal for larger rural lifestyle zoning beyond the site and could not be considered at this stage, and in any event Mr Nicholson did not consider it likely that PC73 would blur the boundaries of Burnham and Rolleston.[107]

246. Ms White, while acknowledging that there was no specific requirement to consider PC73 against the PDP, considered that the site's location outside the areas anticipated for further urban intensification reinforced that increased density of the site is not currently anticipated in the future growth planning in Rolleston.[108]

247. Ms White identified Mr Nicholson's concerns in relation to 'peninsula' urban form surrounded by roads, infrastructure and rural land; the Holmes Block not being well connected to the existing township or any future urban development in adjacent areas, and summarised the concerns Mr Nicholson identified in terms of connectivity. She identified Mr Nicholson's concern with the Skellerup Block that it will not contribute to a compact urban form, again being largely surrounded by rural land with only the northern half of the Dunns Crossing Road frontage located opposite Living Z zoned land.

[107] s42A Report at para [132]
[108] s42A Report at para [135]

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248. Ms White noted Mr Nicholson's support for additional capacity being identified and provided through a more comprehensive and strategic process and that would allow the costs and benefits of alternative growth options to be assessed and discussed with the wider community. Ms White ultimately concluded that the adverse effects identified by Mr Nicholson in terms of lack of connectivity and consolidation can only really be resolved through growth in the west being considered comprehensively, rather than the Skellerup Block's zoning being considered in isolation. She confirmed that a private plan change is to be considered on its merits. However she shared Mr Nicholson's view that while the Skellerup Block may be suitable for a future growth option, rezoning at this time would pre-determine suitability. Importantly, in her view, this would effectively pre-determine that higher density residential development to the west of the current township is appropriate in the absence of it being considered against other growth options such as to the east or south.[109]

249. Ms White accepted that there was a counter-argument that the current zoning allows for a level of development to occur and that there is a risk that if the rezoning was not approved and the site instead developed at the lower density, that would cause difficulties in intensification in the future. She did not consider that risk to be sufficient, on its own, to justify the rezoning.[110]

250. Ms White was concerned that rezoning would lose the transition/hybrid function anticipated and reduce this type of housing choice. In her opinion, it was difficult to make a determination as to the appropriateness of that in isolation, particularly given the rezoning did not allow for consideration of alternate areas that may be suitable to provide for rural residential development to replace the loss of this type of capacity.[111]

251. Overall it was her opinion that the adverse effects of PC73 on urban form, and while acknowledging those effects could be mitigated to an extent, could not be overcome through the current plan change process.

Expert Evidence

252. Mr Nicholson was unable to attend the hearing. He did provide a written brief. With the agreement of the Applicant, I directed that Mr Nicholson, Mr Compton-Moen and Ms Lauenstein conference.

253. The conferencing was held on 23 September 2021 and resulted in a Joint Witness Statement. The areas of agreement were:

    (a) That future growth options in Rolleston are likely to extend primarily to the west, the south and south-east and that proposed development should not preclude future growth options;

[109] s42A Report at para [142]
[110] s42A Report at para [143]
[111] s42A Report at para [144]

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(b) That if approved, the revised ODPs would provide an appropriate urban form and would allow for future connections to adjacent land;

(c) Both blocks would provide neighbourhood commercial areas within a walkable distance of the plan change area and that the town centre, schools and recreation areas would be reasonably accessible;

(d) Both blocks would provide reasonable access to green space;

(e) Revised ODPs would provide appropriate future connections to adjoining areas to allow for future connectivity and would not preclude adjoining areas from being rezoned for residential use;

(f) That fully formed shared pedestrian/cycle facilities along Dunns Crossing Road would be a positive contribution and that footpaths should be provided on both sides of the road;

(g) Medium density residential should be incorporated to achieve appropriate urban densities;

(h) In terms of the Holmes Block ODP:

(i) Agreement that revised ODP would provide improved urban design outcomes compared to that notified and that additional connections onto Burnham School Road and Dunns Crossing Road provide improved connectivity supported by the removal of the bund and provision of direct property access off Burnham School Road;

(ii) Additional pedestrian/cycle link should be provided to Dunns Crossing Road to the northern section to improve connectivity;

(iii) Providing a road at the interface between the commercial (Business 1) and the school to reduce potential adverse effects;

(iv) The shared pedestrian/cycle facility along Burnham School Road should connect from the plan change area in front of the West Rolleston School to the intersection with Dunns Crossing Road;

(v) That a connection with the future Burnham-Rolleston cycleway along State Highway 1 would be desirable but final location needed to be confirmed;

(vi) The State Highway forms a barrier to the north and the PWTP forms a barrier to the west on the Holmes Block with no opportunities for further connection and that it is an appropriate response for properties along these interfaces to be larger to accommodate setbacks.

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(i) In terms of the Skellerup Block ODP the specific areas of agreement were:

(i) Primary road connections along Dunns Crossing Road should align with east-west primary roads in PC70, located to the east of PC73;

(ii) The number and location of future road connections through adjoining properties in the revised ODP would provide appropriate levels of connectivity and would not preclude development of adjoining sites;

(iii) Provision of two pedestrian/cycle priority crossing facilities on Dunns Crossing Road as shown on the revised ODP would provide appropriate level of accessibility for pedestrians and cyclists;

(iv) Not providing larger lots along the rural interface for the Skellerup Block is appropriate to allow for future connectivity to potential residential development on adjacent land.

254. The areas of disagreement remained as follows:

(a) Scale of impact on landscape character with Mr Nicholson considering it moderate-high and Mr Compton-Moen considering it low due to the changes being localised and already anticipated due to the residential development potential under the Living 3 zoning;

(b) Disagreement as to the most appropriate method to enable future urban growth and development in Rolleston being the private plan change/comprehensive strategic planning exercise. The experts put that difference to one side for the purposes of expert conferencing;

(c) Mr Nicholson considered that PC73 on its own did not contribute to a compact shape/urban form while acknowledging if surrounding areas were rezoned as residential it did not preclude a compact form. Mr Nicholson remained of the view that both blocks were peninsulas but acknowledged that could change over time if surrounding areas were rezoned;

(d) Mr Nicholson considered there are other options to accommodate future urban growth and that a more comprehensive and strategic approach would allow the costs and benefits of alternative growth options to be assessed and discussed with the wider community.

255. There were a number of agreements recorded between Ms Lauenstein and Mr Compton-Moen being as follows:

(a) Both considered the blocks to be natural extensions of existing urban form, and given the Living 3 zoning, the extension of urban form in this direction is anticipated and is a

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logical consequence of the growth pattern of Rolleston and in general accordance with the NPS-UD;

(b) They considered the RSP has provided clear guidance and created the underlying composition of the urban form of Rolleston but anticipated urban growth has nearly reached completion and considered PC73 was a natural extension of the underlying urban structure and the western side of Dunns Crossing Road is the next logical step to accommodate future urban growth;

(c) Both considered the plan change process to be a valid tool to direct urban design matters including urban form and growth, and did not preclude SDC from making comprehensive and strategic decisions on growth options. Both agreed the plan change process also allows for wider community to get involved and voice opinions through public notification process;

(d) Both considered that the perceived insularity of the development to the existing urban form is only a temporary situation and is a natural occurrence as part of any urban development and growth. Both noted awareness of other development proposals 'underway' (their original quotation) for areas both south and north of the Skellerup Block and that development to the west of Dunns Crossing Road is a matter of when not if. Both agreed these would further assist in achieving a consolidated urban form along the western edge of Rolleston and create the desired connectivity between neighbourhoods.

256. Mr Compton-Moen and Ms Lauenstein, in their evidence summary, put considerable weight on the matters of agreement arising from the joint witness statement. Ms Lauenstein, in her summary, noted that the general disagreement between Mr Compton-Moen and herself on the one hand, and Mr Nicholson on the other, was as to the appropriate method. She recorded her view that this particular discussion point straddled the boundaries into planning expertise. She recorded her view that from a purely urban design perspective, plan changes play a significant role in the direction and manifestation of growth, providing a high level of detailed information specific to a PC site and the immediate surroundings, and that fed valuable information back into the wider urban growth process.[112]

257. Ms Lauenstein identified the RSP and from a purely urban design perspective she considered that to be less detailed and a more aspirational or visionary plan that provides a broad physical structure of the township and assists in guiding the direction of growth. Due to the lack of site specific detail and the fact that it has to project far into the future, she did not necessarily consider the specific physical extent as finite. It was her view that a new structure planning exercise was not required to determine the next step for urban growth for Rolleston as the structure plan had already laid out the overarching physical structure of the township and

[112] Summary of Evidence of Nicole Lauenstein 28 September 2021 at para [12]

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determined the direction and pattern of growth. She considered PC73 to be a logical continuation of the direction and patterns already in place.

258. In relation to the second area of disagreement, being the compact urban form, her Summary recorded that it was agreed that each PC73 block in itself would achieve a compact urban form and that if other areas to the south and north of the blocks were developed, the entire area west of Dunns Crossing Road would contribute to a wider connected and consolidated urban form.[113]

259. She recorded Mr Nicholson's view that PC73 alone did not contribute to a wider compact urban form and lacked sufficient connectivity. As set out in her full evidence, she considered this to be a natural occurrence as growth mostly occurs in small clusters and always create some temporary anomalies in form and connectivity. Once the gaps between the newest developments are completed, the full extent of connectivity will be achieved and desired consolidated urban form can be experienced.[114]

260. Again Mr Compton-Moen in his Summary of Evidence recorded that he remained of the opinion that PC73 "as an extension of the existing residential zone" is an appropriate use of land from an urban design and landscape perspective.[115] He recognised that there was disagreement about the future urban form of Rolleston and its growth pattern. Again he was of the opinion that the RSP is important as a guide for growth but its relevance is reducing due to lack of updating. He considered how (his original emphasis) the document is updated is a planning matter rather than an urban design matter. He considered that through the revised ODPs it was established that good urban design can be achieved, creating well-functioning urban environments independent of any process.[116] He confirmed his view that the growth to the west and south-west was the next logical move and the Holmes and Skellerup Blocks were the first sections to be rezoned.

261. In relation to landscape character changes, he remained of the opinion that the magnitude of change was low given that residential activity on both blocks is already anticipated, it was just at a higher density.

262. I issued a Minute following the hearing seeking some clarification in relation to Mr Nicholson's position. Mr Nicholson provided his response on 8 October 2021. Mr Nicholson advised that while he did not consider that the PC73 area would be well connected with Rolleston if approved at the present time given it is surrounded on three sides by rural land, the agreement recognised they may be approved. If I were minded to do so, there could be some confidence that the proposed ODPs would provide an appropriate urban form and would allow for future connections to adjacent land.

[113] Summary of Evidence of Nicole Lauenstein 28 September 2021 at para [16]
[114] Summary of Evidence of Nicole Lauenstein 28 September 2021 at para [17]
[115] Summary of Evidence of David Compton-Moen 29 September 2021 at para [3]
[116] Summary of Evidence of David Compton-Moen 29 September 2021 at para [8]

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263. Mr Nicholson advised that there were two separate urban design issues being referred to in my question. The first could be broadly termed 'accessibility' or 'walkability' which relates to the provision of access to public services and facilities, and placing a high priority on walking, cycling and public transport. He noted that in the Joint Witness Statement there was agreement that the commercial areas, schools and recreation areas would be reasonably accessible from PC73 but that that did not imply that there was a high level of connectivity between the PC73 area and Rolleston.

264. In relation to 'connectivity', he explained that relates to creating streets that are joined together in city-wide networks that provide choice and support increased resilience and safer places. By reference to the Skellerup Block, he noted that the ODP provides for three streets running north-south and four streets running east-west, and if all of these were able to be formed, this would provide a good level of connectivity with surrounding areas.

265. Again, because the Skellerup Block was surrounded on three sides by rural land, the plan change only proposes four street connections to the east onto Dunns Crossing Road and in his view that would provide a low level of connectivity with Rolleston Township. He acknowledged that if the adjacent rural land was to be rezoned, the proposed ODP would allow the Skellerup Block to become more connected but he considered that relying on the rezoning of the adjacent rural land to provide positive outcomes for PC73 leads to the Applicant effectively pre-supposing the preferred direction of future urban growth for Rolleston and the outcome of future rezoning processes for the adjacent rural land.

Assessment and Findings

266. In my assessment of this matter, I have focused my consideration on PC73 itself. I note that, post-hearing on PC73, Private Plan Change 81 (PC81) and Private Plan Change 82 (PC82) have been lodged. PC81 abuts the Skellerup Block of PC73 to the south-west. That was lodged on 14 October 2021 and proposes the rezoning of approximately 28 hectares of rural land to Living Z to accommodate approximately 350 households. PC82 was lodged on 26 October 2021. This abuts the Skellerup Block to the north-west. This is proposed to accommodate approximately 1,320 households.

267. Both PC82 and PC81 incorporate some of the land which the submitters represented at the hearing by Mr Thomson sought to be rezoned by way of submissions. Both are at an early stage in the process and their merits or otherwise is not a matter which is before me.

268. While the urban design and landscape evidence for the Applicant was thorough and helpful, I discerned a considerable reliance on what may occur in the future.

269. I explored this in discussions with Mr Compton-Moen and Ms Lauenstein. Mr Compton-Moen advised that he did not rely on PC70 for his conclusions, but it would be "good". He saw PC70 and PC73 as a natural progression in terms of urban growth. In terms of the other land

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in-between the two blocks, again in discussions he advised that PC73 would probably accelerate the growth into the western area.

270. Ms Lauenstein discussed the nature of sequential developments and that there may be some delay in achieving planned connectivity to other adjacent areas. She noted that development does occur in clusters and relies on the willingness of landowners to develop and there will always be some temporary anomalies in the form of connectivity. She considered this was evident throughout all of the new areas of development in Rolleston. Once the gaps between the newest developments are completed, the full extent of connectivity will be achieved and the desired consolidated urban form can be experienced.[117] She considered the parcels of land between the two PC73 blocks fell within the same category as the plan change land and that they provide the few possible future growth paths for Rolleston and, similar to PC73, they would be the next logical growth sequence. She did not consider the situation of a parcel of land being surrounded by residential development on three sides to be a long-term scenario.[118]

271. I am of the view that relying on what may or may not happen in the surrounding environment in the future to assess the urban form creates some difficulties. It is uncertain. The lodging of PC81 and PC82, and Mr Thomson's evidence for his clients in relation to their development intentions, is relevant in illustrating landowner intentions. However, any future development between the two PC73 blocks or otherwise abutting them, will be subject to separate processes and assessment. To give weight to what may or may not happen in the future would, in my view, be unduly speculative.

272. PC73 must be assessed on its merits. I agree with Mr Nicholson that as matters now stand, the Holmes Block, and to a greater degree, the Skellerup Block, are in essence peninsulas which do not contribute to a compact urban form.

273. In considering the appropriateness, I am conscious of Ms Lauenstein's opinion that the Living 3 Zone density presently enabled was important. She considered it was ill-suited to facilitate the consolidated form and connectivity required for future urban growth. From that perspective, she considered PC73 to be a major improvement in consolidated form and connectivity.[119]

274. Mr Compton-Moen also identified and discussed examples in Rolleston where large lot subdivisions had caused problems with integration and connectivity.

275. I accept that the present zoning may not be ideal if urban growth is to be accommodated to the west of Dunns Crossing Road. However there is nothing which anticipates that in any of the relevant planning and other statutory and non-statutory documents.

[117] Statement of Evidence of Nicole Lauenstein 13 September 2021 at para [67]
[118] Statement of Evidence of Nicole Lauenstein 13 September 2021 at para [69]
[119] Statement of Evidence of Nicole Lauenstein 13 September 2021 at para [70]

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276. In assessing the appropriateness of PC73 on its merits, I am not satisfied that it provides for an appropriate and compact urban form.

Geotechnical and Ecological Considerations

277. Ms White assessed the geotechnical and ecological considerations in her paragraphs [146] to [149]. She concluded that on the basis of the technical reports and the conclusion of the peer reviews, she was satisfied that there were no geotechnical or ecological matters that preclude the rezoning of the site for residential purposes. I agree and adopt that for the purposes of this Recommendation.

Other Matters

278. As noted by Ms White, M & X Bentley (PC73-0012) considered that the consequence of the changes proposed to various rules throughout the District Plan would affect other properties within the District, not just the plan change site, removing restrictions from Living 3 Zones.

279. I agree with and adopt Ms White's analysis at paragraph [151] where she notes that the amendments to the proposed District Plan rules through the Request would only affect the application of those rules to the site and not alter the current regime applying to Living 3 Zones in other areas.

Conclusion on Effects and Other Matters Raised in Submissions

280. Having considered all of the submissions, the evidence, reports and other documents provided, I consider that a number of the specific concerns raised by submitters have been appropriately addressed in so far as they are relevant at this stage. These include concerns in relation to transportation effects, effects on community facilities, density (in the event that it is rezoned), effects on water race, stormwater and flooding, soils, environmental quality, and geotechnical and ecological considerations.

281. I received undisputed economic evidence that the rezoning of the land, and subsequent development, would have, potentially, significant economic benefits.

282. I remain concerned in relation to the form of urban growth. I am not satisfied that PC73 would lead to the provision of an appropriate compact urban form.

283. In relation to infrastructure, particularly in relation to the PWTP, I accept that once the proposed upgrades are consented and in place, capacity will be available for the treatment of wastewater generated by the development of the PC73 land. The infrastructure in so far as it relates to conveyance is not a concern. It seems clear that those matters can be appropriately addressed through the subdivision stage.

284. My residual concern is what happens in the interim period while the PWTP is consented and upgraded. PC73 is outside the RSP and the PIB. I did not receive any specific technical

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evidence on the CRC's concern, expressed by Mr Tallentire, that there may be impacts on the ability to provide sufficient capacity for planned growth in the interim period.

285. I remain concerned around the potential for reverse sensitivity effects. I acknowledge that on the expert evidence, reverse sensitivity effects are of low probability but, given the absolutely critical nature of the PWTP and the PRRP to the future growth and development of Rolleston, and indeed the wider Selwyn District, a degree of caution is appropriate.

Statutory Documents

Responsive Planning Under the NPS-UD

286. Before undertaking my assessment of the plan change against the relevant statutory documents, I address the relationship between the NPS-UD and the CRPS. This is a critical issue which was the subject of thorough and detailed submissions of Counsel. It was also addressed in the relevant planning evidence. I note that this is an issue which has been raised in a number of other plan changes in the Selwyn District and I have addressed it in earlier Recommendations. There are some subtle differences between the submissions that I have received in this plan change.

287. In considering this issue, I have applied the principles of statutory interpretation. There appears to be no dispute as to what those principles are, rather the differences are in the application.

288. This part of my Recommendation addresses the issue of whether the directive objectives and policies in the CRPS (and the SDP objectives and policies which implement those) operate, in essence, as a veto. Or, expressed another way, as Mr Wakefield submitted, does giving effect to Chapter 6 of the CRPS demand that PC73 is declined?

289. I received detailed submissions from Ms Appleyard for the Applicant, both in her opening and in her closing submissions which responded to CCC and CRC's legal submissions and evidence.[120] I have also reviewed a Memorandum provided by Mr Paul Rogers which addresses this issue in the context of plan changes and submissions on the PDP.[121] I note that Memorandum, by its very nature, is of somewhat wider focus.

290. I received comprehensive legal submissions from Mr Wakefield on behalf of CCC and CRC.

291. I do not propose to repeat the legal submissions and the contents of Mr Rogers' Memorandum in this Recommendation. I have considered those in full. I will identify the key matters as appropriate.

[120] Legal Submissions on Behalf of Rolleston West Residential Limited 28 September 2021 and Closing Submissions 1 November 2021
[121] Memorandum from Adderley Head of 13 September 2021 Subject: NPS – CRPS – Plan Changes to the ODP and Submissions on the PDP

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292. I consider that Ms Appleyard summarised the question when she submitted *"The question that is to be asked is how the [C]RPS is to be interpreted in light of the NPS-UD?"*.[122] She expanded that question by identifying that this was especially so because the CRPS contains an avoid policy with respect to development outside Map A, yet the later in time, and higher order, NPS-UD contains Objective 6 and Policy 8 which requires a responsive planning approach to out-of-sequence and unanticipated development.

Key Objectives and Policies

CRPS

293. The key objective and policy of the CRPS which trigger this question are:

(a) Objective 6.2.1:

> ***Recovery framework***
>
> *Recovery, rebuilding and development are enabled within Greater Christchurch through a land use and infrastructure framework that:*
>
> *1. identifies priority areas for urban development within Greater Christchurch;*
>
> *…*
>
> *3. avoids urban development outside of existing urban areas or greenfield priority areas for development, unless expressly provided for in the CRPS;*
>
> *…*

(b) Policy 6.3.1:

> ***Development within the Greater Christchurch Area***
>
> *In relation to recovery and rebuilding for Greater Christchurch:*
>
> *1. give effect to the urban form identified in Map A, which identifies the location and extent of urban development that will support recovery, rebuilding and planning for future growth and infrastructure delivery;*
>
> *…*
>
> *3. enable development of existing urban areas and greenfield priority areas, including intensification in appropriate locations, where it supports the recovery of Greater Christchurch;*
>
> *4. ensure new urban activities only occur within existing urban areas or identified greenfield priority areas as shown on Map A, unless they are otherwise expressly provided for in the CRPS;*
>
> *…*

[122] Legal Submissions on Behalf of Rolleston West Residential Limited 28 September 2021 at para [12]

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SDP

294. I note that the objective and policy identified above are implemented through Objective B4.3.3 and Policy B4.3.1 of the SDP being:

(a) Objective B4.3.3:

> *For townships within the Greater Christchurch area, new residential or business development is to be provided within existing zoned land or priority areas identified in the Regional Policy Statement and such development is to occur …*

(b) Policy B4.3.1: (relevantly)

> *Ensure new residential, rural residential or business development either:*
>
> *…*
>
> - *The land is rezoned to an appropriate Living or business Zone and, where within the Greater Christchurch area, is contained within existing zoned land and greenfield priority areas identified in the Regional Policy Statement and developed in accordance with an Outline Development Plan incorporated into the District Plan.*

NPS-UD

295. The key objectives, policies and other matters within the NPS-UD in relation to this particular issue include:

(a) Objective 1:

> *New Zealand has 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.*

(b) Objective 2:

> *Planning decisions improve housing affordability by supporting competitive land and development markets.*

(c) 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.*

(d) Objective 3: (my emphasis)

> *Regional policy statements and district plans enable more people to live in, and more businesses and community services to be located in, areas of an urban environment in which <u>one or more of</u> the following apply:*

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(a) the area is in or near a centre zone or other area with many employment opportunities

(b) the area is well-serviced by existing or planned public transport

(c) there is high demand for housing or for business land in the area, relative to other areas within the urban environment.

(e) Objective 6:

Local authority decisions on urban development that affect urban environments are:

(a) integrated with infrastructure planning and funding decisions; and

(b) strategic over the medium term and long term; and

(c) responsive, particularly in relation to proposals that would supply significant development capacity.

(f) Policy 8:

Local authority decisions affecting urban environments are responsive to plan changes that would add significantly to development capacity and contribute to well-functioning urban environments, even if the development capacity is:

(a) unanticipated by RMA planning documents; or

(b) out-of-sequence with planned land release.

(g) Subpart 2 – Responsive planning of the NPS-UD provides:

3.8 Unanticipated or out-of-sequence developments

(1) This clause applies to a plan change that provides significant development capacity that is not otherwise enabled in a plan or is not in sequence with planned land release.

(2) Every local authority must have particular regard to the development capacity provided by the plan change if that development capacity:

(a) would contribute to a well-functioning urban environment; and

(b) is well-connected along transport corridors; and

(c) meets the criteria set under subclause (3); and

(3) Every regional council must include criteria in its regional policy statement for determining what plan changes will be treated, for the purpose of implementing Policy 8, as adding significantly to development capacity.

296. I note that the above is not intended to be an exclusive list. There are other objectives and policies within the NPS-UD which provide relevant context, including Policy 1, which defines, in a non-exclusive manner, well-functioning urban environment.

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Parties' Submissions

297. Ms Appleyard identified the potential inconsistency as being between Objective 6.2.1.3 of the CRPS and Objective 6 and Policy 8 (and relevant clauses) of the NPS-UD.

298. Ms Appleyard submitted that it had been decided by case law in relation to some RMA planning documents that the ordinary meaning of the word 'avoid' means "not allow" or "prevent the occurrence of". Ms Appleyard cited *EDS v New Zealand King Salmon* [123] for that proposition. Taken literally, Objective 6.2.1.3 provides that decision-makers must not (original emphasis) allow urban development outside of existing urban areas or the greenfield priority areas identified in Map A.[124] Ms Appleyard submitted that adopting that interpretation of the CRPS would not reconcile it with Policy 8 of the NPS-UD and would in essence result in an interpretation which would be contrary to the very purpose of the NPS-UD including Policy 8, would prevent the NPS-UD from achieving its purpose, and would interpret the word 'avoid' in a vacuum and outside the context of reading the CRPS and NPS-UD together.[125]

299. Ms Appleyard submitted that a rigid interpretation of the word 'avoid' in the CRPS inherently prevents local authorities from being responsive in the very way required by the NPS-UD as it prevents them from even considering the merits of a plan change that might otherwise add significantly to development capacity and contribute to well-functioning urban environments (the criteria for Policy 8 NPS-UD) where these fall outside of greenfield priority areas.[126] Ms Appleyard submitted further that the requirement of the NPS-UD for local authorities to be responsive to development capacity providing certain criteria were met even if unanticipated or out-of-sequence was clearly intended to target this type of objective in the CRPS and essentially to say that the 'avoid' policy in the CRPS prevented all developments that fall outside Map A would be to act in a manner contrary to the specific direction of the NPS-UD.[127]

300. In light of the context, Ms Appleyard submitted it was appropriate to "read down" or soften the interpretation of 'avoid' in the CRPS to give effect to the NPS-UD (at least until such time as the CRPS gave full effect to the NPS-UD). This can be done by grafting a limited exception onto the objective but only where a development could meet the NPS-UD because it adds significantly to development capacity and contributes to a well-functioning urban environment.

301. Mr Wakefield advised that CCC and CRC accept that the NPS-UD is a higher order document but they disagreed that it should be interpreted as having primacy over the CRPS (and its avoid framework) in the manner suggested. He submitted that the NPS-UD and CRPS can be read and applied together, with no reasonable interpretive grounds (or need) for suggesting that the NPS-UD should take precedence over the CRPS.

[123] *Environmental Defence Society* v New Zealand King Salmon [2014] NZSC 38 at [93]
[124] Legal Submissions on Behalf of Rolleston West Residential Limited 28 September 2021 at para [23]
[125] Legal Submissions on Behalf of Rolleston West Residential Limited 28 September 2021 at para [24]
[126] Legal Submissions on Behalf of Rolleston West Residential Limited 28 September 2021 at para [26]
[127] Legal Submissions on Behalf of Rolleston West Residential Limited 28 September 2021 at para [27]

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302. Mr Wakefield submitted that the SDC Memorandum of 13 September 2021 was based on a flawed interpretation that misconstrues the NPS-UD and focuses on select provisions only.[128] He submitted that characterising this Request as a contest between the NPS-UD and the CRPS is incorrect, and the proper approach is to attempt to reconcile these two planning instruments in a manner that accords with the wider statutory context and the hierarchy of planning documents outlined in *Colonial Vineyards*.[129] He submitted that if the Rolleston West Residential Limited/Adderley Head approach to interpreting and applying the NPS-UD was accepted, the consequence was that the recent Change 1 to the CRPS, and the core urban growth strategy established by the CRPS, would be undermined. He submitted the CRPS framework should not be disregarded in favour of isolated policies in the NPS-UD that (properly interpreted) provide an administrative pathway only, which does not direct the enabling of development over and above integrated and strategic planning.

303. Mr Wakefield also identified *King Salmon* noting that as recognised by the Supreme Court, the cascade of planning documents under the RMA are intended to give effect to s5 and Part 2 of the RMA by giving:

> *… substance to its [the RMAs] purpose by identifying objectives, policies, methods and rules with increasing particularity both as to substantive content and locality.*[130]

304. He submitted that the NPS-UD provided higher level direction and the CRPS provided more particularised regional (and in particular sub-regional) direction in relation to similar matters, as well as other relevant policy matters for the purpose of giving effect to other NPSs and other requirements of Part 2 of the RMA.[131] He submitted that there could be no dispute that under s75(3) of the RMA a district plan must give effect to any NPS and any regional policy statement, again citing *King Salmon* that "give effect to" something means "implement".[132]

305. Mr Wakefield developed his argument by noting that there were a number of relevant directions in both the NPS-UD and the CRPS that have varying degrees of directiveness. He submitted this may be relevant when seeking to reconcile those planning documents, with the nature and expression of the relevant objectives and policies being significant. He submitted that the NPS-UD as can be expected given its national application, contains a number of directions expressed with a greater degree of abstraction but is more explicit for the Tier 1 local authorities in relation to certain requirements.[133]

306. He then addressed the CRPS noting that given its regional focus it provides more specific direction on a multitude of resource management matters, including urban growth, particularly that of Greater Christchurch. He submitted this is to be expected given the CRPS represents

[128] Legal Submissions for CCC and CRC 29 September 2021 at para [1.7]
[129] Legal Submissions for CCC and CRC 29 September 2021 at para [1.8]
[130] Legal Submissions for CCC and CRC 29 September 2021 at para [2.3] citing *Environmental Defence Society Incorporated v New Zealand King Salmon Company Limited* [2014] NZSC 38
[131] Legal Submissions for CCC and CRC 29 September 2021 at para [2.4]
[132] Legal Submissions for CCC and CRC 29 September 2021 at para [2.5]
[133] Legal Submissions for CCC and CRC 29 September 2021 at para [2.8]

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the more particularised expression of the higher order objectives and policies, and direction on other Part 2 matters in accordance with the regional council's functions. He submitted that so long as the highly directive framework for urban growth achieved the outcomes directed by the NPS-UD, there was no reason why it should not be considered a valid approach to giving effect to the NPS-UD.[134]

SDC Memorandum of 13 September 2021

307. I have read and considered Mr Rogers' Memorandum of 13 September 2021. Again it provides a thorough assessment. That Memorandum was not prepared to specifically address Mr Wakefield's submissions on this Request. Rather, it addressed the wider submissions which arose through the PDP hearings. In this part of the assessment I will refer to them as the Simpson Grierson submissions.

308. The Memorandum addresses the purpose and the text of the NPS-UD, noting that the RMA allows the Government to prescribe objectives and policies for matters of national significance relevant to sustainable management under the RMA. The Memorandum records that those matters need to be borne in mind because it was considered to have an influence on the interpretative exercise because the NPS-UD is dealing with matters of national significance.

309. Mr Rogers referenced the Supreme Court decision *Commerce Commission v Fonterra Cooperative Group Ltd*[135] and quoted paragraph [22] of that decision. I agree that that is a significant case and I include the full quotation of paragraph [22] here:

> *It is necessary to bear in mind that section 5 of the Interpretation Act 1999 makes text and purpose the key driver of statutory interpretation. The meaning of an enactment must be ascertained from its text and in the light of its purpose. Even if the meaning of the text may appear plain in isolation of purpose that meaning should always be cross-checked against purpose in order to observe the dual requirements of section 5. In determining purpose the court must obviously have regard to both the immediate and the general legislative context.* ***Of relevance too may be the social, commercial or other objective of the enactment****.*

310. Mr Rogers considered the social objective of the NPS-UD to be influential if not critical in the interpretative exercise noting Objective 2 which states:

> *Planning decisions improve housing affordability by supporting competitive land and development markets.*

311. The Memorandum notes that the NPS-UD, particularly the responsive planning provisions, have come into force against a context of what is frequently described as a national housing supply crisis. The supply crisis impacts upon affordability of housing nationally.

312. The Memorandum notes that Policy 1(d) "more pointedly" addresses competition in land development markets:

[134] Legal Submissions for CCC and CRC 29 September 2021 at para [2.9]
[135] *Commerce Commission v Fonterra Cooperative Group Ltd* [2007] NZSC 36

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> *… have planning decisions contribute to well-functioning urban environments which are urban environments that, as a minimum support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets.*

313. The Memorandum also identifies Objective 6 which provides:

> *Local authority decisions on urban development that affect urban environments are integrated with infrastructure planning and funding decisions and strategic over the medium term and be responsive, particularly in relation to proposals that would supply significant development capacity.*

314. Mr Rogers agreed that the CRPS is to be included as part of any merits assessment but not in the determining manner which Simpson Grierson advance. To apply and weight Objective 6.2.1 in that manner, in his opinion, clashed directly against the NPS-UD responsive planning provisions and would frustrate the objective of the NPS-UD.

315. Mr Rogers addressed the words "give effect to", drawing attention to s75(3) which details the contents of district plans and in sub-section (3)(a) provides a district plan must give effect to any national policy statement. He stated that if decision-makers accorded, when making planning decisions under the NPS-UD, the CRPS priority, it is very difficult to see how decision-makers would be complying with, let alone respecting, both the directive to have particular regard to the NPS-UD in reaching a decision as well as satisfying s75(3)(a). This was particularly so when the CRPS is not fully giving effect to the NPS-UD and submitted that *"such an outcome does not recognise an NPS prescribed actions via objectives and policies for matters of national significance which we consider must and should prevail over regional matters"*.[136]

316. The Memorandum concluded by stating that it recognised that the hierarchy of plans, as well as recognising the NPS-UD deals with matters of national significance, assists in resolving what at first may appear to be an irreconcilable choice for decision-makers.[137]

317. Mr Rogers addressed Objective 6.2.1 and recorded his understanding that the purpose of the objective is to avoid ad hoc development, particularly urban development in locations that are not supported by infrastructure and transportation services and networks, employment opportunities, and proximity to community assets, services and supplies.[138]

318. As well the size of an area identified for development within the CRPS is intended to meet anticipated demand for development, for which demand has been assessed by a number of exercises such as Our Space.[139]

319. Mr Rogers' view was that if Simpson Grierson's approach was correct then effectively within the Greater Christchurch area the responsive planning provisions in the NPS-UD would be

[136] Memorandum 13 September 2021 at para [123]
[137] Memorandum 13 September 2021 at para [124]
[138] Memorandum 13 September 2021 at para [151]
[139] Memorandum 13 September 2021 at para [152]

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placed on hold until such time as the CRPS is reviewed, next scheduled for 2024. Again, Mr Rogers considered that, given the NPS-UD seeks to ensure unanticipated and/or out-of-sequence developments are considered responsively provided they add significant land development capacity and contribute to well-functioning urban environments, the NPS-UD specifically recognises and provides for an exception or legitimate departure from restrictive objectives such as CRPS Objective 6.2.1.

320. The Memorandum concluded at paragraph [167] that, provided the plan change via evidence submitted at a merits hearing delivered on the development capacity and well-functioning urban environments outcomes sought by the NPS-UD, and proper regard was had to the purpose of the restrictive Objective 6.2.1, then a positive planning decision determined following a full merits hearing can be seen as a well-considered and supportable decision and not an unlawful one.

Evaluation

321. I have carefully considered all of the matters raised in the legal submissions which I have summarised above, and in the relevant planning evidence. I accept that this is a difficult and somewhat complex issue given that a district plan must give effect to (a) any national policy statement; and … (c) any regional policy statement.

322. There are a number of provisions of the NPS-UD which are particularly relevant to the interpretation issue. I consider the social context is relevant, particularly when considering that there is a focus, albeit not a complete focus, on housing supply and affordability. Objective 2 seeks:

> *Planning decisions improve housing affordability by supporting competitive land and development markets.*

323. Objective 3 provides, relevantly:

> *Regional policy statements and district plans enable more people to live in, and more businesses and community services to be located in, areas of an urban environment in which one or more of the following apply: …*
>
> *(c) there is high demand for housing or for business land in the area, relative to other areas within the urban environment.*

324. On its face and text, the direction in Policy 8 appears to me to be very clear. This provides:

> *Local authority decisions affecting urban environments are responsive to plan changes that would add significantly to development capacity and contribute to well-functioning urban environments, even if the development capacity is:*
>
> *(a) unanticipated by RMA planning documents; or*
>
> *(b) out-of-sequence with planned land release.*

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325. Policy 8 specifically identifies responsiveness in the context of plan changes. In my view, "unanticipated" must be read to include circumstances where planning documents (and here the CRPS as reflected in the SDP) contain avoidance objectives. Development in areas outside of those identified in Map A is clearly "unanticipated".

326. To find otherwise would amount, in my view, to a significant watering down, and potentially an undermining, of the responsive provisions of the NPS-UD and I agree with Mr Rogers' view that it would lead to a conclusion that responsive planning provisions of the NPS-UD did not apply to plan changes within Greater Christchurch.

327. I do not accept that the avoidance objective and policies in the CRPS, implemented by Objective B4.3.3 and Policy B4.3.1 of the SDP, mean the proposal must be declined.

328. Overall, it is my view, in light of the position the NPS-UD holds in the hierarchy of documents; that it is the latter in time; that it was promulgated in the context of a housing crisis; and after carefully considering its text, its purpose and other contextual matters, it enables appropriate plan changes to be assessed on their merits, notwithstanding the avoidance objectives and policies of the CRPS.

329. This is a complex and important issue and I appreciate the comprehensive manner in which Counsel in particular have addressed it. Overall, I accept the submissions of Ms Appleyard and the conclusions reached by Mr Rogers. I acknowledge they reached their conclusions by a slightly different approach.

330. The assessment will of course entail careful consideration as to whether the plan change meets the requirements of responsive planning provisions including whether or not it provides significant development capacity; whether it contributes to a well-functioning urban environment; and is well connected along transport corridors. I note that a finding that the proposal does provide significant development capacity is not, of itself, a 'trump card'. It is a matter to which I am to have particular regard if the qualifying matters are met. This approach does not mean that Chapter 6 of the CRPS is not relevant. They need to be carefully considered and are an important part of the overall planning framework.

Statutory Assessment

Statutory Tests

331. I have identified the statutory framework in paragraphs [16] to [18] above and I do not repeat those here.

Functions of Territorial Authorities

332. Ms White identified the relevant functions of territorial authorities pursuant to s31 in paragraphs [152] to [154] of her s42A Report.

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333. By way of summary, SDC has the function of 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;[140] the establishment, implementation, and review of objectives, policies and methods to ensure that there is sufficient development capacity in respect of housing and business land to meet the expected demands of the District;[141] and the control of any actual or potential effects of their use, development or protection of land, including for the specified purposes.[142] For completeness I note its functions include the control of the emission of noise and the mitigation of the effects of noise.[143]

334. While of course all the functions are relevant, there has been a degree of focus on development capacity and I address that issue in my subsequent assessment of the NPS-UD.

Part 2 Matters

335. As noted by Ms White in her s42a Report, pursuant to s74(1), a territorial authority must prepare and change its district plan in accordance with the provisions of Part 2 of the RMA. Ms White was of the opinion that notwithstanding the notification of the PDP, the purpose of the Act was currently reflected in the settled objectives and policies of the District Plan which PC73 does not seek to change and I agree with that general proposition. Notwithstanding that, in the context of this plan change, I am of the view that it remains appropriate to specifically address the higher order documents.

NPS-UD

336. The NPS-UD was understandably the focus of legal submissions and planning evidence.

337. Mr Phillips identified what he considered to be the principal issues to be determined in respect of the NPS-UD at paragraph [61] of his evidence. He identified these as follows:

(a) Does Policy 8 apply, noting it and Subpart 2, clause 3.8 provides for the consideration of proposals that are otherwise unanticipated or out-of-sequence with the CRPS and SDP? Specifically:

(i) Will the plan change *add 'significantly to development capacity'*?

(ii) Will the plan change *'contribute'* to *'well functioning urban environments'*?

(iii) Will the development capacity enabled by the plan change be *'well-connected along transport corridors'?*

[140] s31(1)(a)
[141] s31(1)(aa)
[142] s31(1)(b)
[143] s31(1)(d)

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(b) Is there *'at least sufficient development capacity to meet expected demand' 'at all times'* as required by Policy 2, and is the information relied on to inform this determination '*robust'* and *'frequently updated'* as required by Objective 7?

(c) Can a decision on the proposal be integrated with infrastructure planning and funding, strategic over the medium and long term, and responsive as required by Objective 6?

(d) Will the proposal be consistent with Objective 8 that New Zealand's urban environments support (Mr Phillips' emphasis) reductions in greenhouse gas emissions?

338. While I address those matters in a slightly different order, I agree with Mr Phillips' summary of the principle issues.

Will the Plan Change Add Significantly to Development Capacity?

339. Mr Tallentire did not consider either Rolleston or the Selwyn District to be the appropriate frame of reference for assessing significant development capacity. He preferred an interpretation that assesses the matter in relation to the agreed urban environment of Greater Christchurch.[144] He agreed with Ms White's report that the ultimate development capacity provided by PC73 is significant in the Greater Christchurch context but considered that a closer inspection was required.[145] In his Summary of Evidence, Mr Tallentire confirmed his opinion that PC73 does not provide significant development capacity because:

(a) The scale of the development able to be delivered at pace is not significant in relation to the urban environment;

(b) Sufficient development capacity is already identified to meet expected housing demand over the medium-term, and the proposed housing typologies do not go far enough to align with the housing needs stated in the 2021 HCA; and

(c) It would not contribute to a well-functioning urban environment that is well-connected along transport routes.[146]

340. It was his opinion that PC73 should not engage with Policy 8 of the NPS-UD.[147]

341. Given that there did not appear to be any disagreement that numerically, the provision of 2,100 household units was significant even in the context of Greater Christchurch, I do not need to spend any time in this Recommendation focusing on what is the appropriate urban environment for assessing significance. I do however record it is my view that the NPS-UD allows for a more nuanced approach of significance and how that is assessed and that determining significance only by reference to Greater Christchurch would require plan changes to meet an unreasonable threshold.

[144] Statement of Evidence of Keith Roger Tallentire on behalf of CRC and CCC 20 September 2021 at para [62]
[145] Statement of Evidence of Keith Roger Tallentire on behalf of CRC and CCC 20 September 2021 at para [63]
[146] Summary Statement of Keith Tallentire, planning, for CRC and CCC 29 September 2021 at para [7]
[147] Summary Statement of Keith Tallentire, planning, for CRC and CCC 29 September 2021 at para [8]

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342. The Ministry for the Environment Guidance[148] identifies that it is appropriate to have consideration of:

(a) Significance of scale and location;

(b) Filling identified demand;

(c) Timing of development; and

(d) Availability of infrastructure.

343. Recognising that the guidance does not form part of the NPS-UD and has no legal effect in terms of its application and interpretation, I have kept those matters in mind in my assessment.

Scale of Development Able to be Delivered "at pace"

344. Mr Tallentire noted that as outlined in the evidence provided by the Applicant, the proposal is to preclude occupation of any dwellings on the Holmes Block and enable establishment and occupation of 148 dwellings on the Skellerup Block prior to various roading upgrades. He noted Waka Kotahi's submission that completion of the State Highway 1 intersection upgrade is anticipated to be by 2026 and that this effectively limited what he would consider to be the "at pace" development of PC73 to 148 dwellings. On that basis, he did not consider the applicable scale of development to be significant in relation to the urban environment.[149]

345. I discussed the likely timing of development with Mr Tim Carter. This was largely in the context of risk and developer margins, but he noted that property development was not like a term deposit. Development takes a long time to get to market. Mr Carter advised me that taking into account earthworks, servicing, construction of roads, the selling of sections and construction of properties, that the deferral would not materially affect the development. He noted that the requirements were in relation to occupation and did not delay preparatory works being undertaken.

346. Ms Sarah White for Waka Kotahi discussed the timing of the proposed works on the State Highway improvement. She advised that she had been provided with an estimate by Mr Phillips that 223 and 224 certification for the 148 dwellings would likely occur late 2023/early 2024 with dwelling construction and occupancy to follow.

347. Ms Sarah White advised that the intersection upgrades are scheduled to commence in 2024 and therefore there would be a limited time period where crossover occurs between occupation of these dwellings and use of the existing State Highway 1/Dunns Crossing Road intersection. In discussions, Ms Sarah White discussed the process including designations. She noted that funding had been confirmed. She advised that in terms of the relevant

[148] Ministry for the Environment (2020). National Policy Statement on Urban Environment 2020, Understanding and implementing the responsive planning policies, Ministry for the Environment: Wellington, pages 5-6
[149] Statement of Evidence of Keith Roger Tallentire on behalf of CRC and CCC 20 September 2021 at para [65]

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intersection, this would be the first part of the entire construction process. She advised that the construction period would be approximately six months, subject to final design. She also advised that once the construction of the roundabout commenced, there would be traffic management in play.

348. Ms Appleyard referenced Ms Sarah White's evidence in her closing submissions. Ms Appleyard submitted that development capacity, particularly of some 2,000 homes, will inherently take some years to develop and noting that earthworks and subdivision are required. She submitted that *"There is only so quickly development can occur (sic)"*. Ms Appleyard addressed Mr Tallentire's reference to Mr Wheelans' evidence on Plan Change 67 that he could construct houses within a year. Ms Appleyard identified the significant difference in scale between that plan change and this one and noted that in any event the deferral did not prevent the actual construction of homes as the proposed condition related to occupation and not construction. I generally accept those submissions in terms of the transport related upgrades and delay.

349. As identified in paragraph [221] of this Recommendation, the Applicant has proposed a new rule preventing the establishment of residential allotments within 1,500m of the PWTP prior to certification that necessary regulatory approvals have been obtained or 31 December 2025, whichever was sooner. That line is shown on Figure 1 on the proposed ODP and covers a reasonably significant area. That would delay the creation of those lots until, potentially, 31 December 2025.

Findings

350. While the provisions incorporating deferral of development of the Holmes Block, and to a lesser extent the Skellerup Block, will obviously impact on the release of residential allotments to the market, taking a realistic view of the development process, I do not consider those deferrals to be fatal to a finding that the capacity remains significant. As outlined by Mr Carter, it appears that there will be considerable works that the Applicant can be undertaking in the meantime.

351. Overall, I generally accept the Applicant's submissions in relation to the delay issue and overall accept that the plan change would provide significant development capacity.

Is There at Least Sufficient Development Capacity to Meet Expected Demand at all Times?

352. Policy 2 requires Tier 1, 2 and 3 local authorities, at all times, to provide at least sufficient development capacity to meet expected demand for housing and for business over the short term, medium term and long term, and Policy 1(d) – support, and limit as much as possible, adverse effects on, the competitive operation of land and development markets – is met.

353. Clause 3.11 of the NPS-UD directs that when making plans, or changing plans, in ways that affect the development of urban environments, local authorities must:

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…

(b) Use evidence, particularly any relevant HBAs, about land and development markets, … to assess the impact of different regulatory and non-regulatory options for urban development and their contribution to:

…

(ii) Meeting the requirements to provide at least sufficient development capacity.

354. Sufficient development capacity is defined as:

(a) Plan enabled – that is, in relation to short term, zoned in an operative district plan; in relation to medium term, zoned in an operative or proposed district plan; and in the long term, zoned or identified for future urban use or intensification in an FDS;[150]

(b) Infrastructure ready – that is, development infrastructure is available for short term, funded for medium term, or identified in a local authority's infrastructure strategy for long term;

(c) Feasible and reasonably expected to be released; and

(d) For Tier 1 and Tier 2 local authorities, is required to meet the expected demand plus the appropriate competitiveness margin.

355. Mr Tallentire considered that there was sufficient development capacity already identified to meet the expected housing demand over the medium term, and the proposed housing typologies do not go far enough to align with the housing needs stated in the 2021 HCA.[151]

Applicant's Evidence

356. Mr Christopher Jones, a Real Estate Agent with 12 years experience selling down residential subdivisions, including in the Selwyn District, provided evidence relating to the Rolleston housing market, demand and supply. He identified a number of factors which drive people towards Rolleston being value; availability of standalone houses on reasonably sized sections at an affordable price; people moving to Rolleston in order to work in the immediate area; increase in modern amenities; and easier commute to Christchurch with the new motorway.[152]

357. In terms of demand, he considered there was an acute residential land shortage in Rolleston with demand significantly surpassing supply. He considered that this had led to inflated prices of almost 100% from the year before. He advised there had been a move away from larger section sizes with buyers looking more and more for residential sites of around 400-500m^2. He noted his understanding of the current zoning, which would enable much larger lots (mainly 4,000 – 5,000m^2). He advised that while the larger sites would sell, the demand for that

[150] NPS-UD 2020 Part 3 – Subpart 1, clause 3.4(1)
[151] Summary Statement of Keith Tallentire, planning, for CRC and CCC 29 September 2021 at para [7(b)]
[152] Summary of Evidence of Chris Jones 28 September 2021 at para [3]

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section size is nowhere near what it used to be and the same size site could better be utilised to accommodate ten modern and affordable homes for ten families.[153]

358. In terms of demand, he identified what he considered to be the key driver of the price increases, being the lack of availability. He described the market in Rolleston as particularly frantic. It was his view that if the significant shortage of residentially zoned land was not addressed soon, it would only be a matter of time before the average house and land package in Rolleston would be around $1 million as had happened in Halswell. In his view, the number of sections that could become available if the various proposed plan changes in Rolleston were approved, did not seem "particularly high" because they would not all be going on to the market and developed at the same time. In his view, it was important to enable a supply of sections capable of being released in the medium and long term, and many of these sections had already been sold, subject to zoning. He was concerned that if zoning of site is put off any longer there would be a window of no residential land being available for purchase in Rolleston which would lead to a further increase in prices. In his view, there was no risk arising from over-supply and in fact this would help appease the spike in housing prices by increasing competition and reducing panic purchases.

359. I heard from three economists, Mr Copeland, Mr Akehurst and Mr Colegrave. I have discussed the economic benefits earlier in this Recommendation. In the following paragraphs, I am addressing the supply/demand issue.

360. Mr Copeland provided a comprehensive brief which I have considered in full. For the purposes of this Recommendation I predominantly reference his Summary. Mr Copeland advised that in the period 2001 to 2020 the Selwyn District's population has grown nearly 5 times faster than New Zealand as a whole, 8 times faster than Christchurch City, and 2 times faster than Waimakariri.

361. Mr Copeland advised that the proposed development of up to 2,100 dwellings represents up to 8% of the existing dwellings in the District and up to 27% of the existing dwellings in Rolleston. He noted the Applicant's expectation that once approved development would occur over an eight year period for the Skellerup Block and then approximately over a seven year period for the Holmes Block from 2025 to 2031. He noted the Housing and Business Development Capacity Assessment Update (2020)[154] identified in section 4.1 additional housing demand of 7,127 during the 2020-2030 and 8,690 between 2030 and 2050. He also advised that the Housing and Business Development Capacity Assessment Update (2020) identifies Selwyn District's sufficiency of housing capacity of +2,543 in the short term (2020-2023), -2,737 in the medium term (2020-2030) and -18,337 in the long term (2020-2050). He noted that all of the plan change requests as at January 2021 provided for a total of 10,567 additional dwellings including those under PC73. He identified a number of factors which could result in plan changes, even if approved, not resulting in full development and noted that only

[153] Summary of Evidence of Chris Jones 28 September 2021 at para [6]
[154] Prepared for SDC meeting of 25 November 2020 by Ben Baird

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when supply or potential supply exceeds expected demand could reductions in upward pressures on residential land and house prices be expected to occur.

362. Mr Akehurst set out his expertise and noted that he had particular experience in assessing the effects of growth on existing economies and on urban form and that he had carried out significant work in assessing requirements for housing and business land to assist Councils in setting development and growth strategies and to meet their obligations under national directions.

363. Again, I do not propose to recite Mr Akehurst's evidence in full. The key points that I have taken from his evidence is that the recent growth history shows that numbers in the past nine years far exceed Statistics New Zealand's "high" projections (2018-2021) and the projection sets utilised in the SCGM.[155] He considered Council ran the risk of significantly under-counting future growth in the short to medium term, thereby under-supplying capacity to meet that future growth, failing to meet their obligations under the NPS-UD and driving prices up.[156] His evidence was that it was clear that uptake has exceeded modelled growth by a significant margin. Excluding FUDAs which are not yet plan enabled, capacity would last 3.5 years before completely exhausted based on short term growth matching the average of the past five years. He was concerned that the net result would be significant price rises as developers would be able to charge more in the face of significant supply constraints.

364. In relation to capacity, he advised that his company (Market Economics) had developed the SCGM originally in 2017 and the model used by SDC was based entirely on the Capacity for Growth Model which he explained.

365. He considered there were issues with the estimates of capacity included in the model. He identified a number of examples which cause him concern, particularly if they represent the tip of systemic errors in over-estimated capacity.[157] Matters he identified of concern included Darfield and Leeston forming part of the capacity. He considered Darfield and Rolleston would appeal to very different markets and capacity provided in Rolleston, or not provided, cannot be substituted for capacity at Darfield. He considered the same reasoning applied to Leeston and Rolleston.

366. He identified concerns with the allocation methods and data issues at the parcel level. These included: inclusion of non-urban capacity in urban measure of capacity; setbacks and reserves being included; inclusion of developed sites as capacity; inclusion of non-residential parcels; and development density assumptions. He concluded that given all of the issues, there is potentially a significant overstating of capacity within the model as it currently stands. He considered that Council should be seeking to encourage additional capacity provided by plan

[155] Statement of Evidence of Gregory Michael Akehurst 13 September 2021 at para [23]
[156] Statement of Evidence of Gregory Michael Akehurst 13 September 2021 at para [24]
[157] Statement of Evidence of Gregory Michael Akehurst 13 September 2021 at para [35]

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changes such as PC73 in order to avoid residential price rises brought about by scarcity leading to a deterioration in housing affordability.[158]

367. Mr Colegrave provided expert evidence in relation to supply/capacity. In his summary, he concluded that SDC is currently not meeting its NPS-UD obligations over either the short, medium or long term because its estimates of demand for additional dwellings are inordinately low while its estimates of likely capacity to meet that demand appears to be grossly overstated.

368. In his opinion, due to the issues he identified, additional land needs to be identified and rezoned as soon as possible to meet the NPS-UD obligations and to enable the efficient operation of the local land market.

369. Mr Colegrave considered the demand projections used in the 2021 HCA significantly understated recent trends and the corresponding estimates of capacity were "fundamentally flawed". He agreed that the HCA process can be a useful avenue to provide for future capacity, but in his view was not the only, or necessarily the best way. He considered the issue to be one of timing. Given the three year gap between each HCA and the very long lead-in times associated with both land development and house construction, relying on the HCAs to address capacity shortfalls was, in his opinion, flawed.

370. Mr Ben Baird provided a Memorandum outlining the expected growth in current and future capacity in the context of the broader strategic planning occurring across Greater Christchurch and Selwyn. He advised that the monitoring of take-up, remaining capacity and potential future demand is critical in understanding how growth is occurring within the District and how that fits with the District's strategic planning. He noted that this was primarily done through the SCGM, a spreadsheet based model that determines demand based on population projections and identifies development capacity and available land supply.

371. In terms of household demand, he advised this was generally derived from the Statistics New Zealand population or household projections with the key inputs also from Statistics New Zealand being population age, living arrangements and household formation rates which determines births, deaths and household compositions. He noted that modelled demand for housing changed depending on the Statistics New Zealand projections applied. He advised that in the past five years there had been three different projections produced for SDC. The first was developed in the Greater Christchurch 2017 Capacity Assessment; the second was developed in 2019 for the LTP and update to the SCGM; and the third was developed recently to inform the 2021 HCA using a 2018 high projection. Mr Baird's Memorandum recorded that following the nationwide lockdown in 2020, building consents have been at a record high. It recorded that what was driving that was not clear, and the growth in building consents was not in response to nationwide growth. He identified internal migration increasing as one of the potential explanations for the increase in building consents.

[158] Statement of Evidence of Gregory Michael Akehurst 13 September 2021 at para [88]

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372. The Memorandum identified surplus and shortfalls in paragraph [56] identifying a medium term shortfall of 2,089 and a long term shortfall of 13,130 within the Selwyn District. In terms of Rolleston, the medium term identified a shortfall of 2,232 and in the long term 5,174.

Findings

373. What appears to me to be readily apparent is that despite the application of the higher growth scenario in the SCGM, the number of new dwellings has significantly exceeded SDC's predictions. It appears that the model may have been under-estimating demand. This raises a risk of SDC not meeting Policy 2.

374. Mr Baird's Memorandum recorded that the shortfall could be met by the FUDA, some in Darfield and Leeston, and potential intensification work. Mr Colegrave and Mr Akehurst had concerns with the inclusion of Darfield and Leeston. Darfield and Leeston are not within the Greater Christchurch area and arguably do not provide capacity in the areas where there is the most significant demand.

375. Overall, I find that in recent times, and notwithstanding the best efforts of SDC, there appears to be insufficient development capacity in Rolleston, together with clear evidence of significant demand. SDC and CRC have taken steps to address capacity, in particular the identification of FUDAs in Rolleston, through PC1 to the CRPS. Parts of the FUDA area are subject to plan change requests and other areas within it have been granted resource consent through the COVID-19 process.

376. The evidence for the Applicant is clear that there has been, and remains, significant demand within Rolleston. The evidence was also clear that there has been insufficient capacity to meet that demand. Mr Baird's Memorandum largely supports that. I acknowledge that the lack of capacity is not the only driver for the price escalations. However, the NPS-UD focuses on supply and relies heavily on the competitive operation of land and development markets to achieve, at least, a move towards price stability.

377. In that context, it is my view that in light of the demand and the various matters addressed above, the capacity provided by this plan change is significant and there are clear capacity issues. In the context of what has been described as a housing crisis, the development capacity provided by PC73 should be given some considerable weight. To do so, however, it has to meet the remaining qualifiers in Policy 8.

Well-functioning Urban Environments

378. To qualify under Policy 8, a plan change must do more than simply "add significantly to development capacity". It must also contribute to well-functioning urban environments and be well connected along transport corridors.

379. As identified by Ms White, Policy 6 identifies the matters to which particular regard must be had when making planning decisions that affect urban environments. These include the

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benefits of urban development that are consistent with well-functioning urban environments as described in Policy 1.

380. Clause 3.8(2) specifies that for unanticipated or out-of-sequence developments that provide significant development capacity, particular regard to the development capacity is to be had if that development capacity:

(a) Contributes to a well-functioning urban environment;

(b) Is well-connected along transport corridors; and

(c) Meets the criteria set out in Clause (3), and as noted no criteria has been set.

381. Policy 1 directs that planning decisions contribute to well-functioning urban environments that, as a minimum (my emphasis):

(a) Have or enable a variety of homes that:

(i) Meet the needs, in terms of type, price, and location of different households; and

(ii) Enable Māori to express their cultural traditions and norms; and

(b) Have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and

(c) Have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and

(d) Support, and limit as much as possible adverse effects on, the competitive operation of land and development markets; and

(e) Support reductions in greenhouse gas emissions; and

(f) Are resilient to likely current and future effects of climate change.

Policy 1(a)(i) and (ii)

382. In essence, by adopting the Living Z zoning, the proposal is likely to provide housing of a typology which is largely reflective of that already existing in Rolleston. The Living Z provisions do provide for a variety. As noted in Mr Phillips' analysis, the zoning provides for a variety of residential densities, including low density (average allotment size of 650m^2 and a minimum allotment size of 550m^2), medium density small lot (maximum average of 500m^2 with a minimum of 400m^2) and medium density comprehensive (maximum average of 350m^2 with no minimum site size) with the higher density 15hh/ha residential areas located adjacent to key open spaces and green corridors. Mr Phillips' assessment noted that the proposal enables a variety in housing but other than by way of adopting existing density rules, it does not specifically prescribe them.

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383. I accept that in terms of the overall Greater Christchurch market, the plan change does assist in providing a variety of homes, particularly given the level of intensification occurring in Christchurch City itself.

384. It does however, and as identified by Ms White, remove the large lot/rural residential zoning. In doing so, it will, to a degree, reduce choice and variety in and around Rolleston. Given that this is a private plan change in relation to particular blocks of land, this does not enable an assessment of where that large lot/rural residential capacity can be replaced or provided.

385. In relation to enabling Māori to express their cultural traditions and norms, Mr Phillips' assessment noted that while there was nothing specifically addressing that issue, it would otherwise enable Māori to express their cultural traditions and norms to the extent relevant to the site and context. I acknowledge that no specific issues have been identified in relation to the site context. I consider it is essentially neutral in that regard.

Policy 1(b)

386. In terms of Policy 1(b), local retail facilities are proposed for residents within the plan change site.

Policy 1(c)

387. Ms White shared the concerns of some of the submitters that the proposal would provide limited accessibility between the proposed housing area and jobs (her emphasis) by way of active transport. She considered that the location of the site does not provide sufficient local employment to meet the needs for the potential residents and therefore relies on residents travelling for employment. She advised that it was her understanding there were not enough employment opportunities within Rolleston itself for the additional households created, and the distance to employment opportunities in Christchurch would mean active transport opportunities are not practicable.

388. In terms of active transport connection, Ms White noted that a number of recommendations had been made. Ms White accepted that if the recommendations were accepted, that would provide active transport accessibility between the site and local (her emphasis) jobs and facilities. In terms of public transport, Ms White considered there was nothing about the site that would mean it could not be served by public transport. She also noted that Our Space seeks to direct additional capacity to Rolleston (relevantly) in order to support public transport enhancement opportunities.[159] She considered the Request would therefore be consistent with that direction in broad terms. She also noted that having a compact urban form increases the ability to contribute to the uptake of public transport opportunities as well as reduced trip distances that enable active modes of transport.

[159] Our Space page 28

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389. Mr Phillips' assessment noted Policy 1(c) does not specify what form the accessibility should take. It simply seeks good accessibility for all people. In that context, his assessment considered that the site has very good accessibility given its proximity to State Highway 1, the local roading network, the rail corridor (and any future opportunities it may bring), the provision for alternative transport modes, varied densities, commercial centres, green links and reserves, and proximity to schooling.

Findings

390. I accept Ms White's opinion, and the view expressed by some of the submitters, that the proposal would provide limited accessibility between the proposed housing areas and jobs by way of active transport. This is on the basis that the location of the site does not provide sufficient local employment to meet the demands for potential residents. I agree that Christchurch is likely to remain of significant importance in terms of jobs. That makes accessibility by way of active transport somewhat difficult.

391. In terms of public transport, the site is not currently served by public transport, as is to be expected in an area which is not presently developed. Rolleston itself is reasonably well serviced by public transport and there is considerable work being done on possibilities for expanding that public transportation network. This includes consideration of rapid transit. The proposal is in accordance with the Our Space direction to direct additional capacity to Rolleston in order to support public transport enhancement opportunity.

Policy 1(d)

392. I have summarised the expert evidence of Mr Jones, Mr Akehurst, Mr Colegrave and Mr Copeland above. In my view, this proposal can clearly be seen as supporting and limiting, as much as possible, impacts on the competitive operation of land and development markets.

Policy 1(e)

393. In relation to Policy 1(e), I received expert evidence from Mr Paul Farrelly. His evidence addressed a number of matters, including greenhouse gas emissions from existing land use and future anticipated greenhouse gas emissions from the plan change. Mr Farrelly considered it important to evaluate both the emissions from the existing land use and the anticipated emissions arising from the new land use. He advised a considerable level of greenhouse gas emissions were already occurring on the Holmes and Skellerup Blocks as a result of livestock being grazed. He noted this is primarily methane which has a greater impact on global warming than carbon dioxide.

394. He advised that while new emissions will arise from the construction and operation of the dwellings, and travel undertaken by residents, those emissions would likely occur elsewhere in New Zealand if this development does not proceed, due to the need to build more houses to accommodate a growing population. Over a 90 year life-cycle, he considered energy usage

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the most significant source of emissions and that occurs in residential developments followed by embodied carbon building materials.

395. He advised that standalone or detached housing emissions are much lower on a per metre basis than the emissions of apartments or multi-storey developments, primarily as a result of different construction materials. He noted the potential for solar PV uptake is much greater on standalone homes due to the much greater ratio of useable roof area to floor area.

396. He identified the greenhouse gas emissions arising from increased travel between Rolleston and Christchurch and identified that as an issue but over time the frequency of travel between Rolleston and Christchurch will reduce due to working from home becoming more prevalent, and Rolleston's growth would result in a greater proportion of trips remaining within the local area. He also considered the greenhouse gas emissions impact of commuting trips is likely to reduce with the uptake of electric vehicles which he considered likely to be faster in the "commuter-belt" areas such as Rolleston where the daily commute distance is such that there is a strong economic incentive via fuel cost savings and the round trip distances not so long that range anxiety becomes an issue. He further noted that the uptake of EVs is likely to be greater in properties with a garage as opposed to residences located in denser urban areas.

397. In terms of the existing use of the site, he calculated emissions based on a total of 840 cows. He identified the Living 3 Zone had taken effect in March 2012 but given the land use had not changed in nine years that suggested to him the economic case for low density housing was not strong enough to encourage its development. As such he expected that if the plan change were not to go ahead, the land would most likely continue to be used for grazing. He calculated the existing land use produced 1,435 tonnes of CO2-e per annum, excluding fossil fuels used on the farm, fertiliser application and similar. If he applied the Global Warming Potential value of 28 for calculating methane, then the emissions increase to 1,607 tonnes CO2-e. He advised that was the equivalent of 16 million vehicle kilometres travelled in a typical New Zealand vehicle or the average annual electricity usage emissions for approximately 2,300 houses. He also considered that from an emissions intensity perspective (that is, emissions per resident) there is a benefit in increasing the density of housing in the development from the current zoning. For a number of reasons, he considered that the emissions/per person arising from housing can be expected to be lower for houses developed under the applicable Living Z Zone rules than those which would be developed under Living 3 rules.

398. In response to the CCC's submission, he acknowledged that 40% of people in Rolleston North currently travel into Christchurch for work or school, but he expected to see a significant reduction in the occurrence of travel between Rolleston and Christchurch as Rolleston grows and working from home becomes embedded as a new normal.

399. Overall, on balance, he considered the proposed development likely supports a reduction in greenhouse gas emissions, relative to other development opportunities available in the Greater Canterbury region.

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Discussion and Findings

400. I agree with Mr Phillips' opinion that the NPS-UD is focused on New Zealand's urban environments as a whole when addressing greenhouse gas emissions rather than strictly mandating reductions on a site by site basis. By reference to his Attachment 5, he noted that the proposed ODPs provisions for alternative transport modes, connectivity and accessibility, and the potential for servicing by public transport, would directly support reductions in greenhouse gas emissions. He considered the evidence of Mr Farrelly otherwise addresses how the proposal will support reductions including increased EV uptake and work from home, destocking and associated reduction in methane emissions, and reduced lifetime energy usage emissions associated with the predominant standalone housing typologies.[160]

401. Mr Tallentire, in his Summary, referenced the suggested uptake of electric vehicles and that current travel patterns would change as increased levels of home working became more imbedded in employment practices. He considered that those changes were at an early stage and are not without challenges in their implementation. He considered that, understandably, no authorative evidence is provided to substantiate or quantify the veracity of those trends and that any such shifts would largely be derived from advances unrelated to PC73 itself.[161]

402. I found Mr Farrelly's evidence helpful and informative. We discussed matters at some length during the hearing process. While there was no quantification of anticipated emissions from commuting, there were discussions about the increased use of working from home and the growth in electric vehicles.

403. Other than the change from the existing land use, there was nothing proposed by the Applicant to specifically address greenhouse gases or to encourage sustainable energy use. I acknowledge that linkages via pedestrian/cycle paths may assist. I also acknowledge that Our Space seeks to direct additional capacity to Rolleston (in so far as it relates to the Selwyn District) to support public transport enhancement opportunities.

Overall Finding on Policy 1

404. I remain concerned in relation to the compact form issue and what I consider to be reliance on future "infilling" to provide a compact form. Looking at PC73 on its own merits, I have some residual concern as to whether or not it contributes to a well functioning urban environment.

405. However, I accept Ms White's opinion that the proposal can broadly be considered to contribute to a well functioning environment. There are however a number of caveats on that and particularly what I perceive to be a reliance on proposals which are not presently before me and do not form part of this proposal. Notwithstanding those misgivings, on balance I consider it appropriate to have particular regard to the development capacity provided by the proposal.

[160] Statement of Evidence of Jeremy Goodson Phillips 13 September 2021 at para [66.1]
[161] Summary Statement of Keith Tallentire, planning, for CRC and CCC 29 September 2021 at para [12(c)]

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CRPS

406. As identified earlier in this Recommendation, there is a clear inconsistency of this plan change with Objective 6.2.1(3), Objective 6.2.6, Policy 6.3.1 and Policy 6.3.6. But for the NPS-UD and the responsive planning provisions, this Request would have faced an insurmountable hurdle.

407. The Request contained an assessment of the plan change provisions against the CRPS.[162] Ms White considered that assessment identified the relevant objectives and policies and agreed with the assessment except where she expressly stated otherwise.

408. Ms White addressed Objective 5.2.1 and identified the following as particularly relevant:

> *1 Achieves consolidated, well-designed and sustainable growth in and around existing urban areas as the primary focus for accommodating the region's growth;*
>
> *2 Enables people and communities, including future generations, to provide for their social, economic and cultural wellbeing and health and safety; and which: (relevantly)*
>
> *…*
>
> *(b) provides sufficient housing choice to meet the region's housing needs;*
>
> *…*
>
> *(f) is compatible with, and will result in the continued safe, efficient and effective use of regionally significant infrastructure;*
>
> *(g) avoids adverse effects on significant natural and physical resources including regionally significant infrastructure, and where avoidance is impracticable, remedies or mitigates those effects on those resources and infrastructure;*
>
> *…*
>
> *(i) avoids conflicts between incompatible activities.*

409. In terms of consolidation and well designed growth, Ms White noted Mr Nicholson's view that the Holmes Block was poorly connected and isolated from the Rolleston Township, and that the Skellerup Block would have low levels of connectivity with Rolleston and would not contribute to its compact urban form.

410. Ms White considered that Objective 5.2.1 was particularly relevant with respect to the PWTP which falls within the CRPS definition as 'regionally significant infrastructure' but considered that Objective 5.2.1(g) and (i) were also relevant to the PRRP. Ms White also noted her view that the direction in both Objective 5.2.1 and 6.2.1 was particularly relevant to the plan change and ultimately requires that the development facilitated by the Request:

[162] Table 9 of Attachment 6: Section 32 Evaluation

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(a) Does not affect the continued operation of the PWTP but also does not adversely affect the ability for upgrades and future planning associated with it to be implemented; and

(b) Does not impede the optimal use of either the PWTP or PRRP or result in conflict between the proposed higher density residential use and those facilities.

411. While noting that Mr Bender generally considers that the various proposed setback distances are appropriate to address the potential for reverse sensitivity effects to arise as a result of the odour from the PWTP and PRRP, she had concerns about the appropriateness of the proposed separation distance from the PRRP composting activity and that there was potential for reverse sensitivity effects on the PRRP to result. She also noted Mr England's concerns that the Request had the potential to frustrate the consenting and ultimately the delivery of the proposed expansion to the PWTP which was required to service this site as well as other planned growth. In its current form, Ms White considered it did not give effect to Objectives 5.2.1 and 6.2.1.

412. Ms White also had concerns in relation to Policy 6.3.5 and recorded her view that to satisfy the direction in that policy there would need to be:

(a) Satisfaction that provision of infrastructure to service the site could be done in such a way that it would not undermine coordination of the integration of infrastructure with other planned development; and

(b) Satisfaction that the development would not compromise the efficient and effective functioning of the PWTP and PRRP.

413. In her s42A Report, Ms White expressed her view that the Request did not achieve those.

414. Mr Phillips identified that he was in agreement with Ms White that the proposal is contrary to those provisions which direct where urban growth is to be located, albeit Policy 8 of the NPS-UD overcomes this conflict and allows for responsive decision-making.

415. In relation to the matters where Ms White considered conflict or tension existed, he noted that Mr Compton-Moen and Ms Lauenstein generally had addressed how the proposal will support consolidated and well designed urban form and growth and accordingly he considered the proposal (incorporating amended rules and ODP provisions) will give effect to Objective 5.2.1.

416. Referencing the evidence of the air quality experts and amendments to the rules, he concluded that the proposal would not affect the continued optimal operation of the PWTP or PRRP or the ability for upgrades and future planning associated with the PWTP to be implemented, nor result in conflict in the form of reverse sensitivity effects and accordingly would give effect to Objectives 5.2.1 and 6.2.1. He considered the proposal gave effect to the CRPS.

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417. Mr Tallentire's evidence focused on Chapter 6 noting that some of the Issues and Objectives within Chapter 5 applied across the entire Canterbury Region, while others applied outside the Greater Christchurch area.

418. He advised that Chapter 6 was promulgated to promote a more sustainable urban environment and tackle the challenges identified in the Issues. That introduced a directive framework for urban growth and development and sought to consolidate existing urban settlements. He noted this was considered as being the form of development most likely to minimise adverse effects of travel for work, education, business and recreation, minimise the costs of new infrastructure and avoid adverse effects of development on sensitive landscapes, natural features and areas of high amenity.[163]

419. He considered that Map A and the directive objectives and policies provided for certainty for development, encouraged sustainable and self-sufficient growth of the key towns, enabled efficient long term planning and funding for strategic, network and social infrastructure such as schooling and healthcare, and protected significant natural and physical resources.

420. In his paragraph [46], he identified a number of other provisions that he considered to be relevant including:

    (a) Objective 6.2.1a – that sufficient, feasible development capacity for housing is enabled in Greater Christchurch in accordance with the targets set out in Table 6.1;

    (b) Objective 6.2.4 and Policies 6.3.4 and 6.3.5 in relation to transport effectiveness and integration of land use and infrastructure;

    (c) Policy 6.3.7 in relation to densities; and

    (d) Policy 6.3.11 in relation to review and methods to demonstrate that there is available supply of residential and business land and the circumstances for initiating a review.

421. Mr Phillips in his Summary provided at the hearing addressed aspects of Mr Tallentire's evidence. He considered it important to draw attention to a number of provisions. In terms of Objective 5.2.1, he identified (b) – provides sufficient housing choice to meet the region's housing needs; and noted the anticipated environmental results; 10 – Greenfield development is provided for at a rate that meets demand and enables the efficient provision and use of infrastructure; and 21 – Sufficient opportunities for development are provided to meet the housing and business needs of people and communities – both current and future[164].

422. It was Mr Phillips' opinion that the provisions underpin and explain the rationale for the framework described by Mr Tallentire. Mr Phillips concluded that the housing needs and demands referred to are not adequately met. It was therefore his view that while the growth

[163] Statement of Evidence of Keith Roger Tallentire on behalf of CRC and CCC 20 September 2021 at para [37]
[164] Statement of Evidence of Jeremy Goodson Phillips 13 September 2021 at para [24]

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proposed by PC73 was not expressly provided for by the CRPS and related SDP provisions, it was not necessarily inconsistent with the outcomes (his emphasis) sought.

423. Mr Phillips also addressed Mr Tallentire's evidence in relation to CRPS Policy 6.3.5. He considered that it ultimately seeks the coordination of development and infrastructure. He also identified that Policy 6.3.5(2) specifically seeks that the nature, timing and sequencing of new development is *"coordinated with the development, funding, implementation and operation of … infrastructure"*. He noted that clause (2)(e) of the policy seeks that appropriate infrastructure is in place at the time new development occurs.

Discussion and Finding on CRPS

424. The issue of whether or not this proposal gives effect to the CRPS is of course somewhat complicated by the strong avoidance objectives which I have addressed above. While I have concluded that they do not preclude the approval of this plan change, those provisions, and the reasoning underlying them, remain relevant.

425. As noted by Ms White, Objective 6.2.1 is broader than simply referring to locations for urban growth, and also seeks that recovery, rebuilding and development are enabled within Greater Christchurch through a land use and infrastructure framework that:

> *9. integrates strategic and other infrastructure and services with land use development*
>
> *10. achieves development that does not adversely affect the efficient operation, use, development, appropriate upgrade, and future planning of strategic infrastructure and freight hubs;*
>
> *11. optimises use of existing infrastructure;*

426. I agree with Ms White's view that the direction in both Objective 5.2.1 and 6.2.1 is particularly relevant to the plan change and ultimately require that the proposal does not affect the continued operation of the PWTP, adversely affect the ability for upgrades and future planning associated with it, and does not impede the optimal use of either the PWTP or PRRP or result in conflict between the proposed higher density residential use and those facilities.[165]

427. Policy 6.3.5 is directly relevant. It focuses on the recovery of Greater Christchurch being assisted by the integration of land use development with infrastructure. These include identifying the priority areas for development; ensuring timing and sequencing of new development is coordinated with development, funding, implementation and operation of infrastructure. It also directs the maintenance or enhancement of the operational effectiveness, viability and safety of existing and planned infrastructure; protection of investment in existing and planned infrastructure; and ensuring new development does not occur until provision for appropriate infrastructure is in place.

[165] S42A Report at para [186]

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428. The remaining provisions of the Policy address the maintenance of efficient and effective functioning of infrastructure and that the ability to maintain and upgrade that infrastructure is maintained; and only providing for new development that does not affect the efficient use, development, appropriate upgrading and safety of existing strategic infrastructure and managing the effects of land use activities, including avoiding activities that have the potential to limit the efficient and effective provision, operation, maintenance or upgrade of strategic infrastructure and freight hubs.

429. The integration of land use and infrastructure is clearly an important policy plank of the CRPS. While I do not agree with Mr Tallentire's view that Policy 6.3.5 requires infrastructure to be in place at this stage, there is a clear directive on the need for integrated management and coordination. There is also a clear direction to avoid activities that have the potential to limit the efficient and effective provision, operation and maintenance or upgrade of the strategic infrastructure and freight hubs.

430. Given my discussion in relation to potential reverse sensitivity issues, I consider there is a clear tension with Objective 5.2.1, Objective 6.2.1, and Policy 6.3.5 of the CRPS. Assessing PC73 on its merits, I remain concerned in relation to the compact form and consolidation issue.

CLWRP and CARP

431. Ms White identified that under s75(4)(b) of the RMA, the SDP cannot be inconsistent with the regional plan, which in respect to this Request, she considered included the CLWRP and the CARP. She noted that the establishment of activities within the plan change site will either need to meet permitted activity conditions of those plans or be required to obtain a resource consent. In her view, the effects associated with requirements under the regional plans could be considered at the time of detailed development and overall she concluded that there was no inconsistency. I agree

Mahaanui Iwi Management Plan (IMP)

432. The IMP is a planning document which is recognised and has been lodged with the SDC. Pursuant to s74(2A) of the RMA, in considering this plan change, I must take it into account.

433. The Request included an assessment of the relevant provisions within the IMP at paragraphs [191] to [198] of Attachment 6: Section 32 Evaluation. Ms White agreed with the content and conclusions of that assessment. I accept that assessment. I do not consider the IMP creates any difficulties in relation to this proposal.

Consistency with Plans of Adjacent Territorial Authorities

434. Ms White identified that matters of cross-boundary interest are outlined in the SDP in Section A1.5 of the Township Volume. She noted of relevance to PC73 this includes effects on the strategic and arterial road network from people commuting between Selwyn and Christchurch, and the methods state that this is to be identified as an effect of residential growth in the SDP,

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and notes that CCC can submit on plan change issues and had not raised the inconsistency point.

435. CCC has submitted on this proposal and I have taken its concerns into account. I am satisfied that there is no relevant inconsistency to a degree that is relevant to the plan change process.

Management Plans and Strategies Prepared Under Other Acts

436. Mr Baird, Policy Analyst at SDC, provided a Memorandum addressing growth planning in Selwyn District. This was not focused specifically on this plan change but rather outlined the expected growth and current and future capacity in the context of the broader strategic planning occurring across Greater Christchurch and Selwyn. That memo identified various documents including the Greater Christchurch Urban Development Strategy 2007.

437. I have considered all the documents he has identified. The documents identified included Our Space.[166] Its focus is described as being how best to accommodate housing and business land use needs in a way that integrates with transport and other infrastructural provision, building greater community resilience, and contributing to a sustainable future for Greater Christchurch that meets the needs and aspirations of our existing communities and future generations.[167]

438. The Update addresses Selwyn (and Waimakariri) towns in 5.3. Future urban growth development areas were identified in Rolleston, Rangiora and Kaiapoi. This site was not identified.

439. Selwyn 2031 is Selwyn's District Development Strategy. Mr Baird described that as providing an overarching strategic framework for achieving sustainable growth across the District to the year 2031. He advised that it was intended to guide the future development of the District and to inform SDC's capital investment decisions.[168]

440. Strategic Direction 1 seeks to ensure that there is enough zoned land to accommodate projected household and business growth, while promoting consolidation and intensification within existing townships. Mr Baird's Memorandum recorded the drivers behind this approach as being to manage urban sprawl, maintain a clear urban/rural interface and to minimise the loss of productive farmland. He identified the key objectives supporting the strategic direction as being concentrating growth within the Greater Christchurch area, achieving efficiencies through integration of land use with infrastructure, and the maintenance of a compact urban form.[169]

441. Mr Baird also advised that the township network outlined in Selwyn 2031 seeks growth relative to the centre's role in the District.

[166] Our Space 2018–2048 Greater Christchurch Settlement Pattern Update
[167] Our Space, Message from the Strategy Partners
[168] Ben Baird Memorandum 19 August 2021 at para [23]
[169] Ben Baird Memorandum 19 August 2021 at para [24]

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442. He advised that SDC had provided for most of the new capacity for growth around Rolleston, and to a lesser extent Prebbleton and Lincoln. That distribution of capacity was preferred because it:

(a) Supports the township hierarchy of centres, including supporting ongoing expansion in retail service activities in Rolleston;

(b) Is consistent with the objectives and policies in the regional planning document, national planning frameworks and Selwyn's local plans;

(c) Provided certainty for community, SDC, government and developers partially through identifying areas around Rolleston that have been signalled as future growth area. He noted that unplanned or dispersed growth patterns can undermine the public and private investments and community;

(d) Improved the amenity of Rolleston Town Centre by contributing towards Rolleston achieving a critical mass, reducing the need to travel out of Selwyn.

443. Relevantly in terms of Selwyn 2031 and the concentration of urban expansion within the Greater Christchurch area, the issue is stated as:

> *Ensuring that sufficient and appropriately zoned land is available to accommodate up to 80% of the urban growth within Selwyn District over the next 20 years within Rolleston, Lincoln, Prebbleton and West Melton townships.*

Discussion and Findings

444. I consider the proposal is consistent with a number of the provisions of Selwyn 2031. This is particularly so in relation to the role of Rolleston being identified as a District Centre which functions as the primary population commercial and industrial base of the District.

445. In its overview Selwyn 2031 addresses the strategic approach and records that the Council is committed to establishing and implementing a strategic planning framework for accommodating the projected rapid growth rate. In particular, there is a need to coordinate urban growth with the provision of affordable infrastructure and to integrate new growth areas with existing townships. It also notes that there is a need to address the tension between accommodating growth in a consolidated manner, providing a range of housing types to meet the varying housing needs of the community, and maintaining the open rural spaciousness identity of the District.

446. To manage these issues and to give effect to the urban growth framework contained within the higher level CRPS, it notes that the Council needs to take a directive role in determining where, and in what fashion, urban growth is to occur. This is described as a change from a

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market-led to a community-led approach which was first initiated through Council's involvement in the UDS.[170]

447. Strategic Direction 1.1 identifies the strategic approach to managing urban growth. 1.2 is to concentrate urban expansion within the Greater Christchurch Area and seeks to provide sufficient zoned land to accommodate projected household and business growth and to assist with the earthquake recovery within the Greater Christchurch Area. 1.3 addresses integration of land use and infrastructure and seeks to ensure that appropriate infrastructure, resources and development capacity is in place to meet the community's needs and which is consistent with the strategic direction of urban growth. 1.4 addresses the compact urban form and seeks the promotion of consolidation and intensification within existing townships to maintain a clear urban/rural interface, retain rural outlooks and minimise the loss of productive farm land.

448. All of those matters identified are relevant. It is a document which I am to have regard to and that requires giving it genuine attention and thought and appropriate weight. A number of the matters addressed in it, including infrastructure, development capacity and similar, are addressed more specifically elsewhere in this Recommendation.

Rural Residential Strategy

449. Mr Baird identified the Rural Residential Strategy which was adopted by Council in June 2014. This is a comprehensive document, albeit, being of some age. It identifies a number of issues with rural residential development including that rural residential forms of development have been identified in the LURP, and other related strategic planning instruments, as being less sustainable than urban densities.[171] Paragraph 4.50 of that Strategy lists a number of issues which "highlight the range of trade-offs" in facilitating rural residential development.

450. The Strategy goes on to discuss peri-urban rural residential development and the table at 5.21 lists the benefits of the peri-urban rural residential form.

451. Ms White recorded her understanding, from the decisions on Plan Changes 8 and 9, that it was intended for the plan change blocks to act as a transitional hybrid edge between the rural and urban areas, as well as to provide an additional rural residential housing choice. Ms White was concerned that the rezoning would lose the transition/hybrid function and reduce this type of housing choice. She accepted that may be appropriate but in her view it was much more difficult to make that determination in isolation and in particular this rezoning did not allow for consideration of alternate areas that may be suitable to provide for rural residential development, to replace the loss of this type of capacity which would result from PC73.

452. While the existing zoning of the plan change areas preceded the Rural Residential Strategy, it is still helpful in identifying the benefits and disbenefits of the existing zoning. I agree with Ms White that the rezoning would lose the transition/hybrid function and would reduce choice

[170] Selwyn 2031 at page 32
[171] Rural Residential Strategy at [4.49]

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in relation to this type of housing. Again, I consider this is relevant to the overall appropriateness issue.

RSP

453. As noted by Ms White, the RSP was a strategy prepared under the Local Government Act and was a matter to have regard to under s74(2)(b)(i). She noted it was developed as part of delivering the UDS and sought to provide a strategic framework to manage rapid growth occurring and anticipated within Rolleston. Ms White identified the stated purpose as being *"to consider how existing and future development in Rolleston should be integrated in order to ensure that sustainable development occurs and makes best use of natural resources"*. She noted that the site was located outside the area covered by the RSP. She considered that there was inconsistency with the plan change and the RSP in that one of the urban design principles contained in the RSP is to clearly define the edge of the town through providing a strong buffer that maintains the rural feel beyond the urban limit. She noted that the current zoning reflects the intention for those areas to act as a buffer/transition area.

454. Mr Phillips noted that it had been released in September 2009 and that its boundaries were determined when the proposed Metropolitan Urban Limit for Rolleston was established and formally adopted by Council in July 2008.

455. He shared Ms White's view that the RSP offered useful principles for further development generally, rather than detailed planning for individual growth areas. He referred to Ms Lauenstein's evidence which adopted a similar position describing the RSP as a key document that still relevantly guides the overall structure and direction of growth, but not necessarily the specific or finite physical extent of growth (in terms of urban limits and/or timelines). Overall, Mr Phillips considered PC73 to be generally consistent with the principles in the RSP.

Discussion/Finding

456. Clearly, the plan change areas sit outside the RSP. The RSP is of some age but in my view it is still a very relevant document. On Mr England's evidence it remains relevant in infrastructure planning and allocation. It is not of course determinative but does assist in informing a determination as to the overall question of what is the most appropriate outcome.

Section 32

457. The proposal does not include any new objectives, or changes to the existing objectives within the SDP. The assessment required under s32(1)(a) relates to the extent to which the purpose of the proposal is the most appropriate way to achieve the purpose of the RMA.

458. The s32 report that formed part of the Request noted that the existing objectives are assumed to be the most appropriate for achieving the purpose of the RMA having previously been assessed as such. Ms White agreed.

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459. The s32 analysis identified that in regard to the more general objective of the proposal, being the purpose of the proposal, the objective is to provide for an extension of the adjoining existing urban residential area of Rolleston (with provision for some associated local business and services) in a manner that adds significantly to development capacity and provides for increased competition and choice in residential land markets.[172]

460. It went on to state that the provision for a variety of densities (including medium density and lower density development) within the plan change area was considered to be appropriate to provide choice, help address declining housing affordability, and enable persons and the community to provide for their health and wellbeing, while avoiding, remedying and mitigating potential adverse effects.[173]

Objectives and Policies of the SDP

461. As identified in the s32 evaluation, s32(1)(b) requires examination of whether the proposed plan change provisions are the most appropriate way of achieving the District Plan objectives. The evaluation addressed those in tabular form.[174]

462. Ms White generally agreed that the assessment had identified the relevant objectives, as well as a range of supporting policies. She agreed with the Applicant's assessment other than in relation to Objective B4.3.4, Objective B3.4.3, Objective B3.4.4 and Objective B3.4.5. There was no disagreement that the proposal would not achieve Objective B4.3.3 which seeks that within the Greater Christchurch area, new residential development is contained within existing zoned areas or priority areas identified within the CRPS.

463. In terms of Objective B4.3.4, Ms White noted that it seeks that new areas for residential development support the *"timely, efficient and integrated provision of infrastructure, including appropriate transport and movement networks through a coordinated and phased development approach"*. Ms White considered that objective seeks more than just looking at the ability to service a site in isolation. It expressly seeks the provision of infrastructure is undertaken in an integrated way that is coordinated and phased. She considered this was particularly important when considering if the proposal may impact on the ability for the PWTP to be upgraded to provide additional capacity, and similarly on the ability for the PRRP to increase its activities (particularly composting) to serve the growing population.

464. Ms White discussed Objective B3.4.3. She recorded that seeks that reverse sensitivity effects between activities are avoided; and Policy B2.2.5 seeks to avoid potential reverse sensitivity effects of activities on the efficient development, use and maintenance of utilities. She considered, taking into account the direction in Policy B2.2.5 as well as the overarching direction in the CRPS, the proposal needed to account for planned development of the PWTP.

[172] s32 Evaluation at para [126]
[173] s32 Evaluation at para [127]
[174] s32 Evaluation at para [128]

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465. Mr Phillips noted Ms White's reference to the directions in Objective B4.3.4, B3.4.3, Policy B2.2.5 and the overarching direction in the CRPS in regards to the efficient development, use and maintenance of utilities and infrastructure and avoiding reverse sensitivity effects. He accepted that assessment but considered the amendments to the proposal and the evidence of Ms Nieuwenhuijsen and Mr Van Kekem confirmed the proposal would achieve those objectives.

466. In relation to Objectives B3.4.4 and B3.4.5, Mr Phillips provided the full text of those provisions highlighting the use of the words "*Growth of existing townships has a compact urban form …*" and Objective B3.4.5 highlighting the words *"and adjoining townships will provide a high level of connectivity both within the development and with adjoining land areas (where these have been or are likely to be developed for urban activities …".*

467. Mr Phillips considered it notable that Objective B3.4.5 contemplates growth adjoining townships and necessarily therefore a less compact urban form for such townships as they grow outwards. Secondly, he considered that as the objective seeks connectivity within the subject land and with adjoining land which is *"likely to be developed for urban activities"*, indicated acceptance that urban growth may be detached for a period of time. Noting that, he considered Objective B3.4.4 seeks that growth (rather than the existing township as a whole) has a compact urban form and provides a variety of housing. He considered this interpretation to be consistent with Policy B4.3.6 which seeks to *"Encourage townships to expand in a compact shape where practical"* (his emphasis).

468. On the basis of the evidence of Ms Lauenstein and Mr Compton-Moen, he considered that the proposal would achieve a high level of connectivity *with adjoining land areas (where these have been or are likely to be developed for urban activities)*.

Findings

469. While I understand the rationale for Mr Phillips' view as addressed above, I do not consider that Objective B3.4.4 is in essence limited to growth rather than existing townships. My reading of the relevant provisions are that it seeks to achieve an overall compact urban form rather than simply focusing on growth. I note the explanation to Policy B4.3.6 in relation to encouraging townships to expand in a compact shape where practical, provides examples of where such may not be practical. Those matters do not appear to impact on Rolleston.

470. Having considered the evidence and submissions, in my view, there remains a degree of tension with the key SDP objectives when read as a whole. I have addressed the issues relating to potential reverse sensitivity effects earlier. I have also discussed the absolute reliance which growth in the Selwyn District has on the upgrading of the PWTP in particular. I acknowledge the methods proposed by the Applicant to address it. I retain a residual concern in relation to that infrastructure and its protection. Any risks to its ongoing operation and development, particularly in relation to the PWTP, but also in relation to the PRRP, are not

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appropriate. The importance of that infrastructure to the future growth of the Selwyn District cannot be overstated.

471. I acknowledge the potential reverse sensitivity effects could be further addressed by way of a greater setback or similar. In my view, the changes proposed by the Applicant do not go far enough to ensure that Objective B4.3.4 is implemented. Any increase in separation distances would need to be carefully considered in terms of the overall proposal and the impact it would have on development opportunities, urban design issues and similar. In my view, reverse sensitivity effects cannot be addressed, in an integrated way, simply by the inclusion of an extended setback on the ODP for the Holmes Block.

472. In terms of the compact urban form and connectivity, I consider that is less of an issue with the Holmes Block, given a number of the changes which have been put forward, and including that in respect of the road frontages.

473. Mr Nicholson remained of the view that because the Skellerup Block is surrounded on three sides by rural land, and the proposed street connections to the east onto Dunns Crossing Road, meant that the network proposed by the Skellerup Block would provide a low level of connectivity with Rolleston Township.[175] Mr Nicholson acknowledged that if the adjacent rural land is to be rezoned, then the proposed ODP would allow the Skellerup Block to become more connected in the future but he was concerned that this reliance on the rezoning of adjacent rural land meant the Applicant was effectively pre-supposing the preferred direction of urban growth for Rolleston and the outcome of future rezoning processes with adjacent rural land. I accept Mr Nicholson's evidence and again note what I consider to be the reliance by the Applicant's witnesses on what may or may not happen in the future to the surrounding rural land.

Outline Development Plans

474. Having reviewed the revised ODPs, I consider they do address all matters necessary and are consistent with the ODPs contained within the SDP.

Objectives and Policies - PDP

475. The s32 evaluation included a discussion of the PDP, while noting limited weight could be afforded to the provisions. Ms White also addressed those provisions briefly in her s42A Report. There are no decisions on the PDP and I understand there will be no decisions/recommendations until the end of the process. The urban growth objectives and policies do not, in my view, indicate any sea change from the present SDP. The evaluation acknowledged that the proposal was not consistent with the urban growth related provisions which seek to limit growth to identified locations within Rolleston.

[175] Response to Minute No 4 at [2.6

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476. Other than to note that this land is not identified for residential intensification, I do not give any weight to the provisions of the PDP at this early stage.

Benefits and Costs

477. The s32 evaluation forming part of the Request stated that three options had been considered. In fact four were addressed. Option 1 was identified as leaving the area zoned Living 3. The benefits of this option included maintenance of existing character and amenity; no time or costs arising from plan change process; no additional demands on infrastructure; and caters for demand for rural residential activity. In terms of the costs, they were assessed as not meeting market demand for residential sites in Rolleston; and an inefficient use of the land resource as the current zoning neither provides for the productive rural activity/use or efficient residential development and use.

478. Option 2 is the rezoning as proposed. The benefits and advantages include an increase in availability of allotments within Rolleston Township; economic benefit from a larger rating base; economic benefit to the landowner; provision of high quality residential amenity for future residents; and additional supply of housing which *"will assist in avoiding price rises resulting from otherwise suppressed housing supply"*. The costs and disadvantages were change in character and amenity; increase in traffic generated in and around Rolleston; additional infrastructure capacity required to be provided at developer's cost; loss of low productivity rural residential land; and potential displaced demand for rural residential housing that needs to be met elsewhere.

479. Option 3 is to apply for resource consent. The benefits were listed as the ability to more fully assess the proposal; ability to place stricter controls; and, if granted, allowed for a greater number of allotments with associated efficiency of land development. The costs and disadvantages were the need for existing and future purchasers to obtain consent if they wanted to alter uses beyond what is permitted or already consented; restricted timeframe in which land has to be developed and houses built leading to potential economic costs for landowner/developer; less flexibility; higher costs to develop the land; high difficulty of obtaining resource consent for non-complying activity status subdivisions; change in character and amenity; increased traffic; additional infrastructure capacity; and loss of low productivity rural residential land.

480. Finally, Option 4 identified the application for multiple/discrete plan changes in alternative locations. The benefits and advantages cross-referenced those accruing on this proposal together with distribution of growth to other locations. The costs and disadvantages were the same as Option 2 together with reduced economies of scale for small-scale and discrete plan changes, and fragmented/ad hoc development for multiple/small-scale proposals.

481. Overall, it concluded that the costs of Options 3 and 4 outweighed the benefits. It noted that numerically the benefits of Option 1 outweighed the costs but the lost opportunity to provide

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for additional residential housing capacity carries considerable weight. For Option 2, the proposal, it concluded that the benefits outweigh the costs.

482. Option 2 was considered to be the most effective means of achieving the objective of the proposal in a manner which adds significantly to development capacity and provides for increased competition and choice.

Conclusion on Benefits and Costs

483. I accept that PC73 does have a number of benefits and in particular the benefits of additional capacity to meet demand in an area where there appears to be a significant demand. As noted earlier, there also appear to be reasonably significant economic benefits, provided of course that this is not simply displacing growth within other areas identified within Rolleston as FDA.

484. There will be localised amenity costs which will affect the local residents. There are also the costs in relation to providing infrastructure and similar, although those costs will largely be met by the Applicant. There is a potential cost in relation to reverse sensitivity effects on the strategic infrastructure. While that cost may be of low probability, given the critical importance of the PRRP and the PWTP, any such costs would be significant.

485. I acknowledge and agree with Ms White's opinion that if it were to be found that the proposed setbacks were not sufficient to avoid reverse sensitivity effects, and houses have been established, there is a potential cost on the SDC and its ratepayers. It is unlikely that the houses would be removed. From what I understand from Council's evidence, the PRRP and the PWTP were located where they are on the basis of their separation from potential sensitive activities and that the RSP directed growth towards the south.

Need for a Comprehensive Approach

486. Mr Tallentire spent some time in his evidence discussing strategic planning in Greater Christchurch and its importance. He advised that a comprehensive spatial planning exercise has recently been initiated by the Greater Christchurch Partnership in conjunction with the delivery of the Greater Christchurch 2050 strategic framework and the establishment of an Urban Growth Partnership with the Crown.[176]

487. He considered that provided the ideal opportunity to undertake comprehensive engagement and strategically consider preferred locations for future growth, including identifying the broad locations in which development capacity will need to be provided over the long term.

488. Ms White remained of the view that the direction for future growth is better considered as part of a wider more comprehensive review and considered that the benefits of the bringing forward

[176] Statement of Evidence of Keith Roger Tallentire on behalf of CRC and CCC 20 September 2021 at para [50]

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of this capacity now did not outweigh the potential risks of predetermining the direction of growth.

489. Mr Thomson in his evidence on behalf of Gallina Nominees Ltd and Heinz-Wattie Ltd Pension Plan noted that from an urban design perspective (and ideally where statutory plans and timeframes lined up and the housing market was not overheated), there is an obvious benefit in all of the land on the west side of Dunns Crossing Road being considered in a comprehensive manner and preferably all zoned at the same time. However he was of the view, having regard to the NPS-UD directives and the need to be expeditious in bringing significant housing to the market, a more responsive approach was required.[177] Mr Thomson was helpful in discussions in relation to this issue and in summary, advised that at times it is appropriate to take some risk, giving the example of Prestons.

490. In relation to this particular plan change, I am of the view that the growth to the west of Dunns Crossing Road would be better addressed on a more strategic basis. That could potentially occur through submissions on the PDP where there is likely to be a greater ability to consider alternatives. As noted, in my view, the conclusions of a number of the Applicant's witnesses seem to place considerable weight on what was almost seen as the inevitability of development to the west. In circumstances where I am addressing this particular plan change, I am unable to make that determination on the evidence before me.

Risks of Acting or Not Acting

491. I am satisfied that I have sufficient information before me to identify the risks associated with acting or not acting. They have largely been identified and considered throughout this Recommendation. One risk of maintaining the status quo is that the land is developed in accordance with its existing zoning and could potentially impact by limiting development opportunities in the future. I note that the land has been zoned for rural residential use for approximately ten years and, as far as I am aware, no steps have been undertaken to give effect to that zoning.

NPS-UD Clause 3.11 Using Evidence and Analysis

492. I have considered clause 3.11 of the NPS-UD which provides local authorities must clearly identify the resource management issues being managed, and use evidence about land and development markets, and the results of the monitoring required by the NPS-UD, to assess the impact of different regulatory and non-regulatory options for urban development and their contribution to:

(a) Achieving well-functioning urban environments; and

(b) Meeting the requirements to provide at least sufficient development capacity.

[177] Statement of Evidence of Ivan Thomson for Gallina Nominees Limited and Heinz-Wattie Limited Pension Plan 20 October 2021 at para [16]

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493. Clause 3.11(2) requires that I must specifically refer to those matters and relevant evaluation reports and further evaluation reports prepared under s32 and s32AA.

494. I have used the HCA and evidence provided in relation to the achieving of well functioning urban environments, and the requirements to provide at least sufficient development capacity.

Section 32AA

495. Section 32AA requires a further evaluation for any changes that have been made to the proposal since the evaluation report was completed.

496. There are a number of changes proposed to the ODP. Those addressing connectivity, including the more open and active road frontage, are of benefit. However, the benefit of the other connectivity changes rely on future development on neighbouring land.

497. The changes proposed to address reverse sensitivity issues, and particularly the reconsenting of the PWTP, and those relating to transportation network improvements, may delay allotments becoming available and delay improvements in capacity.

498. The changes in relation to the maximum lot numbers pending the various roading upgrades are unlikely to cause significant delay.

499. In my view, the changes to address the potential reverse sensitivity issue do not go far enough to achieve the protection of the key infrastructure.

Section 31

500. While PC73 would certainly assist in enabling additional residential capacity and choice, I have some doubts as to whether it can achieve integrated management of effects, particularly in light of the potential reverse sensitivity effects.

Part 2 Matters

501. I note that there was largely agreement between the reporting officer and the Applicant in relation to the SDP largely reflecting and addressing the relevant Part 2 matters. No matters of national importance which are directly relevant to the site were identified. In terms of s7, this is something of a two-edged sword. Arguably the increase in density is a more efficient use of that land. However, I do remain concerned in relation to integration with the efficient use and development of the strategic infrastructure which I have discussed above.

502. In terms of s8, I accept that there are no explicit s8 matters in play. Nothing has been expressly identified in relation to this site.

503. Overall, Mr Phillips considered the proposal as amended as the most appropriate way to achieve the purpose of the RMA.

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504. Ms White concluded that the rezoning was not the most appropriate way to achieve the purpose of the RMA primarily on the basis that:

(a) In relation to the Holmes Block, there was uncertainty around the sufficiency of the buffer provided with respect to the PRRP's composting operations; and

(b) The lack of connectivity of the Skellerup Block with the surrounding area.

505. In presenting her Summary at the hearing, Ms White recorded that she remained of the view that the rezoning was not the most appropriate way to achieve the purpose of the RMA. In regards to the two key areas of disagreement, she considered that the potential impact of increased residential development on the PRRP and PWTP could likely be addressed through additional mitigation measures such as an increase to the extent of the odour constraint area and of itself did not preclude rezoning.

506. She remained of the view that the rezoning must be considered on its own merits and should not rely on the anticipation of development of the surrounding areas which do not form part of this Request. She considered that the direction for future growth was better considered as part of a wider more comprehensive review. She acknowledged that needed to be balanced against the significance of the development capacity provided. Overall she concluded that the benefits of bringing forward this capacity now did not outweigh the potential risks of predetermining the direction of growth. She considered it was ultimately a question of weight.

Overall Conclusion

507. In terms of the ultimate objective of the plan change and whether that achieves the purpose of the Act, I conclude, on balance, that it does not. That conclusion is reached after a consideration of all of the matters addressed in the body of this Recommendation and having had particular regard to the matters required. Those matters include the significant capacity which this plan change would ultimately provide.

508. Ms White's opinion was that the benefits of the bringing forward of this capacity now did not outweigh the potential risks of predetermining the direction of growth. She accepted that this was ultimately based on her placing greater weight on the latter rather than the former. In closing submissions, Counsel for the Applicant agreed with those comments but considered that the merits and benefits of bringing forward this capacity outweigh the potential risk of predetermining the direction of growth for Rolleston. I accept Ms White's opinion as correct.

509. Plan changes are of course an entirely appropriate way of addressing growth, and a method that is expressly anticipated by the NPS-UD. I am addressing the merits of this plan change as it stands. I do not consider it would be appropriate for me to place any reliance on a future environment incorporating, for example, the PC81 and PC82 sites. Those are of course subject to a separate process. I cannot place any weight on what may or may not happen on the land subject to those plan changes, or indeed other land to the west of Dunns Crossing Road.

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510. Overall, I conclude that PC73 in its current form is not the most appropriate way to achieve the objectives and policies of the relevant planning documents, including the CRPS and the SDP. I acknowledge it will provide considerable capacity and I have had particular regard to that. I acknowledge that most of the effects identified by the submitters have been appropriately addressed. I remain concerned in relation to the potential reverse sensitivity effects related to the development of the Holmes Block, and matters relating to urban form and connectivity, particularly in relation to the Skellerup Block. Ultimately I conclude that approving PC73 would not be in accordance with the purpose and principles of Part 2 of the RMA.

Recommendation

511. For the reasons above, I **recommend** to the Selwyn District Council:

(1) Pursuant to Clause 10 of Schedule 1 of the Resource Management Act 1991 the Council declines Plan Change 73 to the Selwyn District Plan.

(2) That for the reasons set out in the body of my Recommendation, and summarised in Appendix A, the Council either accept, accept in part or reject the submissions identified in Appendix A.

David Caldwell
Hearing Commissioner
Dated: 1 March 2022

SUBJECT TO DECISION OF COUNCIL

REPORT

TO: Chief Executive Officer

FOR: Council Meeting – 23 March 2022

FROM: Jocelyn Lewes, Strategy and Policy Planner

DATE: 8 March 2022

SUBJECT: **PRIVATE PLAN CHANGE 76 – REZONING OF LAND IN ROLLESTON**

RECOMMENDATION

'That the Council:

a. *accepts the recommendation of the independent Commissioner in regards to Private Plan Change 76 from Dunweavin 2020 Limited to rezone land in Rolleston;*
b. *pursuant to Clause 29(4) of the First Schedule of the Resource Management Act 1991, approves Private Plan Change 76 for the reasons given in the Commissioner's recommendation dated 7 March 2022;*
c. *approves the public notification of Council's decision that establishes that the Operative Selwyn District Plan is deemed to have been amended in accordance with the decision in (b) above from the date of the public notice in accordance with Clause 11 of the Resource Management Act;*
d. *approves the inclusion of Plan Change 76 in the Council's Variation of the Proposed District Plan, consistent with the resolution of Council on 23 February 2022; and*
e. *delegates the Team Leader Strategy and Policy to take any steps necessary to give effect to recommendations (b), (c) and (d) above.*

1. PURPOSE

This report seeks a decision from Council that Private Plan Change 76 (PC76) be approved in accordance with the Commissioner's recommendation dated 7 March 2022 (**Attachment 1**) and that it be confirmed for inclusion in the Operative Selwyn District Plan. It further seeks a decision from Council that the plan change area be included within the scope of the Council's Variation to the Proposed District Plan (PDP) in response to the Resource Management Act (Enabling Housing Supply and Other Matters) Amendment Act 2021 (the Amendment Act).

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

This report does not trigger the Council's Significance Policy. Considering to accept the Commissioner's recommendation as Council's decision is a procedural requirement of the Resource Management Act 1991 (the Act).

3. HISTORY/BACKGROUND

PC76 is a private plan change initiated by Dunweavin 2020 Limited to rezone approximately 13 hectares of Rural (Inner Plains) zoned land to Living Z zone, to enable

residential development on the south-western edge of Rolleston with frontage to East Maddisons Road, as shown in Figure 1.

Figure 1- Aerial photograph of PC76 area (outlined by blue dash) (Source: Selwyn District Council Maps)

The following is the general timeline of the plan change's progress so far through the statutory process:

- Formally received by Council on 21 December 2020.
- Accepted by Council on 12 May 2021.
- Publically notified on 2 June 2021.
- Hearing held on 1 November 2021.
- Hearing Commissioner's recommendation provided on 7 March 2022.

Following notification on 2 June 2021, the plan change attracted six submissions and no further submissions.

4. PROPOSAL

An independent Planning Commissioner, Mr David Caldwell, was appointed to consider all the relevant material in respect of the plan change and to make a recommendation to the Council on the plan change and the submissions received.

This recommendation relates to whether the plan change should be approved, approved with modification (in accordance with the scope provided by the plan change) or declined. The final decision on whether or not this recommendation and, as a consequence the plan change, should be adopted is the responsibility of the Council.

For the reasons set out in his recommendation, the Commissioner recommends that Plan Change 76 be approved and that the matters raised in submissions are accepted, accepted in part or rejected.

In addition to the rezoning request, the changes sought to be made to the Operative District Plan through the Commissioner's recommendation include:

- Amending Policies B4.3.9 and B4.3.76 of the Township Volume to reference a new Outline Development Plan (ODP)
- Introducing a new ODP for the request area to coordinate the subdivision and development of the site and integrate this into the wider environment.

5. OPTIONS

In accordance with Clause 29(4) of the First Schedule of the Act, Council may decline, approve, or approve with modifications, the plan change.

a. Approve

Through the process set out in the Act, the Commissioner has considered that PC76 is generally appropriate in terms of the s32 tests and meets the purpose and principles set out in Part 2 of the Act in promoting sustainable management.

Specifically, it will enable people and communities to provide for their economic and cultural wellbeing by provision of additional residential development in Rolleston, in a location which has been specifically identified for potential urban growth, and in a manner where the effects of that development are acceptable and appropriate.

The Commissioner considers that PC76 clearly assists in the implementation of the preferred urban form for Rolleston as has been identified through the Rolleston Structure Plan, and will 'give effect' to the Canterbury Regional Policy Statement and the National Policy Statement on Urban Development. The Commissioner concluded that PC76 will enable the supply of a range of housing types to assist in addressing supply capacity issues and clearly contributes to a well-functioning urban environment. As such, approving the rezoning is the most appropriate outcome.

b. Approve with modifications

The Commissioner considered that the plan change will implement the policies, and is appropriate in achieving objectives, of the District Plan.

As such, it would be inappropriate for the Council to amend any of the findings contained in the Commissioner's recommendation in the absence of hearing the submissions and considering the substantive material that has been considered.

c. Decline

It is considered that it would be inappropriate for the Council to decline the plan change, as this would be contrary to the recommendation of the independent Commissioner who has determined, through the statutory processes, that the plan change is appropriate.

Recommended Option:

It is recommended that Council accepts the Commissioner's recommendation and approve PC76.

If the Council accepts the Commissioner's recommendation and approves PC76, then PC76 will continue along the statutory RMA process, with the decision being publicly advertised and notice being served on all submitters. A 30-day appeal period is provided to lodge an appeal against the decision to the Environment Court.

Usually, if at the end of the appeal period no appeal has been received, Council staff, under delegation, would take the necessary steps to make the plan change operative and amend the District Plan as appropriate. However, in light of the requirements of clause 34 of the Amendment Act, it is recommended that Council does not make the plan change operative following the conclusion of the appeal period (or the resolution of any appeals should there be any). Instead, pursuant to the decision of Council on 23 February 2022, it is recommended that Council instead includes the plan change in the Variation to the PDP as this plan change request is within Rolleston; is within a Future Urban Development Area (FUDA) as identified in the Canterbury Regional Policy Statement, and has been recommended for approval.

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected and Consultation

These matters are addressed in the recommendation of the Commissioner, with the mandatory public notification, serving of the notice of the request on potentially affected parties and submissions processes required under the RMA having provided appropriate opportunity for interested parties to participate in the private plan change process. The mandatory public notification and submissions processes required under the RMA has provided the wider public an opportunity to participate in the private plan change process.

(b) Māori and Treaty implications

No wāhi tapu or wāhi taonga sites of cultural significance within the plan change area have been identified. No submissions were received from Mahaanui Kurataiao Ltd who act on behalf of local rūnanga on environmental and resource management matters.

(c) Climate Change considerations

PC76 will assist in responding to climate change by enabling development in Rolleston that is a logical extension to the existing township boundary; provides for a consolidated urban form; and provides pedestrian and cycle linkages to community infrastructure.

7. FUNDING IMPLICATIONS

The funding implications are limited to any appeal proceedings. All costs incurred in notifying the decision are on-charged to the private plan change proponent.

Jocelyn Lewes
STRATEGY AND POLICY PLANNER

Endorsed For Agenda

Tim Harris
GROUP MANAGER ENVIRONMENTAL AND REGULATORY SERVICES

Attachment 1: Commissioner’s Recommendation Report [37 pages]

BEFORE THE SELWYN DISTRICT COUNCIL

IN THE MATTER OF	Clause 21 of the First Schedule of the Resource Management Act 1991 (Plan Change 76)
AND	
IN THE MATTER OF	Dunweavin 2020 Limited
	Applicant

RECOMMENDATION OF COMMISSIONER DAVID CALDWELL

Dated 7 March 2022

SUBJECT TO DECISION OF COUNCIL

Hearing Held: 1 November 2021

Appearances:

Council:

Mr Craig Friedel – Consultant Planner for Selwyn District Council

Mr Murray England – Asset Manager- Water Services with Selwyn District Council

Mr Mat Collins – Associate in Transportation Planning at Flow Transportation Specialists

Ms Gabi Wolfer – Senior Urban Designer/Town Planner with Selwyn District Council

Applicant:

Mr Alex Dunlop – Applicant and Land Owner

Mr Ivan Thomson, Senior Planner with Aston Consultants – Planning

Ms Lisa Williams, Transport Engineer and Planner, Novo Group Limited – Transportation

Ms Nicole Lauenstein, Urban Designer and Architect, Director a + urban, – Urban design

Submitters

Ms Hayley Moynihan and Mr Michael Moynihan – landowners

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ABBREVIATIONS TABLE

CCC	Christchurch City Council
CRC	Canterbury Regional Council/Environment Canterbury
CRPS	Canterbury Regional Policy Statement
FDA	Future Urban Development Areas
GCP	Greater Christchurch Partnership
HCA	Greater Christchurch Housing Development Capacity Assessment 30 July 2021
LTP	Long Term Plan
LURP	Land Use Recovery Plan
MIMP	Mahaanui Iwi Management Plan
NPS-UD	National Policy Statement – Urban Development
ODP	Outline Development Plan
Our Space	Our Space 2018-2048: Greater Christchurch Settlement Pattern Update Whakahāngai O Te Hōrapa Nohoanga
PC76	Private Plan Change 76
Pines WWTP	Pines Wastewater Treatment Plant
RMA	Resource Management Act 1991
RSP	Rolleston Structure Plan
SDC	Selwyn District Council
SDP	Operative Selwyn District Plan
UDS	Urban Development Strategy

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Introduction

1. I have been appointed by the SDC to conduct a hearing and make a Recommendation on PC76 to the Operative SDP.

2. The hearing was held at the Selwyn Sports Centre on 1 November 2021. The Applicant's Reply was received on 10 November 2021. The hearing was formally closed on 29 November 2021.

3. I have not included a specific summary of all of the documents considered, evidence provided and submissions made. All of that information is publicly available and has been uploaded to SDC's plan change site at www.selwyn.govt.nz/pc76. I refer to the relevant evidence, submissions and other documents, when addressing the particular issues and statutory provisions. I have carefully considered all of the relevant documents, evidence and submissions.

PC76

4. PC76 is a private plan change initiated by Dunweavin 2020 Limited to rezone approximately 13 hectares of Inner Plains land to Living Z. This is to enable residential development on the south-western edge of Rolleston with frontage to East Maddisons Road. Development is proposed to be in accordance with an ODP to ensure an integrated approach to residential development including provision of appropriate road linkages to the existing urban and possible future urban areas to the west and south of the site.[1]

5. PC76 sought a number of specific changes including:

   (a) Rezoning the land from Rural (Inner Plains) to Living Z on the Planning Maps;

   (b) Adding the ODP in Appendix E38 of the SDP Planning Volume to coordinate subdivision and development of the land;

   (c) Referencing the site as one of 14 Living Z areas and the ODP in Policy B4.3.9;

   (d) Including specific matters relevant to the implementation of PC76 in Policy B4.3.77;

   (e) Undertaking any consequential amendments (such as renumbering).

6. PC76 was formally received by SDC on 21 December 2020. A Request for Further Information was issued on 11 February 2021. It was accepted by SDC for notification pursuant to clause 25(2)(b) of Schedule 1 to the RMA on 12 May 2021. Public notification occurred on 2 June 2021. A summary of submissions was publicly notified on 21 July 2021 with the further submission period closing on 4 August 2021. 6 submissions were received. There were no

[1] Application for Private Plan Change dated 14 May 2021

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further submissions. 2 of the submissions were in support, 2 in support in part and 2 were essentially neutral.

Site Visit

7. I undertook a site visit on 10 November 2021. I spent some time traversing the surrounding area. I went on to the Moynihans' property which enabled me to obtain a good view of that part of the plan change area and surrounding properties. I also went down the driveway of the other sites. I was able to observe the terrain of the area, the water race, and the existing foliage. The site visit provided me with an understanding of how PC76 fitted in with and was linked to the surrounding areas.

The Site and Surrounding Environment

8. The Request provided a detailed description of the plan change site and surrounding area.[2] It was further described in the s42A Report, together with a description of the context.[3] I accept those descriptions are accurate and adopt them for the purpose of this Recommendation.

9. In terms of context, the site is located within the boundary of the RSP 2009. It is within the Projected Infrastructure Boundary in the CRPS. Following the Request being lodged, the application site was subject to a decision on Plan Change 1 of the CRPS. The site now sits within the Rolleston FDAs as shown on the CRPS Chapter 6 Map A.

Statutory Framework

10. The Request[4] and the s42A Report[5] contained helpful summaries of the statutory framework.

11. The Environment Court has provided a comprehensive summary of the mandatory requirements in its decision in *Long Bay*.[6] This was updated to reflect changes to the RMA in 2009 in the Environment Court's decision in *Colonial Vineyards.*[7]

12. The general requirements are:

    (a) The district plan (change) should accord with and assist the local authority to carry out its functions under s31 and to achieve the purpose of the RMA;[8]

    (b) When preparing the district plan (change) the territorial authority must give effect to any National Policy Statement, a National Planning Standard, the New Zealand Coastal Policy Statement and the operative Regional Policy Statement;[9]

[2] Application for Private Plan Change dated 14 May 2021 at paras [4] – [8]
[3] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at paras [2.1] – [3.4]
[4] Application for Private Plan Change dated 14 May 2021 at paras [92] – [114]
[5] [5] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at paras [6.1] – [6.9]
[6] *Long Bay – Okura Great Park Society Inc v North Shore City Council* A078/08
[7] *Colonial Vineyards Limited v Marlborough District Council* [2014] NZEnvC 55
[8] s74(1)(a) and (b) of the RMA
[9] s75(3)(a), (ba) and (c) of the RMA

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(c) When preparing its district plan (change) the territorial authority shall:

(i) Have regard to any proposed Regional Policy Statement;[10]

(ii) Give effect to any operative Regional Policy Statement;[11]

(d) The district plan (change) must not be inconsistent with an operative Regional Plan for any matter specified in s30(1) or a Water Conservation Order,[12] and must have regard to any proposed Regional Plan on any matter of regional significance;[13]

(e) The territorial authority must also have regard to any relevant management plans and strategies under other Acts, and must take into account any relevant planning document recognised by an iwi authority and lodged with a territorial authority, to the extent that its contents has a bearing on the resource management issues of the district;[14]

(f) The policies are to implement the objectives, and the rules are to implement the policies;[15]

(g) The plan change shall have regard to the actual or potential effects on the environment of activities including, in particular, any adverse effects.[16]

13. Section 32 requires that:

(a) Each proposed policy or method (including each rule) is to be examined, having regard to its efficiency and effectiveness, as to whether it is the most appropriate method for achieving the objectives of the district plan taking into account the benefits and costs of the proposed policies and methods, and the risk of acting or not acting if there is uncertain or insufficient information;

(b) If a National Environmental Standard applies, and the proposed rule imposes a greater prohibition or restriction than that, then whether the greater prohibition or restriction is justified in the circumstances;

(c) The objectives of the proposal (here the stated purpose of the proposal) are to be the most appropriate way to achieve the purpose of the RMA;[17]

(d) The provisions in PC76 are the most appropriate way to achieve the objectives of the SDP and the purpose of the proposal.[18]

[10] s74(2)(a)(i) of the RMA
[11] s75(3)(c) of the RMA
[12] s75(4) of the RMA
[13] s74(2)(a)(ii) of the RMA
[14] s74(2)(b)(i) and s74(2A) of the RMA
[15] s75(1)(b) and (c) of the RMA
[16] s76(3) of the RMA
[17] s32(1)(a)
[18] s32(1)(b)

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Assessment of Actual or Potential Effects on the Environment/Matters Raised in Submissions

14. The Request identified and addressed the environmental effects of the proposed change at paragraphs [16] – [73]. These were:

    (a) Township growth and urban form;

    (b) Neighbourhood and wider community effects;

    (c) Well-functioning urban environments;

    (d) Landscape and visual effects;

    (e) Effects on ecosystems and habitats

    (f) Effects on natural and physical resources;

    (g) Effects on tangata whenua values;

    (h) Discharges of contaminants into the environment;

    (i) Risks from natural hazards and hazardous installations;

    (j) Geotechnical assessment;

    (k) Contaminated land;

    (l) Economic effects;

    (m) Climate change effects;

    (n) Positive effects.

15. Mr Friedel identified the key matters either raised by submitters, or necessary to be considered in ensuring that SDC's statutory functions and responsibilities are fulfilled, at paragraph [7.2] of the s42A Report. He identified those matters as:

    (a) Urban form, density, enabling social and affordable housing, and character;

    (b) Infrastructure servicing;

    (c) Transportation network;

    (d) Land suitability and geotechnical risk.

16. Mr Thomson considered there were three issues raised in the submissions with those being:

    (a) Urban form, density, enabling social and affordable housing, and character;

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(b) Public transport network;

(c) Amenity effects.

17. Before undertaking this assessment, I record that the Reporting Officers provided a Joint Officer Summary Statement. I consider that document to have been very helpful and efficient. It enabled participants to focus on matters which were in dispute.

Urban form and density,

18. Mr Friedel identified that the Request included an assessment of the influence that the rezoning may have on the urban form of Rolleston, the rationale for the 12hh/ha, why it was identified as being an optimal minimum density for the site, and the amenity implications and expectations in respect to the site, both in terms of its current and future states.[19] He identified the relevant submissions, including H & M Moynihan (S76-003-001) who supported PC76 as a logical extension to the residential zone supported by infrastructure, consistent with relevant RMA framework and includes the submitter's land. They requested their dwelling and curtilage be recognised and accounted for within the ODP.

19. Submitter D & D Corry (S76-002-001) supported PC76 in principle but identified concerns that the roading layout in the ODP may impact on their amenity and requested no additional roading connections be provided from the site to East Maddisons Road beyond what are illustrated on the ODP notified.

20. CCC (PC76-0005) neither supported nor opposed PC76. Its submission requested that the minimum density be increased to 15hh/ha. CRC (PC76-0006) also requested that the Council consider increasing the minimum density to 15hh/ha.

21. Mr Friedel supported the relief sought by H & M Moynihan that the Request be granted as it is a logical extension to the Living Z Zone. He identified that the PC76 site is within the RSP boundary, is an FDA in Our Space, and is identified as an FDA within the Projected Infrastructure Boundary on Map A of Chapter 6 of the CRPS.[20] He considered that the rezoning would implement the preferred urban form of Rolleston that has been determined through the spatial plans to give effect to the CRPS and NPS-UD. He noted the preferred urban form includes the site and encompasses the remaining pockets of rural land between the current township and the "urban containment boundaries" of State Highway 1 to the north-west, Selwyn Road to the south-west, Weedons Road to the north-east and Dunns Crossing Road to the south-west.[21]

22. Mr Friedel addressed density in some detail. He generally supported the position of CCC and CRC that an increase to the minimum net densities would achieve efficiencies in the coordination of land use and infrastructure, support mixed land use activities and multi-modal

[19] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [7.3]
[20] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [7.5]
[21] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [7.6]

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transport systems, and protect the productive rural land resource. He also noted an increase in minimum densities will implement the RSP which indicates that densities as high as 20hh/ha should be considered for greenfield areas through higher and medium density areas that utilise locational attributes. He agreed that there were a broader range of benefits that can be achieved as household densities incrementally increase, and where intensification is coordinated and intensified.

23. He analysed the GCP Density Report referred to in the CRC and CCC submissions and ultimately concluded that while an increase to 15hh/ha in principle was supported, the minimum density of 12hh/ha enables PC76 to give effect to the CRPS pending any changes to it or the underlying land use zone in the future to increase minimum household densities.[22]

24. Mr Thomson identified density as the key matter of concern raised by submitters. Mr Thomson referenced Mr Friedel's report. He supported 15hh/ha in principle but considered that relatively small development sites such as this one did not provide the flexibility to enable the significant areas of comprehensively planned residential medium density needed to achieve 15hh/ha in an attractive way. He agreed with the recommendations of the Density Report that densities around 12hh/ha should be used in new developments until several constraints have been overcome (e.g. more leadership from public agencies, public/private partnership models, overcoming negative public perceptions).

25. Ms Lauenstein considered that increases in density were a key tool to consolidate urban environments and noted that to achieve densities of 12hh/ha this would require the inclusion of different building typologies such as detached 2-3 storey terrace housing. She considered that the design concept showed that the higher density areas could be located in areas that are in close proximity to recreational open space to compensate for the reduced private outdoor spaces on individual properties. Overall, she considered that the proposed ODP could *"easily support the increased densities and integrate medium density building typologies as part of a residential neighbourhood without compromising the amenity for residents"*.[23]

26. Ms Wolfer also supported the amount and distribution of density proposed.[24] Ms Wolfer did have some concerns about the medium density "cluster" that was placed immediately to the northern boundary and considered low density to be a more appropriate response to continue the principle of low density perimeter buffer at the interface with neighbouring developments.

27. In reply, Mr Thomson accepted Ms Wolfer's position in relation to the removal of the medium density notation placed to the northern boundary. Mr Thomson saw merit in that because of the potential impact (real or perceived) on an established lower density residential area. He advised that the ODP had been amended accordingly.

[22] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at paras [7.7] – [7.13]
[23] Brief of Evidence of Nicole Lauenstein 14 October 2021 at paras [42] – [44]
[24] Evidence of Gabi Wolfer at para [10.6]

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Findings

28. In my view, and based on the evidence, PC76 clearly assists in the implementation of the preferred urban form for Rolleston as has been identified through the RSP and various other documents. I agree entirely with Mr Friedel's conclusion that the rezoning to Living Z will implement the preferred urban form of Rolleston that has been determined through the spatial plans to 'give effect' to the CRPS and NPS-UD. I accept his view that the ODP will further ensure that the site is integrated into the urban form of Rolleston through connections to the wider transport and infrastructure networks and community facilities such as open space reserves, commercial centres and community facilities.[25]

29. In terms of density, I have carefully considered all of the evidence in relation to this issue and I accept that while an increase to 15hh/ha may in principle represent a more optimum use of the site, it is not required by either the CRPS or the SDP. I consider the proposed densities are appropriate. That density is comparable to that of other greenfield areas in Rolleston; and is consistent with the policy direction in the CRPS, Our Space, and SDP. I accept that the zoning requested does allow for increases in density in response to movements in market preferences and the influence of other externalities.[26]

30. In relation to the removal of the medium density housing adjacent to the indicative east to west aligned primary road directly adjacent to the Olive Fields subdivision, I am largely neutral on which is the most appropriate. I accept on the evidence, that the removal of the medium density cluster adjoining the Olive Fields subdivision would achieve a more concentric distribution of density across the site. While it will result in a minor reduction in medium density areas, it is not to such a degree as to render the change inappropriate. I am not however convinced that it is necessary.

Enabling Social and Affordable Housing

31. The submissions from CCC and CRC both identified that the GCP was developing a Social and Affordable Housing Action Plan and sought that its recommendations be incorporated into PC76. No copy of that Action Plan was provided although it is addressed in the HCA in 5.4 in particular. Social and affordable housing is an important issue for Selwyn. There is little social housing in the District. Table 26 of the HCA identifies under the heading Public Housing, 13 in Selwyn and 14 assisted rental giving a total 27.

32. Our Space 2019 identifies a number of future actions which include a social and affordable housing action plan, density review, investigation of a single growth model and various other matters. I understand from Mr Baird's Memo and Ms Wolfer's evidence that the action plan is

[25] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at paras [7.6]
[26] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [7.12]

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in development, has not yet been approved by the GCP and cannot therefore be considered as part of the private plan change process.[27]

33. In terms of affordability and social housing, noting the absence of a comprehensive policy framework and any evidence from the submitting councils, it is difficult to see how such could properly be considered and incorporated into this plan change.

34. I note the NPS-UD primarily focuses on capacity and supporting competitive land development markets to address supply. Enabling the plan change would enable supply of around 155 lots. That may contribute to competition and potentially affordability of housing.

35. I recommend the submissions seeking the recommendations be incorporated into PC76 be rejected.

Amenity and Character

36. Ms Lauenstein and Ms Wolfer provided comprehensive and helpful evidence in relation to this issue.

37. Ms Wolfer described the existing residential development in the north, and proposed future residential development on surrounding areas, as cumulatively having an impact on the character and outlook of the site. She noted that part of the existing natural characteristics of the site included flat topography, large open fields with clusters of vegetation framed by tall shelterbelt plantings which allows for intermittent views to the Alps and the Port Hills. She described the physical site characteristics to the north as suburban and the site itself as having a rural-residential character. She considered the proposal would alter the site to be aligned with the residential suburban character to the north.

38. Ms Wolfer largely agreed with the mitigation measures identified in the Request as MM1-4, MM7 and MM8. She agreed with the intent of MM5 but that fencing could be adequately addressed at the subdivision stage, and she did not consider that rural fencing and screen planting as proposed by MM6 was an appropriate long-term solution at the interface of urbanised residential development. In terms of MM9 she considered that while the views would change with the removal of tall shelterbelts, the benefits from alternative views will be to residential, rather than rural properties, as stated by the Applicant. Overall Ms Wolfer was supportive of the rezoning and her concerns related more to matters of detail.

39. Ms Lauenstein prepared the technical report for PC76 as lodged and an updated report as part of the response to further information dated 22 March 2021. Ms Lauenstein addressed the character and amenity. She noted the site is surrounded by areas that are either established urban residential developments, residential developments of an urban capacity currently under construction, or areas identified for residential development in the FDAs. She

[27] Memorandum Ben Baird 1 October 2021 – Growth Planning in Selwyn District at para [23](c) and Evidence of Gabi Wolfer at para [12.4] – [12.6]

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considered it could be expected that the entire south-west corner of Rolleston will intensify for residential development. She noted that PC76 had adopted the same residential zoning as already exists in the surrounding area. This, in her opinion, would ensure coherence. She considered the change from rural to urban to be appropriate for the setting on the edge of the township and therefore would not change the overall landscape values and character experienced within the wider receiving environment.[28]

40. She acknowledged there would be modification to the character and that some of the aspects of the open character of the rural site would be maintained through various matters which she identified.[29] She noted that most of the rural vegetation character would be removed and street trees and private garden plantings would provide a foil for the denser urban built form and ensure a high amenity is created for public spaces and streetscapes. She discussed the proposed neighbourhood park and its values.

41. She considered, given the proximity to the urban edge of Rolleston, the change in character to residential would be perceived as a natural extension of the township. Such a change did not, in her opinion, preclude the proposal from creating a high amenity environment. She considered the amenity effects were acceptable and anticipated.

42. Mr Friedel considered that any expansion to an urban area will typically alter peoples' appreciation of that area through a change in the environment that they have become accustomed to over time.

43. He referenced Selwyn 2031, the RSP, Our Space and Map A to the CRPS which he considered had all signalled to the community that the PC76 site would transition to residential over time. He noted that those statutory and non-statutory initiatives had involved extensive public consultation and public decision-making processes.

44. He also identified Policy 6(b) of the NPS-UD which expressly anticipates that urban environments and the amenity values that are attributed to them will develop and change over time.[30] He considered that the large number of requests being considered by SDC had the potential to impact on the wider character and amenity of Rolleston, but they must each be considered on their merits and cumulative effects assessed on a case by case basis. It was his opinion, given the timing and limited scope of PC76, and the fact that the site is located within the RSP, and identified as an FDA on Chapter 6 Map A, removed any concerns that the granting of the Request could undermine the character and amenity of the township.

45. In relation to the submission by D & D Corrie, he referred to, and supported, Ms Wolfer's evidence that the area is transitioning from rural to suburban where changes in amenity associated with the extension to the road network are anticipated. He considered that the provision of an additional tertiary or secondary roading connection onto East Maddisons Road

[28] Brief of Evidence of Nicole Lauenstein 14 October 2021 at para [28]
[29] Brief of Evidence of Nicole Lauenstein 14 October 2021 at para [29]
[30] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [7.17]

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to achieve a safe, convenient and efficient transport network should be prioritised over any reduction in the landowner's amenity. He noted that the submitter's property was subject to the Living Z Zone that anticipates the changes to occur, and the submitter's relief is best addressed through the subdivision process.

46. In terms of this submission, Ms Willams noted that any future local road connections for property access would be determined at the subdivision stage and the main road connection to East Maddisons Road is well separated from the submitter's property. She understood they supported that location.[31]

47. In relation to the submission of H & M Moynihan, and the recognition of their dwelling and associated curtilage area in the ODP, Mr Friedel noted that as they are the current landowner they are able to determine if and when the property is developed and the size of the curtilage around the existing dwelling. He identified opportunities that Ms Wolfer had raised in relation to retaining mature trees and curtilage areas. He considered that there were subdivision matters of discretion to enable this to be determined once a detailed scheme plan and layout was developed and assessed by SDC, and that was the better process for the submitter's relief to be addressed.

Findings

48. I accept Mr Friedel's evidence in relation to the associated curtilage area. This is not to, in any way, minimise the concerns of H & M Moynihan. Ms Moynihan attended the hearing and presented helpful submissions and comment. From my site visit, the curtilage around the existing dwelling certainly presents as a pleasant area. Any concerns can be addressed through subdivision and ultimately, through the Moynihan's ownership. A plan change such as this is enabling, not directive.

49. I accept the evidence of Ms Williams and Mr Friedel in relation to the matters raised by submitters D & D Corrie.

50. On the basis of the evidence summarised above, I consider that amenity and character effects have been appropriately addressed. Granting the Request would clearly enable a change to the character and amenity of the site, but that has been clearly signalled through the various planning documents. In that context, any effects on character and amenity are in my view minor and appropriate. Details of mitigation measures can of course be addressed at subdivision stage.

Water Race

51. By the end of the hearing, the primary disagreement between Ms Lauenstein and Ms Wolfer related to the water race. Ms Wolfer considered the water race, which runs parallel to East Maddisons Road before turning west and then further south along the western boundary to an

[31] Brief of Evidence of Lisa Marie Williams 13 October 2021 at para [17]

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adjacent site, was a strong feature. She noted the water races had been identified as one of the oldest heritage features in the District, and that they can also add visual amenity to a neighbourhood if upgraded and visually incorporated into a reserve. She advised that Mr Ryker, Council's Open Space and Strategy Manager, supported an integrated approach where the water race could be aligned along the road or public reserve corridor. Ms Wolfer advised that she had consulted with a surface water engineer who had confirmed that the water race was not on SDC's closure list. In her view, piping of the water race would be a lost opportunity of adding value to the site and public space, noting that it had been successfully demonstrated elsewhere in the District at Farringdon, Westfield and Stonebrook subdivisions.[32]

52. Ms Lauenstein understood the desire to keep the water race for amenity. She also noted that it created a tangible connection to the character and history of both the site and to the District. In her view it was not compatible with a higher density residential environment for several reasons. These included:

- Technical and practical concerns – that is difficulty in designing services, conflicts with perpendicular underground pipes and similar;
- Issues around water flow given it is an artificial water race and part of the rural infrastructure, there is no guarantee long-term that the water would remain. If it were eventually shut down, what would happen to the channel?
- Health and safety concerns – risk to children drowning depending on depth of water;
- A disconnecting element as bridges or culverts would be needed for pedestrian and cyclists which creates limited opportunities for movement across the water race; and finally
- Ongoing maintenance and related costs.[33]

53. It was her view that the only place where parts of the water race could be expressed without conflict was in the neighbourhood park, and if and how that was integrated is a matter for detailed design. For the purposes of the ODP, she did not consider it should be included.

54. Mr England also discussed the water race issue, advising that there are a number of ways to treat it. These include incorporating it within the development. He advised that the water race closure process requires 80% of downstream users' approval before going out to consultation and ultimate SDC decision to approve or otherwise. It was his evidence that the ultimate treatment could be determined at subdivision consent stage and that there were viable means to manage the water race.

55. In the Applicant's Reply, Mr Thomson recorded the key agreed positions are (relevantly):

[32] Evidence of Gabi Wolfer at paras [10.14] – [10.17]
[33] Brief of Evidence of Nicole Lauenstein 14 October 2021 at para [51]

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> *There are practical difficulties (including safety) with incorporating the water race as a feature of the proposed development, and it will be closed. Consideration should be given at the subdivision design stage on how to recognise the historical significance and/or amenity value where it is practical and safe to do so.*[34]

Findings

56. As part of my site visit I viewed the Stonebrook playground and surrounding area. The water race there has been incorporated into the subdivision. It runs within the lineal park. It has been naturalised in parts, widened in parts, and appears to be a key feature. In the context of that subdivision, it appears to me that the treatment of the water race included provides a significant positive contribution to the amenity of the area. It clearly illustrates that the water race system can be properly and safely incorporated into residential developments.

57. In my view this is a matter which can be appropriately addressed at subdivision stage. Mr Friedel considered that the subdivision matters within the Living Z Zone framework would provide the opportunity for Ms Wolfer's recommended amendments to be considered at that stage.[35] The final proposed ODP addresses this as follows:

> *Retaining the existing water race through the site is not considered practical and the intention is to close it. Consideration should be given to appropriately recognising the amenity and heritage value of the former water race where practical, including interpretive information.*

58. I am happy with that wording other than the reference to "former". That wording, in my view, presupposes the water race will be closed. That is the subject of a completely separate process and the outcome of that process cannot be determined at this stage. I therefore recommend the following change:

> *Consideration should be given to appropriately recognising the amenity and heritage value of the ~~former~~ water race where practical, including interpretive information.*

Conclusion on Above Effects

59. I have carefully considered all of the evidence and submissions made in relation to the matters addressed above. I agree with the opinions of Mr Friedel and Mr Thomson that there are no issues arising from the matters discussed above which would lead to PC76 not being appropriate.

Infrastructure Servicing

60. The Request included an infrastructure servicing assessment based on a report by Service Limited. This was provided as Appendix 6 of the Request. The submitters T Gourley and K Goldsworthy (S76-0001-001) supported the plan change Request but sought that the termination point of the water race be relocated to a road reserve off Chris Drive or a Council

[34] Reply by Ivan Thomson, Aston Consultants Limited, 10 November 2021 at para [3.i.]
[35] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [7.24]

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reserve which they considered would provide benefits to the current landowners and plan change proponents as well as SDC in terms of future maintenance and use of land.

61. As identified by Mr Friedel, the ability to coordinate the cost-effective and efficient provision of infrastructure services and aligning future development with SDC's strategic planning is a relevant consideration to the overall appropriateness of changes to land use zonings.[36]

62. Mr England provided officer comments in the s42A Report. He also attended the hearing. Mr England has the responsibility of managing SDC's Five Waters which include potable water, wastewater, stormwater, land drainage and water races.

63. In terms of water supply, Mr England described the Rolleston Water Supply as providing UV treated deep water groundwater to Rolleston community from various bores which supply water to the network either directly online or via reservoir and booster stations. He provided a scheme layout as his Appendix 1. He also noted that several other wells were planned or drilled but not yet operational.[37] He advised that the water take consents limit the maximum rate of water based on a range of controls. The maximum take from the scheme is limited to 7,183,440 m^3/year. He noted that some of the bores had daily limits. He advised that over the last three years, the maximum supply demand was 19,200 cubic metres per day and 3,300,000 cubic metres per year. This meant consenting capacity for some growth is available.[38]

64. He then addressed future growth demand and discussed the master planning undertaken by the SDC in response to the accelerated growth. He advised that this provided an assessment of the sizing and timing of new infrastructure and the development of a water balance to forecast growth using historical peak demand per household. He identified the significant growth forecast in Rolleston over the next 30 years and discussed the capacity upgrades proposed to meet the growth, including additional water sources, storage and pipeline infrastructure. He advised that the 2021-31 LTP included budget for further development funded capacity upgrades on the Rolleston Water Supply.[39]

65. He noted that as the township grows, consented allocation will be under pressure and that to ensure growth was appropriately integrated with the provision of infrastructure, and planned growth is able to be serviced, priority water allocation needs to be given to those developments within the RSP area.[40] He confirmed that this was within the RSP area and consented water can be made available.

66. He concluded that additional capacity in the network to service this plan change is available and further capacity upgrades are proposed and planned for, and therefore future water demand can be met. He noted that development contributions would be payable.

[36] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [7.32]
[37] Officer Comments of Murray England at para [6]
[38] Officer Comments of Murray England at para [8]
[39] Officer Comments of Murray England at para [12]
[40] Officer Comments of Murray England at para [13]

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67. In terms of wastewater, again he described the process, identified that wastewater is treated and disposed of at the Pines WWTP, noted that SDC consulted on the expansion of the Pines WWTP to cater for growth as part of the 2021-22 LTP, noted that that plant was currently at or near capacity with upgrades currently underway and additional upgrades planned and budgeted for.[41] He advised that the Pines WWTP was designed to be progressively upgraded to accommodate up to 60,000 person equivalents (PE) with plans to increase the treatment capacity up to 120,000 being prepared. He noted the connections from Darfield and Leeston were planned within the next 3-4 years which, along with projected growth, were estimated to require additional treatment processes beyond the 60,000 PE to meet incoming flows. He advised that those upgrades were planned and budgeted for within the SDC 2021-2031 LTP.

68. He was satisfied that conveyance of wastewater was feasible and that the extension of the Pines WWTP to 120,000 PE capacity had been identified and funded within the LTP with design and consenting works programmed for the forthcoming year for development within the District including this proposed plan change request.

69. In terms of water conveyance, he confirmed that connection of the proposal's wastewater network to the SDC's reticulated network was feasible, and there would be a requirement for the internal wastewater network to be in places oversized to accept flows from the wastewater catchment above the proposed development. That would be subject to engineering approval in the future.

70. In terms of stormwater, he noted that discharge of stormwater to ground is appropriate and that resource consent for stormwater discharge would be required. He considered there are viable means to dispose of stormwater.

Findings

71. On the basis of the clear evidence of Mr England, and the discussions I had with him at the hearing, I am satisfied that there are no infrastructure network constraints that prevent the Request from being granted. As noted by Mr Friedel, there is planning in the LTP to fund the construction of necessary infrastructure upgrades for Rolleston and they were well advanced. He noted further that the rules within Part C12 Subdivision of the SDP and the associated engineering approval processes would require the necessary infrastructure and utility services to be in place before any allotment could be sold.

Transportation Network

72. The Request included an integrated transport assessment prepared by Novo Group Limited.

73. Mr Friedel summarised the submissions which identified effects on the transportation network.[42] These were: D & D Corrie – impacts on amenity; CCC identified a large proportion

[41] Officer Comments of Murray England at para [24]
[42] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [7.40]

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of vehicle movements to and from Christchurch, with limited options to access public transport and raised a query in relation to greenhouse gas emissions; CRC raised similar concerns and queried whether it was consistent with Policies 1 and 8 of the NPS-UD in relation to a well functioning urban environment and Policy 6.3.4 and 6.3.5 of the CRPS in respect to ensuring an efficient and effective transport network is in place to service the site.

74. The Ministry of Education raised concerns in relation to congestion and safety effects and requested traffic effects be assessed and mitigated before the plan change was approved. Specific concerns included need for safe crossing for children and families of East Maddisons Road, and options to ensure safety of pedestrians and cyclists during peak pick-up and drop-off times.

75. Mr Collins provided a detailed transportation report by way of peer review.[43] That report addressed Rolleston transport projects relevant to PC76, a review of traffic modelling for the Rolleston area including the PC76 proportion of the cumulative network effects of all of the Rolleston proposed plan changes. He also reviewed the assessment of the intersections from the proposed road/East Maddisons Road and East Maddisons Road/Goulds Road. He considered both intersections would continue to operate acceptably.[44]

76. He recommended that the ODP indicated a requirement for the requester to deliver the frontage upgrade for East Maddisons Road. He considered that the proposed transport network shown on the ODP aligned with adjacent developments. He recommended an amendment to show a direct east-west primary road through the site. He further recommended that the ODP should provide an east-west route through the site. Mr Collins also provided a detailed summary of the submissions and his comments on them in tabular form.[45]

77. Ms Williams provided transportation evidence on behalf of the Applicant. She noted the proposed zoning was estimated to generate around 140 trips in the evening peak hour and that the ODP included a north-south and east-west secondary road connection and walking and cycle connections to key destinations. In her summary presented at the hearing, she advised that there had been a further change to the ODP since her evidence had been prepared. This related to the consolidation of future pedestrian and cycle connections in the southern corner of the ODP area to one location. She considered this location provides for connections to key destinations towards the south.

78. She advised there was broad agreement between herself and the Council officers on the transport effects and that the ODP had been updated in response to the officer's report, including a more direct alignment of the secondary road connection between East Maddisons Road and the land to the west, and addition of a shared path along this corridor. She noted that pedestrian and cycle connections were also provided to East Maddisons Road near the

[43] Private Plan Change 76: Dunweavin Transportation Hearing Report October 2021
[44] Private Plan Change 76: Dunweavin Transportation Hearing Report October 2021 at para [5.1] and[5.2]
[45] Private Plan Change 76: Dunweavin Transportation Hearing Report October 2021 Appendix A

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northern and southern end of the ODP. The only point she remained unclear about was a recommendation in relation to aligning the primary road network within PC76 with the roading network established in the subdivisions on the opposite side of East Maddisons Road.

79. Ms Willams had carried out a review of the subdivision consents opposite the site which did not show any road connections and noted that it was within Rolleston ODP Area 10 of the SDP and did not indicate any direct connections from East Maddisons Road towards the east. She considered the central location of the main road connection was appropriate.

Findings

80. By the time of the commencement of the hearing, there was little disagreement between the transportation experts. The only matter of which there remained some uncertainty was the issue of the alignment of the primary road network with that established in the subdivisions on the opposite side of the road.

81. I discussed this issue and others with both Ms Wiliams and Mr Collins. In reply, Mr Thomson provided a slightly amended ODP in light of those discussions. Relevantly, he advised that the ODP had been amended to indicate a local road in the north-east part of the site that will provide connectivity with existing and potential roading layouts on the opposite side of East Maddisons Road in ODP Area 10. He noted the removal of one of the pedestrian/green links in the south-west corner, additional ODP narrative text to confirm property accesses anticipated at East Maddisons Road, and additional ODP narrative text relating to the frontage treatment to include reference to the Code of Practice.

82. Overall I am satisfied that the transportation effects have been well traversed and satisfactorily addressed.

83. In terms of D & D Corrie, there is potential for the roading network to impact on the submitter's amenity from traffic generated from the site and on to East Maddisons Road. In the context of this plan change, any effects are likely to be minor and are anticipated.

84. In relation to the Ministry of Education, I accept that with the development of PC76 being integrated within the wider network improvements, potential effects of concern can be appropriately managed and addressed.

85. In relation to CCC and CRC, and the wider transport effects and public transportation, the network within PC76 will be designed to ensure that it does not preclude the efficient provision of public transport services. I agree with Mr Collins that the funding and implementation of a public transport system is a matter for Rolleston as a whole rather than a site-specific matter relating to this plan change.

86. For completeness, in relation to the higher density sought by CCC and CRC, from a transportation effect, in my view that would have little benefit or disbenefit either in terms of effects or on enabling public transportation.

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Land Suitability and Geotechnical Risk

87. The Request identified and assessed the likely risk of contaminated soils, land suitability, versatile soils resource and natural hazard risks. A geotechnical assessment was provided along with a preliminary site investigation and an infrastructure assessment.

88. Mr Ian McCahon of Geotech Consulting Limited provided a geotechnical report peer review which concluded that the site would be "benign" and agreed with the conclusions that the land was suitable for rezoning. He identified that additional information may be required to evaluate the appropriateness of any future subdivision application.

89. I am satisfied that there are no geotechnical or other issues in relation to land suitability which would preclude the granting of this Request.

Overall Conclusion On Effects/Matters Raised in Submissions

90. Overall, having considered all of the submissions, the evidence and reports, I consider PC76, with the additional matters proposed by the Applicant to address specific concerns, that the actual and potential effects on the environment, and matters raised by the submitters, have been adequately and appropriately addressed. A number of effects and matters identified will of course be subject to further scrutiny at consent stage in accordance with the Living Z framework.

91. I find that there is nothing in relation to the effects or the other matters addressed above which would render this plan change inappropriate.

Statutory Assessment

Statutory Tests

92. I have identified the statutory framework in paragraphs [11] to [13] above and I do not repeat those here.

Functions of Territorial Authorities

93. Mr Friedel identified the relevant functions of territorial authorities pursuant to s31.

94. Relevantly, SDC has the function of 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; the establishment, implementation, and review of objectives, policies and methods to ensure that there is sufficient development capacity in respect of housing and business land to meet the expected demands of the District; and the control of any actual or potential effects of their use, development or protection of land, including for the specified purposes.

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95. Mr Friedel supported the plan change proponent's conclusions that PC76 will enable SDC to continue to carry out its functions under the RMA. He noted that this included ensuring that there was sufficient plan enabled development capacity in respect of housing land to meet the expected demands of the District. He was of the view that the Request was necessary to provide sufficient housing capacity as it would facilitate the development of an FDA identified in CRPS Chapter 6 and Our Space. He considered that the ODP as amended, in combination with the underlying Living Z zone rules, would achieve integrated management and all potential affects associated with the use, development and protection of the land can be effectively managed.[46]

96. I agree that PC76 will enable SDC to continue to carry out its functions under the RMA.

Statutory Documents

97. Mr Friedel noted that the District Plan must (a) give effect to any operative national policy statement (s75(3)(a)) and any regional policy statement (s75(3)(c)); (b) have regard to any management plan or strategy prepared under other Acts (s74(2)(b)(i)); (c) take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority, to the extent that its content has a bearing on the resource management issues of the district (s75(2A)); and (d) not be inconsistent with any regional plan (s75(4)(b). That is a helpful summary.[47]

NPS-UD

98. Mr Friedel considered that the planning context which was outlined in Section 2 of the s42A Report, and summarised in SDC's Technical Memo on Growth Planning,[48] to be an important touchstone when evaluating the extent to which PC76 'gives effect' to the objectives and policies of the NPS-UD. He considered that this confirmed that an urban consolidation approach had been applied through the UDS, LURP Actions, Our Space, Selwyn 2031, and the RSP which have been implemented through the SDP and the CRPS.[49]

99. Mr Friedel discussed the Technical Memo on Growth Planning. He noted this outlined how housing capacity within the District had been assessed, how further capacity intended to be provided to meet projected demand, and why the proposed distribution of capacity – focused primarily on Rolleston – had been preferred.[50]

100. Mr Friedel considered PC76 to be consistent with Objectives 1 and 2 and Policies 1 and 6 of the NPS-UD as it would enable a variety of homes to meet the estimated market demand for feasible development capacity within the medium term timeframe provided in the CRPS and in doing so would support the competitive operation of land and development markets. He

[46] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [8.4]
[47] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [8.6]
[48] Appendix 7 to the s42A Report
[49] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [8.8]
[50] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [8.10]

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considered this was demonstrated by the fact that PC76 will assist in providing additional housing capacity in accordance with the FDA in the CRPS Chapter 6 Map A and Our Space, the Selwyn 2031 township network and the residential growth areas in the RSP.[51] I agree and adopt that assessment.

101. CRC's submission which, while neutral, considered that a determination needed to be made that the scale of the proposed development would deliver significant development capacity under Policy 8 and that development needed to better align with identified housing needs.

102. Mr Friedel noted that PC76 is identified as a location where SDC and community would prefer urban growth to be located based on the spatial plans and statutory instruments, and the Request could not be considered to be unanticipated or out-of-sequence for development in the context of Policy 8. It was his view that the identification of land as an FDA in the CRPS and Our Space confirmed the PC76 site is part of the responsive planning undertaken within the Greater Christchurch Sub-region to add development capacity and contribute to well-functioning environments. He considered that PC76 to be consistent with Policy 8 of the NPS-UD.

103. Again I agree entirely with that analysis. PC76 will provide additional plan enabled capacity for approximately 155 mixed density sections. That will assist in meeting the projected medium term capacity shortfall for the District. It will assist Council in meeting its obligations under Policy 2 which requires it, at all times, provides at least sufficient development capacity to meet expected demand for housing and for business land over the short term, medium term, and long term for the District. In doing so, the Request also assists SDC in carrying out its functions under s31(1AA) by ensuring there is sufficient demand capacity in respect of housing and business land to meet the expected demands of the District.

104. Mr Friedel considered that PC76 represents a well-functioning urban environment as it would be able to satisfy the NPS-UD Policy 1 criteria and Policy 6 to some extent, including (a) enabling homes and the needs of different households at a density which was above that provided for in the CRPS and SDP; (b) supporting and as much as possible limiting adverse effects on the competitive operation of land and development markets; (c) having good accessibility for people between housing, jobs, community services, natural spaces and open spaces, including by way of public or active transport; and (d) supporting the reductions of greenhouse gas emissions through current and future SDC and Greater Christchurch Partnership transport initiatives.[52]

105. Mr Friedel expanded on his assessment in the following paragraphs of his report while noting that Rolleston remained to some extent reliant on Christchurch City for employment and access to services and facilities, and that the rezoning would inevitably increase demand on the strategic transport network associated with commuter traffic. He also acknowledged that

[51] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [8.11]
[52] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [8.15]

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the site and township do not have employment opportunities or access to large-scale public transport when compared to residential greenfield areas in the country's large metropolitan centres, but that Our Space had directed additional capacity to Rolleston to support public transport enhancement opportunities. He also noted that it supports the compact urban form and that the employment offerings in Rolleston have been progressively increased.[53] Again I accept and adopt that reasoning.

106. He considered that the PC76 site was more optimal than alternative locations outside the FDA in terms of achieving the urban consolidation principles in the CRPS, UDS and Our Space and that there had been significant investment in preparing spatial plans (including Selwyn 2031 and the RSP), investing in network capacity upgrades and public transport funding to manage effects from the projected growth. He acknowledged that PC76 was unlikely to reduce greenhouse gas emissions without SDC and sub-regional initiatives but considered that would be challenging for any Tier 1 urban environment that was not within a metropolitan centre and located in close proximity to significant public transport facilities. Based on the recommendations contained in Mr Collins and Ms Wolfer's evidence, he was satisfied that the changes would promote connectivity, encourage active travel modes and improve access to future transport facilities.

107. In terms of Objective 6 and Policy 1 in relation to the integration with infrastructure planning and funding decisions, he noted the alignment of the Request with SDC's infrastructure planning. In reliance on Mr England's evidence that there was sufficient capacity in the reticulated public water and wastewater networks and feasible options to manage stormwater, he considered it to be consistent with those aspects of Objective 6 and Policy 1.[54] Again, I agree with and accept that analysis.

108. Mr Friedel concluded, in the s42A Report, by stating that he did not consider PC76 to be contrary to the objectives and policies of the NPS-UD. I discussed that conclusion with him during the hearing. I queried whether that was the appropriate test. In those discussions, Mr Friedel confirmed that it was his view that granting the Request would give effect to the relevant provisions of the NPS-UD.

109. Mr Dunlop's evidence in terms of the "severely restricted" supply of zoned residential land in Rolleston within the last 18 months was also relevant in terms of the implementation of the NPS-UD. He was of the view that it had been obvious for at least two years that there would be a shortage of zoned land and the failure to address that issue had caused a steep increase in the price of sections that were coming onto the market. He considered that constrained supply had meant that supply and demand equations were out of sync, noting that in some instances section prices had doubled in the last 12 months. He noted that he had pre-sold all sections in the proposed Stage 1 of the land containing this Request, being 48 sections, with an estimated settlement date of February 2023, and a further 25 sections had been sold in

[53] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [8.16]
[54] s42A Report on Submissions Relating to Plan Change 76, 7 October 2021 at para [8.19]

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Stage 2 with an estimated settlement date of December 2023. At that stage, another 29 were going on to the market. He concluded that the price rise of sections was primarily caused by the lack of available residential zoned land.

110. During discussions, we discussed other matters which may have contributed to that including the low interest rates and COVID stimulus. He acknowledged that, but considered the shortage of supply was a critical matter.

111. Mr Thomson identified in his evidence that the Request had assessed the change against the NPS-UD and he did not propose to repeat that. He relied on Mr Friedel's analysis and concluded that the change gives effect to the NPS-UD by being an integral part of, and contributing to, an existing well-functioning urban environment.

Finding

112. I accept the conclusion of Mr Thomson and the conclusions of Mr Friedel in relation to this issue. I consider, for the reasons traversed in Mr Friedel's analysis in particular, that granting this plan change would implement the NPS-UD. The site is land which has been identified as suitable for future urban development, will enable the supply of a range of housing types to assist in addressing supply capacity issues and, in my view, it clearly contributes to a well-functioning urban environment.

CRPS

113. The Request identified and traversed the relevant objectives and policies of the CRPS focusing on Chapter 5 – Land Use Infrastructure, and Chapter 6 – Recovery and Rebuilding of Greater Christchurch. It also addressed Chapter 9 – Ecosystems and Indigenous Biodiversity; Chapter 11 – Natural Hazards'; Chapter 12 – Landscape; Chapter 15 – Soils; and Chapter 17 – Contaminated Land.

114. Mr Thomson noted that there was acceptance by both himself and Mr Friedel that the plan change was in accordance with the provisions of the CRPS. In his opinion, Change 1 to the CRPS, which came into effect and inserted into the CRPS as Policy 6.3.12 in July of 2021, was the key statutory document. He confirmed that this provides for the rezoning of land within the FDAs depicted on Map A in Chapter 6 through district plan change processes. Mr Thomson recorded that the policy establishes several criteria to be considered when deciding whether to put a residential zone in place. He considered that those matters had been well covered by Mr Friedel. He agreed with Mr Friedel's statement at 8.31 of the s42A Report that Change 1 is the most critical consideration when evaluating PC76.[55]

115. Mr Thomson noted that one of the matters to be determined was a demonstrated need to provide further feasible development capacity through the zoning. He elaborated on that further. He noted that the evidence of Mr Dunlop also highlights what Mr Thomson considered

[55] Statement of Evidence of Ivan Thomson on behalf of Dunweavin 202 Limited 12 October 2021 at para [12]

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to be an urgent need to bring more land to the Rolleston market as expeditiously as possible. Mr Thomson addressed the HCA released in July 2021 and attached the relevant tables to his evidence.

116. Mr Thomson considered the situation in Rolleston was urgent. He noted that the rate of take-up in Rolleston over recent years has averaged around 400hh/annum or the equivalent of around 30-35ha/annum through the past two years, noting that in the past two years the take-up had exceeded this. Mr Thomson, after traversing the various figures, was of the view that they suggest that all the FDA land needs to be made available now to enable housing development to start in the Rolleston area as soon as possible.

117. Mr Thomson identified what he considered to be other important requirements of Policy 6.3.12. These included that the development would promote the efficient use of urban land and support the pattern of settlement and principles for future urban growth. He noted that development of the site needs careful integration to the Town Centre, current and potential employment areas and community facilities, and he considered that was achieved through development in accordance with the ODP and the RSP. He recorded that the site is part of SR5 in the Structure Plan and that was programmed as Phase 2 (2017-2026) in the Townships development sequence. He advised that the sequencing under the RSP evolved from PC1 to the CRPS (2007) and the sequencing was removed in the amended CRPS which was inserted into the LURP in 2013. Nevertheless, he considered the staging contained in the RSP to be a useful framework.[56]

118. Mr Thomson addressed the question of aligning with provisioned and protection of infrastructure in accordance with Objective 6.2.4 and Policies 6.3.4 and 6.3.5. He addressed Policy 6.3.4 and integrating transport infrastructure and land use, including reducing auto-dependency and promoting public and active transport. He considered that not all developments will be able to provide immediate access to the public transport system but ODPs (individually or collectively) need to ensure they provide spine routes that enable a public transport service if needed and, just as importantly, provide connectivity for local trips through pedestrian and cycle links. He considered that the ODP, particularly incorporating amendments suggested by Mr Friedel, provided adequate opportunities to integrate into the surrounding transport network. I agree.

119. Again in terms of Policy 6.3.5 and integration of land use and infrastructure, he advised that was directed at ensuring that the nature, timing and sequencing of new development are coordinated with the development, funding, implementation and operation of transport and other infrastructure. He considered the matters were all dealt with in either Mr Collins' or Mr England's report, and that there were no issues which would affect the feasibility of the proposed development.

[56] Statement of Evidence of Ivan Thomson on behalf of Dunweavin 202 Limited 12 October 2021 at para [21]

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120. Again, I agree. In doing so I have carefully considered the reports and evidence of both Mr Collins and Mr England.

121. In terms of Policy 6.3.12(4), which requires the development to occur in accordance with an ODP and the requirements of Policy 6.3.3. He noted the requirement that ODPs and associated rules must be prepared as either a single plan for the whole of the FDA or, where an integrated plan adopted by the territorial authority exists for the whole of the FDA, the ODP is consistent with that integrated plan. In those circumstances, the ODP can be part of that integrated plan. Mr Thomson considered that because the RSP existed, the requirement is for the ODP to be consistent with the integrated plan.

122. Mr Thomson considered that due to the relative size of the PC76 ODP, many of the requirements of Policy 6.3.3 did not apply. He considered it was especially important to ensure that, as a minimum, three waters (where appropriate) and movement networks for this ODP integrated with other private plan changes. It was his opinion that it does so. He considered that because stormwater is to be discharged to ground, there is limited scope, if any, for a blue network to be shown on the ODP.

123. Again Mr Friedel provided a comprehensive assessment against the CRPS and again noted that Chapter 6 of the CRPS applies urban consolidation principles to manage urban growth and development across the Greater Christchurch sub-region. He considered that the CRPS and SDP Living Z zone are the primary mechanisms for implementing the UDS, Our Space and RSP.

124. In terms of Chapter 6.2.2 (urban form and settlement patterns), he noted this establishes that any expansion to the Township is to be within the residential greenfield priority areas or FDA in Map A. Again he noted that the PC76 site is identified within the RSP, Our Space and an FDA on CRPS Map A, and that the rezoning therefore aligned with the preferred urban form and was consistent with a desired consolidated settlement pattern.

125. On the evidence, Mr Friedel was satisfied that the plan change was consistent with Objective 6.2.1 and 6.2.2 and Policy 6.3.1 and 6.3.7. He also considered that it was consistent with Objective 6.2.3 and Policy 6.3.2 and 6.3.3 in relation to coordination. Again in terms of Objective 6.2.4 (integration of transport and infrastructure and land use) and relevant policies, on the basis of Mr Collins' evidence, he considered that PC76 is in sequence with the planned transport network upgrades being coordinated through the LTP and overall was consistent with Objective 6.2.4 and Policy 6.3.4.

126. Mr Friedel also considered Policy 6.3.12 (FDAs) to be the most critical in evaluating PC76. He considered that the provisions were met noting the feasibility of development capacity was addressed by the SDC's Technical Memo on Growth confirming that PC76 would contribute to medium-term plan enabled capacity that had been identified as being required. In terms of efficient use of urban land, he again noted it was consistent with the preferred urban form and would go some way to meeting the desired consolidated settlement pattern identified and that

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minimum density would promote opportunity for higher densities and would improve housing choice and mix when considered against the minimum 10hh/ha requirements in Policy 6.3.7.

127. He again identified that it was in sequence and was well integrated. He considered the prerequisites set out in Policy 6.3.11(5), based on Mr England's evidence, were met. He identified natural hazards were not an issue.

128. Overall, he considered the identified pre-requisites for enabling the FDA were satisfied, subject to some amendments which were proposed (and I note largely adopted) and that it was consistent with the relevant objectives and policies of the CRPS.

Findings

129. Again I have had the benefit of considerable evidence in relation to this issue. I consider that Mr Thomson and Mr Friedel both identify the key issue being Policy 6.3.12.

130. I agree that PC76 satisfies the pre-requisites for enabling the FDA to be rezoned. That issue was carefully addressed both in the evidence and in discussions at hearing.

131. Again, the relevant objectives and policies of the CRPS have been fully addressed in the evidence and I am satisfied that PC76 gives effect to the CRPS.

Canterbury Land and Water Regional Plan and Canterbury Air Regional Plan

132. Pursuant to s75(4)(b) of the RMA, the district plan cannot be inconsistent with the regional plan. I note that the establishment of activities within this site, including in terms of discharge of stormwater, will need to meet the permitted activity conditions of those plans or obtain resource consent. I agree with Mr Friedel that there is nothing about the site or its proximity to other land uses that would preclude future consenting processes should PC76 be granted. I also acknowledge that neither CRC nor CCC have raised any direct incompatibility issues.

MIMP

133. The MIMP is a planning document which is recognised and has been lodged with SDC. Pursuant to s74(2A) of the RMA, in considering this plan change, I must take account of the MIMP.

134. It was addressed in paragraphs [174] to [181] of the Request. The assessment recorded that in respect to general objectives and policies the plan change and the application site would not affect landscapes, or sites of cultural significance (Chapter 5.8). The site does not contain areas of significant biodiversity and it seeks to include landscaping within reserves and road corridors adding to overall biodiversity of the Canterbury Plains consistent with Chapter 5.5 of the MIMP.

135. The assessment identified that the full urban reticulation with the three waters was proposed and that the plan change had been designed taking into consideration the potential effect of

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resultant subdivision and development on the rivers and streams that flow into Te Waihora/Lakes Ellesmere. It is also noted there were no identified sites of significance and that the site had had a long history of use for lifestyle and grazing purposes.

136. The assessment concluded that the plan change would not have adverse impact on the cultural values of iwi as set out within the MIMP. Mr Friedel agreed with that assessment and conclusions as to why.

137. I have taken the MIMP into account in this Recommendation and I agree that there is nothing about the plan change which would indicate that it may have adverse impact on the cultural values of iwi.

Consistency with Plans of Adjacent Territorial Authorities

138. Matters relating to cross-boundary interests are addressed in the SDP in Section A1.5 of the Township Volume. As identified in the Technical Memo on Growth Planning, the cross-boundary issues associated with rezoning are primarily identified and managed through the Greater Christchurch Partnership arrangements.

139. In terms of the impact on the sub-regional transport network as identified particularly in the CCC submission, I agree with Mr Friedel, and as discussed in Mr Collins' evidence, the funding and implementation of an improved public transport system and network upgrades are required for Rolleston as a whole, rather than a specific consequence of this Request.

140. Ms Williams considered that the rezoning of the land would provide certainty for the planning of future public transport routes. She considered it was not reasonable to expect that rezoning of land be constrained by existing services when these are provided on the basis of population base/patronage. She considered the amended more direct alignment of the east-west roading connection would further support provision for future public transport to the extent that it was possible to do so through a plan change process.[57] She also noted that there was access to the Park 'n' Rides on Tennyson Street and Foster Park and that there was funding allocated in the Council's LTP for expansion of those services.

141. Overall, on the basis of the transportation evidence and Mr Friedel's assessment, I accept that cross-boundary effects of PC76 have been properly identified, considered and addressed.

Management Plans and Strategies Prepared Under Other Acts

142. The Request contained an assessment of Our Space, the RSP, and Selwyn 2031 – the District Development Strategy. The documents were addressed in evidence and in the s42A Report. Those documents have all been addressed earlier in this Recommendation. They are documents that I have had regard to. It is my view that the rezoning sought is consistent with those management plans and strategies.

[57] Brief of Evidence of Lisa Marie Williams 13 October 2021 at para [15]

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Section 32

143. The proposal needs to be evaluated in accordance with s32 of the RMA. In summary, this requires consideration and evaluation of the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the Act (s32(1)(a)) and whether the provisions in the proposal are the most appropriate way to achieve the objectives (of both the proposal and the existing District Plan), having regard to the efficiency and effectiveness of the provisions and having considered reasonably practicable options.

144. The Request provided a thorough s32 assessment.[58] That identified four options, being: the status quo – do nothing; application to rezone the whole site for urban residential use zoned Living Z; application to rezone the whole site as Living 3; and resource consent applications for land use and subdivision consents (non-complying). I agree that they are the relevant options.

145. The overall assessment concluded that the rezoning of the site from Rural Inner Plains Zone to Living Z Zone was the appropriate method for achieving the objectives of the proposal compared with the other alternatives also considered. The overall assessment was that Option 2 was consistent with a range of District Plan policies notwithstanding that it does not sit squarely with the timing of release of land in the RSP 2009 which was considered to be out-of-date. It noted that it adopted the operative District Plan zone and development activity standards which would ensure continuity of the anticipated environmental outcomes and urban amenity, and was consistent with and gave effect to the relevant District Plan objectives and policies.

146. The assessment concluded the proposal was a logical extension to the developed and developing residential land adjoining the site while achieving a compact, efficient urban form; that there was no additional cost to SDC in rezoning as there was capacity in the public utility and existing road network, including planned upgrades, and that it provided certainty of final form of the rezoned area including proposals for reserves, road, future linkages and similar. The adoption of the Living Z Zone was said to be appropriate and the economic, social and environmental benefits of the proposal were assessed as outweighing the potential costs. In terms of overall efficiency and effectiveness, it was considered the proposal was high in comparison to alternative options which were low to moderate. Overall it concluded that the proposal was the most appropriate, efficient and effective means of achieving the purpose of the RMA.

147. Mr Friedel identified the stated objective of PC76 as being to *"rezone about 13ha of Inner Plains land to Living Z to enable the residential development of the south western edge of Rolleston for a site with frontage to East Maddisons Road. Development will be in accordance with an Outline Development Plan…".*

[58] Appendix 13, Section 32 RMA Assessment for Operative District Plan Application

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148. He considered that the objective of PC76 would achieve the purpose of the RMA when considered against the relevant statutory tests including its consistency with operative objectives, policies and methods of the NPS-UD, CRPS and SDP. He considered that granting the Request would provide plan enabled medium-term housing capacity for the Township; and would enable SDC to meet its functions under s31(1)(aa). He recognised that additional policy changes and ongoing investment were required to optimise the use of greenfield land in Rolleston but the alternative of declining the Request would likely either require SDC to actively zone the land or potentially result in less optimal locations taking up the housing shortfalls at some point in time. He considered that those alternative scenarios may not achieve the purpose of the RMA to the same extent as PC76 (subject to modifications proposed).

149. Again in terms of whether the provisions in the proposal are the most appropriate way to achieve the objectives of the SDP, he noted that the only changes at policy level were references in Policy B4.3.9 and Policy B4.3.77 and that there were no substantial changes to the operative objectives or policies for managing the settlement pattern and growth of the Townships in the District.

150. He considered that the proposed amendments were limited to addressing site specific issues and integrating zoning into the wider environment through the ODP. Overall he considered it was consistent with the relevant objectives and policies in the SDP taking appropriate account of the strategic guidance offered by Our Space, Selwyn 2031 and the RSP. It was his view that the plan change would effectively integrate with the operative Living Z Zone. He concluded the proposal was consistent with the existing objectives and policies in the Township Volume of the SDP.

151. As to the benefits and costs, while I did not receive any detailed assessment of economic benefits and costs, employment opportunities to be created and similar, I am satisfied that I had sufficient information to make a recommendation in this regard. I consider that those matters were properly addressed in the Request and in Mr Friedel's assessment. The primary benefit is the enabling of up to 155 residential allotments in the location where demand is high, and capacity limited. Employment opportunities are likely to be generated through construction.

152. In terms of the risks of acting or not acting, these have been assessed. There are, in my view, limited, if any, risks of acting. The risks of not acting primarily relate to a potential shortfall in capacity to meet that demand. I am satisfied that there was no uncertainty on the basis of the information that I have been provided with.

<u>NPS-UD Clause 3.11 Using Evidence and Analysis</u>

153. Section 3.11 requires local authorities, when making plans or when changing plans in ways that affect the development of urban environments, clearly identify the resource management issues being managed, and use evidence, particularly any relevant HCAs about the land and

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development market and results of monitoring to assess the impact of different regulatory and non-regulatory options and their contribution to:

(i) achieving well-functioning urban environments; and

(ii) meeting the requirements to provide at least sufficient development capacity.

154. The key resource management issues being managed are addressed throughout this Recommendation. Housing capacity and supply, and the provision of well-functioning urban environments, is the key issue being addressed. I consider the proposal assists in housing capacity and supply, and the provision of well-functioning urban environments.

Section 32AA

155. Section 32AA requires a further evaluation for any changes that have been made to the proposal since the evaluation report was completed.

156. Section 32AA(1) provides:

(1) A further evaluation required under this Act—

(a) is required only for any changes that have been made to, or are proposed for, the proposal since the evaluation report for the proposal was completed (the changes); and

(b) must be undertaken in accordance with section 32(1) to (4); and

(c) must, despite paragraph (b) and section 32(1)(c), be undertaken at a level of detail that corresponds to the scale and significance of the changes; and

(d) must—

(i) be published in an evaluation report that is made available for public inspection at the same time as the approved proposal … or the decision on the proposal, is notified; or

(ii) be referred to in the decision-making record in sufficient detail to demonstrate that the further evaluation was undertaken in accordance with this section.

(2) To avoid doubt, an evaluation report does not have to be prepared if a further evaluation is undertaken in accordance with subsection (1)(d)(ii).

157. My assessment under s32AA has been undertaken through the decision-making recorded in this Recommendation. The changes made are all for the purpose of addressing issues potentially impacting on urban form and the quality of the environment. They are not of a scale and significance which requires any particular elucidation and expansion on at this point.

Part 2 Matters

158. The relevant Part 2 matters are largely addressed by reference to the SDP. In terms of s6 matters, none were identified. In terms of s7, I consider the plan change to be an efficient use

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and development of natural and physical resources. I consider the maintenance and enhancement of amenity values and the maintenance and enhancement of the quality of the environment have all been satisfactorily addressed.

159. In terms of s8, which requires me to take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi), I accept that there are no explicit s8 matters in play in this particular application.

Section 5

160. I consider that the proposal will achieve the purpose of the RMA. I accept that in general terms that purpose can largely be assessed through the detail and breadth of the operative objectives and policies which the Applicant does not propose to change. That has been done through the body of this Recommendation and I am entirely satisfied that the purpose of the RMA is achieved by the approval of this plan change.

Overall Conclusion

161. I consider that the proposal, including amendments, meets the sustainable purpose of the RMA. Overall, for the reasons I have set out above, I consider that it is the most appropriate in terms of the s32 tests and purpose and principles set out in Part 2 of the RMA. Specifically, it will enable people and communities to provide for their economic and cultural wellbeing by provision of additional residential development in Rolleston, in a location which has been specifically identified for potential urban growth, and in a manner where the effects of the development, as far as relevant at this stage, are acceptable and appropriate.

Recommendation

162. For the reasons above, I **recommend** to the Selwyn District Council:

(1) Pursuant to Clause 10 of Schedule 1 of the Resource Management Act 1991 the Council approves Plan Change 76 to the Selwyn District Plan as set out in Appendix A.

(2) That for the reasons set out in the body of my Recommendation, and summarised in Appendix B, the Council either accept, accept in part or reject the submissions identified in Appendix B.

David Caldwell
Hearing Commissioner
Dated: 7 March 2022

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PC76 Commissioner Recommendation – Schedule of amendments to the Selwyn District Plan

Text to be inserted is shown <u>underlined.</u>
Text to be deleted is shown ~~struck through~~.
Instructions are shown in *italics*

Planning Maps

Amend the zoning of the land shown within the blue dashed line below from Rural (Inner Plains) Zone to Living Z Zone:

Township Volume, B4 Growth of Townships

Policy B4.3.9

The phasing of any Living Z Zone shown on the Planning Maps and Appendices occurs as follows:

In Rolleston ~~13~~14 Living Z areas have been identified, and an Outline Development Plan for ~~12~~13 of these areas has been incorporated into the District Plan. The remaining Living Z ODP Area has been deferred. The deferment for this area shall be lifted once an operative Outline Development Plan for that area has been incorporated into the District Plan. …

Policy B4.3.76

Ensure that development within each of the Outline Development Plan areas identified on the Planning Maps and Appendices within Rolleston addresses the specific matters relevant to each ODP Area number listed below: …

Outline Development Plan Area 14 (East Maddisons)

- ODP Area 14 to align with ODP Areas 10 and 12;
- Provision of a direct north-south secondary road connection from Lennon Drive (ODP Area 12) to ODP Area 14;
- Provision of a direct secondary east-west road connection from East Maddisons Road to ODP Area 10;
- Provision of a local road at the northern end of the site that will connect directly to a road in ODP Area 10
- Provision of a mix of low and medium density housing areas with a minimum net density of 12 households per hectare averaged over the ODP area.
- Provision of pedestrian and cycle links within and through the ODP area to connect to adjoining urban areas;
- Provision of a comprehensive stormwater system that has sufficient capacity for the ODP area;
- Provision of reticulated water supply and wastewater systems that have sufficient capacity for the ODP area;
- Provision of a neighbourhood park;
- The East Maddisons Road frontage is to be upgraded to an urban standard in accordance with the Engineering Code of Practice. Frontage upgrades are to be provide to East Maddisons Road to encourage properties to front this road.

Township Volume, Appendix 38 Outline Development Plan – Rolleston

For locations of these ODP's see below:

- ODP Area 14

Insert the following in Appendix 38, after ODP 13:

Outline Development Plan Area 14 (East Maddisons)

Context

This area comprises approximately 12.98 ha of land, with frontage on to East Maddisons Road, SW Rolleston. The Site is part of a wider residential area and is identified as a Future Development Area in the Canterbury Regional Policy Statement.

Land Use

The development area shall achieve a minimum net density of 12 households per hectare, averaged over the area. The zoning framework supports a variety of site sizes to achieve this minimum density requirement. Should this area be developed in stages, confirmation at the time of subdivision of each stage, and an assessment as to how the minimum net density of 12 households per hectare for

the overall area can be achieved, will be required. The site supports some medium density housing within the centre of the area and in proximity to the identified reserve.

Access and Transport

East Maddisons Road forms part of the wider road network connecting the local communities of Rolleston to the town centre. One secondary road connection to East Maddisons Road is provided near the middle of the development area which is consistent with standard of roads to the west and the Rolleston Structure Plan. The East Maddisons Road frontage is anticipated to be upgraded to an urban standard in accordance with the Engineering Code of Practice. This work is to be undertaken in a manner that encourages future residential properties to front directly onto East Maddisons Road, thereby providing direct access to those properties.

The ODP provides for access and inter-connectivity to all adjoining land so that road linkages are possible for what will be residential areas in the longer term to the south and west. The existing Lennon Drive shall be extended through the Site from the north to the southern boundary of the ODP area, and ultimately to the Shillingford Boulevard extension via adjacent land to the south. The internal roading layout must be able to respond to the possibility that this area may be developed progressively over time.

An integrated network of local roads must facilitate the internal distribution of traffic, and property access. Local roads should cater for safe cycle and pedestrian movement. One local road, which will also form part of the pedestrian and cycle network, shall be provided near the northern end of the Site and will connect with the planned road layout on the opposite side of East Maddisons Road.

Pedestrian and cycle movements are primarily accommodated through the local road network and shall logically connect into the pedestrian and cycle network established in adjoining neighbourhoods and the wider township. The key pedestrian/cycle connections to neighbouring areas are indicated on the ODP. Where ever possible pedestrian cycle links are to be taken through reserve areas and green links to provide safe, high amenity environments for users.

Open Space, Recreation, and Community Facilities

A single neighbourhood park is to be established within the area. The location of the neighbourhood park has been determined based on the amount and function of reserve land established in the wider area, and to ensure people living within the area have access to open space reserves within a 500m walking radius of their homes. The neighbourhood park will provide passive recreation opportunities. Retaining the existing water race through the site is not considered practical and the intention is to close it. Consideration should be given to appropriately recognising the amenity and heritage value of the water race where practical, including interpretive information. There is an opportunity to integrate the collection, treatment and disposal of stormwater with open space reserves where appropriate. Pedestrian and cycle paths will also be required to integrate into the open space reserves and green links to ensure a high level of connectivity is achieved, and to maximise the utility of the public space. Council's open space requirements cited in the Long-Term Plan and Activity Management Plans should be adhered to during subdivision design.

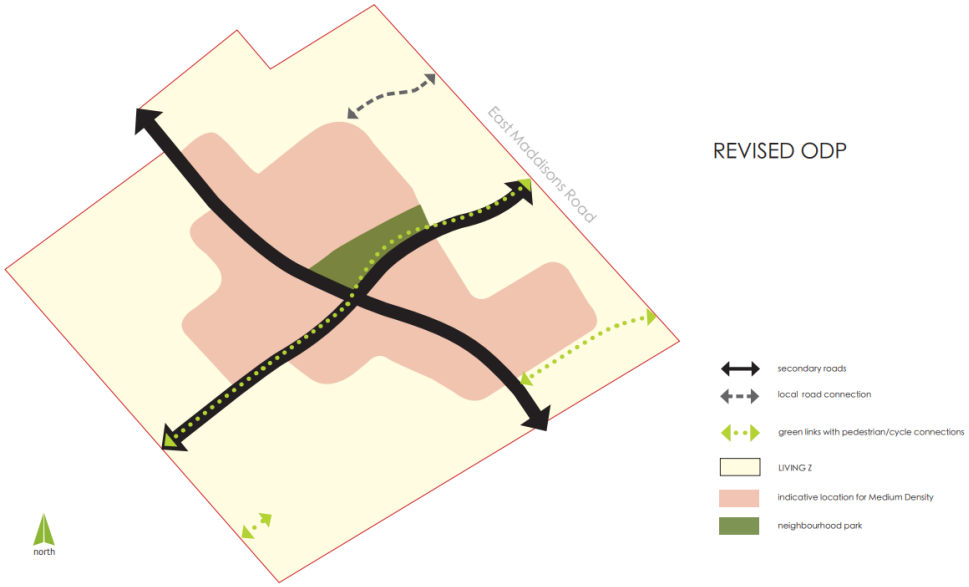
The ODP shows potential green linkages in the southern part of the development and the north-east corner, providing opportunities to connect with adjoining developments and create an integrated green network across the wider area.

Servicing

The underlying soils are relatively free-draining, and generally support the discharge of stormwater via infiltration to ground. There is a range of options available for the collection, treatment, and disposal of stormwater. Detailed stormwater solutions are to be determined by the developer in collaboration with Council at subdivision stage and in accordance with Environment Canterbury requirements.

Systems will be designed to integrate into both the road and reserve networks where practicable. The public stormwater system will only be required to manage runoff generated from within the road reserve. The provision of infrastructure to service the area shall align with the Council's indicative infrastructure staging plan unless an alternative arrangement is made by the landowner/developer and approved by Council.

Include the following diagram at the end of the Outline Development Plan text (Full scale PDF provided)



REPORT

TO: Chief Executive Officer

FOR: Council Meeting –23 March 2022

FROM: Jessica Tuilaepa

DATE: 08 March 2022

SUBJECT: **PLAN CHANGE 80 ROLLESTON – DECISION ON HOW TO CONSIDER THE PRIVATE PLAN CHANGE REQUEST FROM TWO CHAIN ROAD LTD**

RECOMMENDATION

'That, in respect to Plan Change 80 to the Operative Selwyn District Plan lodged by Two Chain Road Ltd, Council resolves to accept the request for notification pursuant to Clause 25(2)(b) of the Resource Management Act 1991.'

1. PURPOSE

This report assesses the Two Chain Road Limited (the applicants) plan change request (PC 80) against the relevant Resource Management Act 1991 (RMA) provisions.

This assessment has been provided to assist Council to make a decision on how to process the request. This is a mandatory decision that must occur within 30 working days of receiving the request and any subsequent additional information necessary to enable a reasonable understanding of what is being proposed.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

This report does not trigger the Council's Significance Policy. This is a procedural requirement of the RMA.

3. HISTORY/BACKGROUND

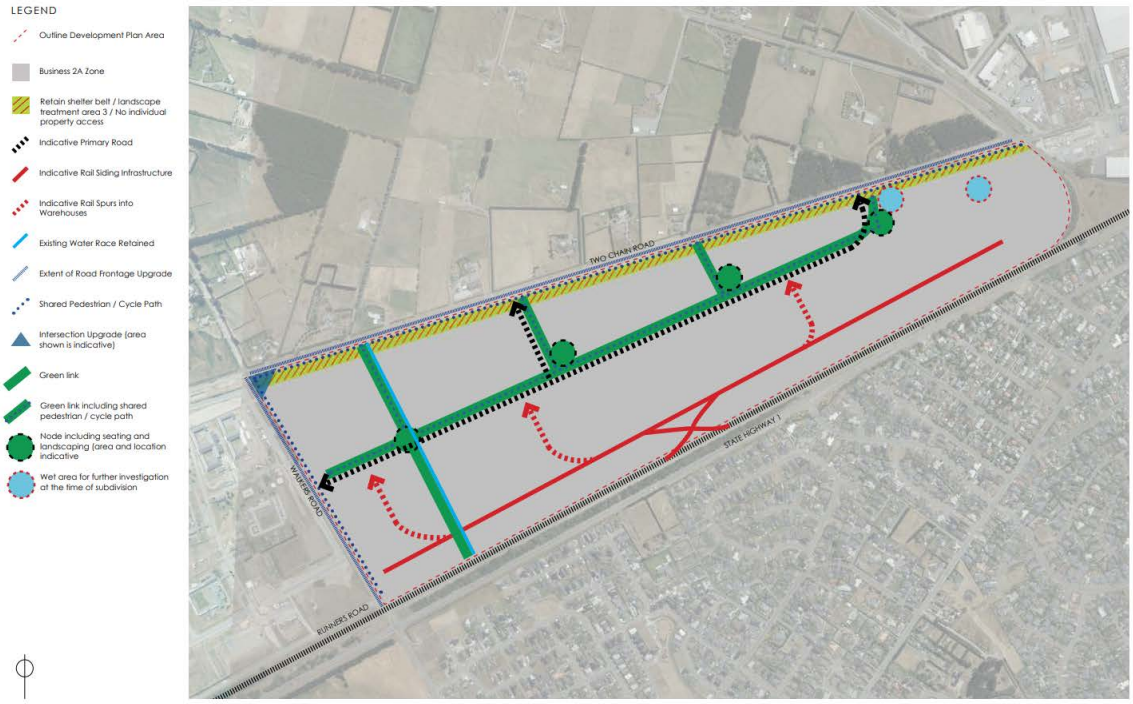
The PC 80 request was formally received by Council on 6 October 2021. PC 80 relates to a largely triangular-shaped site located between Two Chain Road, SH1, and Walkers Road, to the west of the existing industrial area, as shown in the aerial photograph below. The request seeks to rezone approximately 98 hectares of land from Rural Inner Plains to Business 2A.

The site is not identified within the Canterbury Regional Policy Statement (CRPS) as a priority greenfield area. The rezoning would be contrary to the CRPS as it currently stands. However, the government released the new National Policy Statement on Urban Development (NPS-UD) in July 2020. This has provided a policy framework to allow developments providing 'significant capacity' to be accepted even when that development conflicts with the existing CRPS direction. It is on the basis of the direction of the NPS-UD that the applicants have applied for the rezoning. The direction of the NPS-UD is discussed further below in Section 5.

Since lodgement, PC 80 has been reviewed in terms of the adequacy of the information provided. A Request for Further Information (RFI) was issued on 9 November 2021, with the applicant's response received on 11 February 2022. A follow-up query in relation to traffic matters was then made, with a response received on 28 February 2022. The PC 80 request, along with the response to the RFI, has been peer reviewed by relevant the relevant internal SDC officers or external consultants to check the adequacy of information provided. Some minor amendments have been made to the application in response to the RFI. Officers consider that all the information necessary to understand the request has now been provided and that a decision can be made on how to process PC 80.

PC 80 would largely adopt the provisions in the Operative District Plan applicable to the Business 2A Zone, including extending a range of existing provisions to also apply to this site, for example to limit direct access onto specified roads, to limit occupation of the site until specified roading upgrades have been completed, and to require specific landscaping. PC80 would also introduce an Outline Development Plan for the area which indicates future road, rail and pedestrian/cycle connections, roading upgrades and areas where landscaping or further investigation is required.

The proposed ODP for PC 80 is shown below. Access to the full request has been forwarded to Councillors and made available to members of the public on Council's website.



4. PROPOSAL

Any person may request a change to a District Plan and Council must consider that request. Under Clause 25 of the First Schedule to the RMA, Council must either reject, accept or adopt the request, or process it as a resource consent. An assessment of each of these options is considered in the following section of this report.

5. OPTIONS

Option 1 – Reject the request

Under Clause 25(4), the grounds for rejecting PC 80 outright are that:

a) That the request is frivolous or vexatious;
b) The substance of the request has been considered by the Council or the Environment Court in the last two years;
c) The request does not accord with sound resource management practice;
d) The request would make the District Plan inconsistent with Part 5 of the RMA; or
e) The District Plan has been operative for less than two years.

The content of PC 80 is not considered to be frivolous or vexatious. The request seeks a change to the zoning to facilitate the type of development enabled under the Business 2A framework. It is common practice for plan changes to seek rezonings to enable such development.

In terms of (b) and (e), the substance of the request has not been considered by the Council or the Environment Court in the last two years and the District Plan was made fully operative in May 2016, meaning that it has been operative for more than two years.

In terms of (c) and (d), the proposal is considered to be generally consistent with Part 5 of the RMA, which relates to standards, policy statements and plans. However, s75(3)(c) requires the district plan to give effect to any regional policy statement. On initial assessment, PC 80 would generally give effect to the CRPS. However, as acknowledged in the application, it would be inconsistent with the direction in the CRPS to provide for new industrial activities in identified greenfield priority areas, as the site is not included in Map A of Chapter 6 of the CRPS. Generally, a change that would be contrary to the CRPS would not be considered to accord with sound resource management practice and would result in the District Plan being inconsistent with one of the provisions in Part 5 of the RMA.

However, with the introduction of the NPS-UD in July 2020, this consideration is not so straightforward, as the NPS-UD provides for consideration of 'unanticipated' or 'un-sequenced' development, where a plan change would add significantly to development capacity; if that development capacity would also contribute to a well-functioning urban environment, is well-connected along transport corridors and meets specified criteria. This is considered to provide an avenue for developments to be considered for processing even where there is a conflict with the CRPS.

While not specific to this plan change request, the Council received legal advice on the conflict between the NPS-UD and the existing CRPS and the provisions for rejection of the plan change request under clause 25(4). The advice outlined that Council need not rely on the CRPS to reject a plan change under Clause 25 simply because the site of the plan change is outside of the 'greenfield' development areas identified on Map A of the CRPS.

For the reasons set out below (refer to Option 3), the plan change application is considered to align with the NPS-UD in terms of providing for significant development capacity that would contribute to a well-functioning urban environment, and in a location that is well-connected to transport routes.

Given the alignment of the proposal with the NPS-UD, there are not considered to be any sound reasons to reject PC 80 under the current set of circumstances.

Option 2: Adopt the Plan Change request

Under Clause 25(2)(a), Council may adopt the request, in whole or in part, as its own.

Adopting PC 80 means that the Council effectively takes over the plan change request so that it becomes a council-initiated plan change rather than a private plan change. Adopting PC 80 would imply that Council generally supports the proposal.

Council should only consider adoption if the change has a strategic benefit, a substantial community benefit, a cost element which might require negotiations to occur between the council and the applicant or involves a complex issue or a number of landowners that would benefit from Council coordinating the plan change process.

PC 80 will have some economic benefit to the wider community, through providing construction and employment opportunities and flow-on benefits of additional development occurring within the district. PC 80 may involve a cost to Council where services (roading, water, sewer and stormwater) are vested in Council. This is likely to occur, in line with similar plan changes, and Council would be responsible for the operation and ongoing maintenance of the systems. Overall, the cost to Council from any infrastructure vested would be minimal and in line with similar private plan change proposals.

PC 80 is not particularly complex. While the PC 80 site is currently in multiple parcels under different ownership, this has been addressed through the plan change request being made by one party, covering the whole area, and through provision of a comprehensive development plan (the ODP) covering the whole area.

There also remains a number of merit-based matters to consider at the substantive hearing stage, with the potential that other matters may be raised by interested parties through the submissions process. Adopting the request would result in Council having to fund the remainder of the process, thereby relinquishing the ability to recover costs from the applicant.

It is not recommended that the Council adopt the request for the above reasons.

Option 3: Accept the Plan Change

Accepting PC 80, under Clause 25(2)(b), would enable the plan change request to be publicly notified and for the request to be subject to the participatory processes provided under the RMA. This, in turn, would provide Council with a more informed understanding of the community's view on this specific request.

Council retains the right to lodge submissions or further submissions to ensure there is sufficient scope to support amendments that may address any concerns with PC 80. No direct costs would be incurred by the Council or rate payers in accepting the request, although the preparation of any Council submission could not be on-charged.

As mentioned in Option 1 above, PC 80 is located outside of the 'greenfield' development areas identified on Map A of the CRPS, but the NPS-UD provides for consideration of 'unanticipated' or 'un-sequenced' development, where a plan change would add significantly to development capacity; if that development capacity would also contribute to a well-functioning urban environment, is well-connected along transport corridors and meets specified criteria.

The application states that the proposal will contribute to a well-functioning urban environment, because it will:

a) naturally extend the existing industrial development at Rolleston and be viewed as an extension of the existing business zones, physically separated from residential and rural areas.
b) enable a variety of sites that are suitable for different business sectors in terms of location and site size, through the Business 2A zoning that provides for diversity in the type, price, and location of industrial land and activity;
c) provide good accessibility for all people between housing and jobs, community services, natural spaces, and open spaces, including by way of public or active transport, noting the proximity of the site to the existing Rolleston township and provision for shared pedestrian/cycle paths on the proposed ODP;

d) support the competitive operation of land and development markets through increasing supply of industrial land in Selwyn;
e) support reductions in greenhouse gas emissions, with strong transport connectivity for freight in particular, noting the proximity of the site to the state highway network and the main rail corridor; and,
f) be resilient to the likely current and future effects of climate change, noting the site is not proximate to the coastal environment and is not subject to any significant flood hazard risk.

It is generally agreed that the plan change achieves this, noting that this will be tested further through the substantive assessment under the Schedule 1 process. The plan change is also well-connected to transport corridors, including both the road and rail network.

In terms of the criteria, the NPS-UD directs that the regional policy statement include criteria for determining what plan changes will be considered as adding significantly to development capacity. However, as the NPS-UD has come into force recently, and after development of the CRPS, the CRPS does not yet contain such criteria. These criteria are being developed by Greater Christchurch Partnership local authorities, but it is only at very early stages. In the absence of this criteria plan change proponents can apply, and rely on the NPS-UD policy direction, to have plan changes accepted even where they do not comply with Chapter 6 of the CRPS. In absence of the criteria, the applicant has provided the following reasons as to why they consider the proposal provides significant development capacity:

- The existing area of Business 2A zoning in Selwyn District (including that added through PC 66) is all in Rolleston and is 369 ha. PC 80 would provide a further 26.5% increase in Business 2A zone within Selwyn District.
- The existing combined area of Business 2A and Business 2 zoning in Rolleston, (including PC 66), is 414ha. The proposed extension is a 23.7% increase to that zoning.
- The proposal will provide an additional 98ha of industrial zone land at Rolleston, which is experiencing very high levels of demand for industrial land proximate to the main rail corridor and State Highway 1 (in effect, a freight hub).
- The proposal is also anticipated to include large areas of unencumbered freehold land, of which there is an identified shortage within Greater Christchurch.
- The zone will allow for rail sidings directly into the site from the main rail corridor, if desired, maximising transport efficiencies.

Officers agree that that rezoning would provide a significant increase in development capacity, for the reasons set out.

The NPS-UD direction does not mean that every development providing capacity is appropriate. A plan change proponent must firstly demonstrate how a proposed development will add significantly to development capacity and meet the direction of the NPS-UD; and while the Council must have “particular regard” to the development capacity provided, the Council may still determine that the proposal is not the most appropriate course of action, and any plan change will still need to be considered on its merits overall. This includes that PC 80 must still meet RMA section 32 and Part 2 tests and be subject to a substantive assessment of these through the Schedule 1 process.

It is considered that the merits of the plan change proposal overall, including the weight and consideration that should be given to the development capacity provided by the proposal, are best tested through the submission and hearing process.

Accepting the plan change request is the recommended option under the current set of circumstances.

Option 4: Convert to a Resource Consent Application

The final option open to the Council is to process PC 80 as a resource consent.

The application seeks to enable the type of development facilitated by a Business 2A zoning across a large landholding. However, at this stage, a specific development is not proposed. A resource consent would be more appropriate if a specific development were proposed.

Processing the request as a resource consent is not therefore considered appropriate.

Recommended Option:

Option 3, to accept PC 80 for further consideration, is recommended.

The consideration of the request at this stage is limited to a coarse scale assessment of the contents of PC 80 to ensure that the content and implications of the proposal can be generally understood and that the request is not in direct conflict with other planning processes and statutory instruments.

There are not considered to be sufficient grounds to reject the plan change request when assessed against the statutory powers available to Council under the RMA. Therefore, the most appropriate course of action is to accept PC 80 for notification.

As the RMA affords the opportunity for the applicant to request changes to the District Plan, the recommended option to accept PC 80 for notification will enable the request to be publicly notified, submissions and further submissions received and for the substantive merits of the proposal to be considered at a public hearing.

Accepting the private plan change request for notification does not signal that Council necessarily supports the proposal. The opportunity remains for Council to recommend that the request be supported, amended or opposed at a later stage. The benefit in accepting the request is that public input can be received to inform the overall assessment of the merits of the proposal.

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected

If the recommendation to accept the request for notification is adopted, then the content of PC 80 will be subject to the statutory consultative provisions of the RMA where the opportunity for public involvement is mandatory. Council will be required to publicly notify PC 80 and serve notice on all directly affected parties and organisations who then have the opportunity to participate in the process.

(b) Consultation

The request identifies that the applicant has consulted with local runanga via Mahaanui Kurataiao Limited, and had informal discussions about the development of the site for industrial purposes with KiwiRail.

As outlined above, the recommendation to accept PC 80 will advance the request to the point where members of the public and interested parties can participate in the process through submissions, further submissions and the hearing.

(c) Māori implications

The application includes details of consultation undertaken with local runanga via Mahaanui Kurataiao Limited. No fundamental opposition to the PC 80 has been raised. The specific recommendations made by the runanga are able to be considered through the process.

In addition, the submission process allows for a submission to be made by runanga.

(d) Climate Change considerations

Aspects of PC 80 that are relevant to climate change include:

- Consolidated Urban Form – PC 80 sits adjacent to Rolleston's existing infrastructural area.
- The rezoning would provide for additional employment opportunities for people living in or near to Rolleston.

7. FUNDING IMPLICATIONS

If PC 80 is accepted for processing, then the applicant is responsible for the costs associated with processing a private plan change request, with Council costs being recoverable. Council would be responsible for the cost of defending its decision should it be appealed to the Environment Court.

8. INPUT FROM OTHER DEPARTMENTS

The contents of the request, including relevant technical reports, were circulated to Council's Asset Managers for review. Queries received from the Asset Managers were included in the RFI.

Jessica Tuilaepa
SENIOR STRATEGY & POLICY PLANNER

Endorsed For Agenda

Tim Harris
GROUP MANAGER ENVIRONMENTAL AND REGULATORY SERVICES

REPORT

TO: Chief Executive

FOR: Council Meeting – 23 March 2022

FROM: Jocelyn Lewes, Strategy and Policy Planner

DATE: 11 March 2022

SUBJECT: **PRIVATE PLAN CHANGE 81 – DECISION ON HOW TO CONSIDER THE PRIVATE PLAN CHANGE REQUEST FROM ROLLESTON INDUSTRIAL DEVELOPMENTS LIMITED**

RECOMMENDATION

'That, in respect to Private Plan Change 81 to the Operative Selwyn District Plan lodged by Rolleston Industrial Developments Limited, Council resolves to accept the request for notification pursuant to Clause 25(2)(b) of the Resource Management Act 1991.'

1. PURPOSE

This report assesses the Rolleston Industrial Developments Limited (the proponents) plan change request (PC 81) against the relevant Resource Management Act 1991 (the Act) provisions.

This assessment has been provided to assist Council to make a decision on how to process the request. This is a mandatory decision that must occur within 30 working days of receiving the request and any subsequent additional information necessary to enable a reasonable understanding of what is being proposed.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

This report is a procedural requirement of the Act and does not trigger the Council's Significance and Engagement Policy, pursuant to Section 5 of the policy.

3. HISTORY/BACKGROUND

The PC 81 request was formally received by Council on 19 October 2021. Access to the full request has been made available on Council's website.

The plan change area has an area of approximately 28 hectares, comprised within two titles and is located to the west of Dunns Crossing Road and to the north of Selwyn Road, on the south-western side of Rolleston, as shown in Figure 1 below. PC73 adjoins to the plan change area to the north. The site is currently zoned Rural (Outer Plains) and the requests proposed that this be rezoned for residential purposes.

Figure 1- Aerial photograph of PC 81 area (outlined in white)
(Source: Selwyn District Council Maps)

The site is not identified within the Canterbury Regional Policy Statement (CRPS) as either a greenfield priority area or a future development area and the rezoning would be contrary to the CRPS as it currently stands. The site is also not identified within the Rolleston Projected Infrastructure Boundary.

However, the National Policy Statement on Urban Development (NPS-UD), which came into force on 20 August 2020, provides a policy framework to allow developments providing 'significant capacity' to be accepted even when that development conflicts with the existing CRPS direction. It is on the basis of the direction of the NPS-UD that the proponents have applied for the rezoning. The direction of the NPS-UD is discussed further below in Section 5.

Since lodgement, PC 81 has been has been reviewed in terms of the adequacy of the information provided. A Request for Further Information (RFI) was issued on 8 December 2021, with the proponents response received on 20 December 2021.

On 21 December 2021, the Resource Management Act (Enabling Housing Supply and Other Matters) Amendment Act 2021 (the Amendment Act) came into force. This included specific requirements relevant to private plan changes, depending on what stage of the plan change process they are at. In respect of PC 81, clause 35 of Part 5 of Schedule 12 of the Act applies to this request, as:

a. The request has been made before Council has notified its Intensification Planning Instrument (the IPI/Variation);
b. Clause 34 of the same section does not apply; and

c. The request seeks the creation of a new residential zone that proposes to adopt all the zone provisions of a relevant residential zone but does not amend the provisions in the relevant residential zone.

The implications of the Amendment Act on this plan change request have taken some time to consider and interpret. Once resolved, a follow -up request was made to the proponent, and their response was received on 10 March 2022. This is discussed further below in Section 5.

The PC 81 request, along with the responses to the RFI, has been peer reviewed by relevant the relevant internal SDC officers or external consultants to check the adequacy of information provided. Officers consider that all the information necessary to understand the request has now been provided and that a decision can be made on how to process PC 81, in accordance with the provisions of the Act.

4. PROPOSAL

Any person may request a change to a District Plan and Council must consider that request. Under Clause 25 of the First Schedule to the Act, Council must either reject, accept or adopt the request, or process it as a resource consent. An assessment of each of these options is considered in the following section of this report.

5. OPTIONS

Option 1 – Reject the request

Under clause 25(4), the grounds for rejecting PC 81 outright are that:
a. That the request is frivolous or vexatious;
b. The substance of the request has been considered by the Council or the Environment Court in the last two years;
c. The request does not accord with sound resource management practice;
d. The request would make the District Plan inconsistent with Part 5 of the Act; or
e. The District Plan has been operative for less than two years.

In terms of (a), the content of PC 81 is not considered to be frivolous or vexatious. The request seeks a change to the zoning to facilitate the type of development enabled under a Living zone framework. It is common practice for plan changes to seek rezonings to enable such development.

In terms of (b) and (e), the substance of the request has not been considered by the Council or the Environment Court in the last two years and the District Plan was made fully operative in May 2016, meaning that it has been operative for more than two years.

In terms of (c) and (d), the request is considered to be generally consistent with Part 5 of the Act, which relates to standards, policy statements and plans. However, s75(3)(c) requires the district plan to give effect to any regional policy statement. On initial assessment, PC 81 would generally give effect to the CRPS. However, as acknowledged in the request, it would be inconsistent with the direction in the CRPS to provide for new urban development only in identified greenfield priority areas or future development areas, as the area is not included in Map A of Chapter 6 of the CRPS.

Generally, a change that would be contrary to the CRPS would not be considered to accord with sound resource management practice as it would result in the District Plan

being inconsistent with one of the provisions in Part 5 of the Act. However, with the introduction of the NPS-UD, this consideration is not so straightforward, as the NPS-UD provides for consideration of 'unanticipated' or 'un-sequenced' development, where a plan change would add significantly to development capacity; if that development capacity would also contribute to a well-functioning urban environment, is well-connected along transport corridors and meets specified criteria. This is considered to provide an avenue for plan change requests to be considered for processing even where there is a conflict with the CRPS.

While not specific to this plan change request, the Council received legal advice on the conflict between the NPS-UD and the existing CRPS and the provisions for rejection of the plan change request under clause 25(4). The advice outlined that Council need not rely on the CRPS to reject a plan change under Clause 25 simply because the site of the plan change is outside of the 'development areas' identified on Map A of the CRPS.

For the reasons set out below (refer to Option 3), the plan change request is considered to align with the NPS-UD in terms of providing for significant development capacity, and the subsequent processes set out in the Act will test the extent to which it would contribute to a well-functioning urban environment.

In addition, under clause 25(4A), as included by the Amendment Act, a council must not accept or adopt a request if it does not incorporate the Medium Density Residential Standards (MDRS) as required by s80F(1). As discussed further below, the proponent has amended the request to incorporate MDRS, therefore there are no grounds pursuant to clause 25(4A) to reject the request.

As such, it is not considered that there are any sound reasons to reject PC 81 under the current set of circumstances.

Option 2: Adopt the Plan Change request

Under clause 25(2)(a), Council may adopt the request, in whole or in part, as its own.

Council should only consider adoption if the change has a strategic benefit; a substantial community benefit; a cost element which might require negotiations to occur between the council and the proponent; or involves a complex issue or a number of landowners that would benefit from Council coordinating the plan change process.

PC 81 will have some economic benefit to the wider community, through providing construction and employment opportunities and flow-on benefits of additional development occurring within the district. The request may involve a cost to Council where services (roading, water, sewer and stormwater) are vested in Council. This is likely to occur, in line with similar plan changes, and Council would be responsible for the operation and ongoing maintenance of the systems. Overall, the cost to Council from any infrastructure vested would be minimal and in line with similar private plan change requests. PC 81 is not particularly complex. While the area is currently in multiple parcels under different ownership, this has been addressed through the plan change request being made by one party, covering the whole area, and through provision of an outline development plan (ODP) covering the whole area.

An opportunity is also provided under clause 35 of Part 5 of Schedule 12, for Council to adopt the request and incorporate it into the forthcoming Variation to incorporate the

MDRS into the PDP. In this regard, the area of the request would be identified as a *new residential area*[1] within the Variation.

Usually, pursuant to Clause 25(2)(a)(iii), if Council were to adopt the request, it would have legal effect from the date of *notification*, rather than the date of *decision* however, pursuant to s86BA of the Act, this would not be the case if Council were to adopt the request as part of its Variation.

As discussed above, the substantive merits of the request have not been considered at this time, merely the adequacy of the information provided to enable continued processing. As such, limited consideration has been given to the question of whether Council supports the plan change request or not, however adopting the plan change request, in whole or in part, as currently presented or modified, either on its own or as part of the Variation, would imply that Council generally supports the request.

It is not recommended that the Council adopt the request as it is considered that there are a number of merit-based matters that it is appropriate to consider at the substantive hearing stage, with the potential that other matters may be raised by interested parties through the submissions process.

Option 3: Accept the Plan Change

Accepting PC 81, under Clause 25(2)(b), would enable the plan change request to be publicly notified and for the request to be subject to the participatory processes provided under the Act. This, in turn, would provide Council with a more informed understanding of the community's view on this specific request.

Accepting the plan change would mean that the costs associated with the continued processing of the request would be the responsibility of the proponent and no direct costs would be incurred by the Council or rate payers, although the preparation of any Council submission could not be on-charged.

As mentioned in Option 1 above, PC 81 is located outside of the development areas identified on Map A of the CRPS, but the NPS-UD provides for consideration of 'unanticipated' or 'un-sequenced' development, where a plan change would add significantly to development capacity; if that development capacity would also contribute to a well-functioning urban environment, is well-connected along transport corridors and meets specified criteria.

The request[2] states that the request will contribute to a well-functioning urban environment, because it will:

a. enable a variety of homes that meet the needs, in terms of type, price, and location, of different households;
b. provide good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport, noting the proximity of the area to and linkages with surrounding residential zones and the Rolleston township generally, and good accessibility to the strategic road network that connects to Greater Christchurch;
c. support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets;

[1] A **new residential zone** means an area proposed to become a relevant residential zone that is not shown in a district plan as a residential zone.
[2] Table 8 of the plan change request

d. support reductions in greenhouse gas emissions, through provisions for alternative transport modes, connectivity and accessibility and the potential for servicing by public transport; and
e. achieve resilience to the likely current and future effects of climate change through the site's distances from coastal and low lying areas susceptible to sea-level rise and storm surges; the land's resilience to heavy rainfall events/frequency; and the potential for building and landscape design to address increased mean temperatures or amplification of heat extremes.

In terms of the criteria, the NPS-UD directs that the regional policy statement include criteria for determining what plan changes will be considered as adding significantly to development capacity. These are currently being developed by Greater Christchurch Partnership local authorities and have not yet been included in the CRPS.

In the absence of any criteria, the plan change request states that it provides significant development capacity in that it will enable development of up to 350 additional residential sites. This is the equivalent of up to 4.5% of the current housing stock in Rolleston. The request considers that, assuming population and household growth for Rolleston of around 2.2% per annum, the additional 350 residential units enabled by the request would account for 3.8% of the township's housing stock in 2027 (i.e. when most of the development will have been brought to market)[3].

The NPS-UD direction does not mean that every development providing capacity is appropriate. A plan change proponent must firstly demonstrate how a proposed development will add significantly to development capacity and meet the direction of the NPS-UD; and while the Council must have "particular regard" to the development capacity provided, the Council may still determine that the request is not the most appropriate course of action, and any plan change will still need to be considered on its merits overall.

As mentioned above, in accordance with the Act, Council must not accept or adopt a request if it does not incorporate the Medium Density Residential Standards (MDRS). As there are a number of private plan change requests before Council that would be captured by the reach of clause 35, Council's preferred approach has been to develop a stand-alone zone – Living Medium Density (Living MD) – in respect of the application of the MDRS.

The proponent has acknowledged this approach, and as amended the request to rezone the area to Living MD and largely adopted the provisions provided by staff without amendment. However, in regards to density, the proponent has requested a modification (in the form of a cap on household numbers, set out within the ODP), in order to accommodate a qualifying matter and in response to the findings in the transport assessment. In this regard, the proponent considers that "*without a cap on residential households, the request to fully adopt the MDRS within the proposed Living MD zone may result in a level of development traffic that has an impact on the safe and efficient operation of nationally significant infrastructure, being State Highway 1*[4]".

It is considered that the merits of the plan change request overall, including the weight and consideration that should be given to the development capacity provided by the request and the appropriateness of the qualifying matter, are best tested through the

[3] Paragraph 156 of the plan change request
[4] Paragraph 5 of the plan change request

substantive assessment process provided for under the Schedule 1 process, including the submissions and hearing processes.

Accepting the plan change request is the recommended option under the current set of circumstances.

Option 4: Convert to a Resource Consent Application

The final option open to the Council is to process PC 81 as a resource consent.

As the request seeks to enable MDRS, as required by the Act, through the inclusion of a new zone, the Operative District Plan does not include the necessary provisions to the future development of the area. Processing the request as a resource consent is not therefore considered appropriate.

Recommended Option:

Option 3, to accept PC 81 for further consideration, is recommended.

There are not considered to be sufficient grounds to reject the plan change request when assessed against the statutory powers available to Council under the Act. And while Council could adopt the plan change as its own within the Variation, for the reasons set out above, this is not recommended.

The consideration of the request at this stage is limited to a coarse scale assessment of the contents of the request to ensure that the content and implications of the request can be generally understood and that the request is not in direct conflict with other planning processes and statutory instruments.

As the Act affords the opportunity for the proponent to request changes to the District Plan, the recommended option to accept PC 81 for notification will enable the request to be publicly notified, submissions and further submissions to be received and for the substantive merits of the request to be considered at a public hearing.

Accepting the private plan change request for notification does not signal that Council supports the request. The opportunity remains for Council to recommend that the request be supported, amended or opposed at a later stage. The benefit in accepting the request is that public input can be received to inform the overall assessment of the merits of the request, including that of the qualifying matter proposed by the proponent.

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected and Consultation

If the recommendation to accept the request for notification is adopted, then the content of PC 81 will be subject to the statutory consultative provisions of the Act where the opportunity for public involvement is mandatory. Council will be required to publicly notify PC 81 and serve notice on all directly affected parties and organisations who then have the opportunity to participate in the process.

The proponent did not consult with Selwyn District Council while preparing PC 81. As addressed above, the request has been peer reviewed by the relevant internal Council staff to consider the adequacy of information provided and amendments have been made.

(b) Māori and Treaty implications

No wāhi tapu or wāhi taonga sites of cultural significance within the plan change area have been identified. The plan change request includes a copy of feedback provided by Mahaanui Kurataiao Limited on behalf of local rūnanga in relation to PC73 on the adjacent property (to the north). The submission process allows for a submission to be made by rūnanga.

(c) Climate Change considerations

The request includes an assessment of the resilience of the request to the effects of climate change. The adequacy of this assessment will be tested through the submission and hearings processes.

7. FUNDING IMPLICATIONS

If PC 81 is accepted for processing then the proponent is responsible for the costs associated with processing a private plan change request, with Council costs being recoverable. Council would be responsible for the cost of defending its decision should it be appealed to the Environment Court.

8. INPUT FROM OTHER DEPARTMENTS

As discussed above, the contents of the request, including relevant technical reports, were circulated to Council's Asset Managers for review. Queries received from the Asset Managers were included in the RFI and the response received has been provided back to the relevant staff for their consideration.

Jocelyn Lewes
STRATEGY AND POLICY PLANNER

Endorsed For Agenda

Tim Harris
GROUP MANAGER ENVIRONMENTAL AND REGULATORY SERVICES

REPORT

TO: Chief Executive

FOR: Council Meeting – 23 March 2022

FROM: Jocelyn Lewes, Strategy and Policy Planner

DATE: 11 March 2022

SUBJECT: **PRIVATE PLAN CHANGE 82 –DECISION ON HOW TO CONSIDER THE PRIVATE PLAN CHANGE REQUEST FROM BROOKSIDE ROAD RESIDENTIAL LIMITED**

RECOMMENDATION

'That, in respect to Private Plan Change 82 to the Operative Selwyn District Plan lodged by Brookside Road Residential Limited, Council resolves to accept the request for notification pursuant to Clause 25(2)(b) of the Resource Management Act 1991.'

1. PURPOSE

This report assesses the Brookside Road Residential Limited (the proponents) plan change request (PC 82) against the relevant Resource Management Act 1991 (the Act) provisions.

This assessment has been provided to assist Council to make a decision on how to process the request. This is a mandatory decision that must occur within 30 working days of receiving the request and any subsequent additional information necessary to enable a reasonable understanding of what is being proposed.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

This report is a procedural requirement of the Act and does not trigger the Council's Significance and Engagement Policy, pursuant to Section 5 of the policy.

3. HISTORY/BACKGROUND

The PC 82 request was formally received by Council on 1 November 2021. Access to the full request has been made available on Council's website.

The plan change area has an area of approximately 109 hectares, comprised within a number of titles, and is located to the west of Dunns Crossing Road, the south of Brookside Road and the east of Edwards Road, on the south-western side of Rolleston, as shown in Figure 1 below. PC 73 adjoins to the plan change area to the south. The site is currently zoned Rural (Outer Plains) and the requests proposed that this be rezoned for residential purposes.

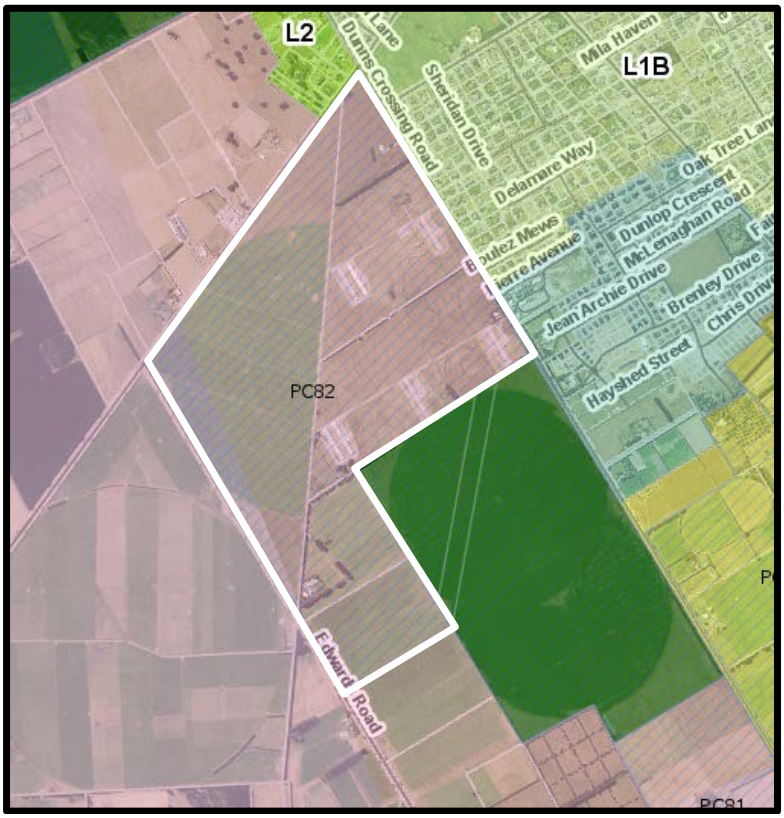


Figure 1- Aerial photograph of PC 82 area (outlined in white)
(Source: Selwyn District Council Maps)

The site is not identified within the Canterbury Regional Policy Statement (CRPS) as either a greenfield priority area or a future development area and the rezoning would be contrary to the CRPS as it currently stands. The site is also not identified within the Rolleston Projected Infrastructure Boundary.

However, the National Policy Statement on Urban Development (NPS-UD), which came into force on 20 August 2020, provides a policy framework to allow developments providing 'significant capacity' to be accepted even when that development conflicts with the existing CRPS direction. It is on the basis of the direction of the NPS-UD that the proponents have applied for the rezoning. The direction of the NPS-UD is discussed further below in Section 5.

Since lodgement, PC 82 has been has been reviewed in terms of the adequacy of the information provided. A Request for Further Information (RFI) was issued on 13 December 2021, with the proponents response received on 20 January 2022.

On 21 December 2021, the Resource Management Act (Enabling Housing Supply and Other Matters) Amendment Act 2021 (the Amendment Act) came into force. This included specific requirements relevant to private plan changes, depending on what stage of the plan change process they are at. In respect of PC 82, clause 35 of Part 5 of Schedule 12 of the Act applies to this request, as:

a. The request has been made before Council has notified its Intensification Planning Instrument (the IPI/Variation);
b. Clause 34 of the same section does not apply; and

c. The request seeks the creation of a new residential zone that proposes to adopt all the zone provisions of a relevant residential zone but does not amend the provisions in the relevant residential zone.

The implications of the Amendment Act on this plan change request have taken some time to consider and interpret. Once resolved, a follow-up request was made to the proponent, and their response was received on 11 March 2022. This is discussed further below in Section 5.

The PC 82 request, along with the responses to the RFI, has been peer reviewed by relevant the relevant internal SDC officers or external consultants to check the adequacy of information provided. Officers consider that all the information necessary to understand the request has now been provided and that a decision can be made on how to process PC 82, in accordance with the provisions of the Act.

4. PROPOSAL

Any person may request a change to a District Plan and Council must consider that request. Under Clause 25 of the First Schedule to the Act, Council must either reject, accept or adopt the request, or process it as a resource consent. An assessment of each of these options is considered in the following section of this report.

5. OPTIONS

Option 1 – Reject the request

Under clause 25(4), the grounds for rejecting PC 82 outright are that:
a. That the request is frivolous or vexatious;
b. The substance of the request has been considered by the Council or the Environment Court in the last two years;
c. The request does not accord with sound resource management practice;
d. The request would make the District Plan inconsistent with Part 5 of the Act; or
e. The District Plan has been operative for less than two years.

In terms of (a), the content of PC 82 is not considered to be frivolous or vexatious. The request seeks a change to the zoning to facilitate the type of development enabled under a Living zone framework. It is common practice for plan changes to seek rezonings to enable such development.

In terms of (b) and (e), the substance of the request has not been considered by the Council or the Environment Court in the last two years and the District Plan was made fully operative in May 2016, meaning that it has been operative for more than two years.

In terms of (c) and (d), the request is considered to be generally consistent with Part 5 of the Act, which relates to standards, policy statements and plans. However, s75(3)(c) requires the district plan to give effect to any regional policy statement. On initial assessment, PC 82 would generally give effect to the CRPS. However, as acknowledged in the request, it would be inconsistent with the direction in the CRPS to provide for new urban development only in identified greenfield priority areas or future development areas, as the area is not included in Map A of Chapter 6 of the CRPS.

Generally, a change that would be contrary to the CRPS would not be considered to accord with sound resource management practice as it would result in the District Plan

being inconsistent with one of the provisions in Part 5 of the Act. However, with the introduction of the NPS-UD, this consideration is not so straightforward, as the NPS-UD provides for consideration of 'unanticipated' or 'un-sequenced' development, where a plan change would add significantly to development capacity; if that development capacity would also contribute to a well-functioning urban environment, is well-connected along transport corridors and meets specified criteria. This is considered to provide an avenue for plan change requests to be considered for processing even where there is a conflict with the CRPS.

While not specific to this plan change request, the Council received legal advice on the conflict between the NPS-UD and the existing CRPS and the provisions for rejection of the plan change request under clause 25(4). The advice outlined that Council need not rely on the CRPS to reject a plan change under Clause 25 simply because the site of the plan change is outside of the 'development areas' identified on Map A of the CRPS.

For the reasons set out below (refer to Option 3), the plan change request is considered to align with the NPS-UD in terms of providing for significant development capacity, and the subsequent processes set out in the Act will test the extent to which it would contribute to a well-functioning urban environment.

In addition, under clause 25(4A), as included by the Amendment Act, a council must not accept or adopt a request if it does not incorporate the Medium Density Residential Standards (MDRS) as required by s80F(1). As discussed further below, the proponent has amended the request to incorporate MDRS, therefore there are no grounds pursuant to clause 25(4A) to reject the request.

As such, it is not considered that there are any sound reasons to reject PC 82 under the current set of circumstances.

Option 2: Adopt the Plan Change request

Under clause 25(2)(a), Council may adopt the request, in whole or in part, as its own.

Council should only consider adoption if the change has a strategic benefit; a substantial community benefit; a cost element which might require negotiations to occur between the council and the proponent; or involves a complex issue or a number of landowners that would benefit from Council coordinating the plan change process.

PC 82 will have some economic benefit to the wider community, through providing construction and employment opportunities and flow-on benefits of additional development occurring within the district. The request may involve a cost to Council where services (roading, water, sewer and stormwater) are vested in Council. This is likely to occur, in line with similar plan changes, and Council would be responsible for the operation and ongoing maintenance of the systems. Overall, the cost to Council from any infrastructure vested would be minimal and in line with similar private plan change requests. PC 82 is not particularly complex. While the area is currently in multiple parcels under different ownership, this has been addressed through the plan change request being made by one party, covering the whole area, and through provision of an outline development plan (ODP) covering the whole area.

An opportunity is also provided under clause 35 of Part 5 of Schedule 12, for Council to adopt the request and incorporate it into the forthcoming Variation to incorporate the

MDRS into the PDP. In this regard, the area of the request would be identified as a *new residential area*[1] within the Variation.

Usually, pursuant to Clause 25(2)(a)(iii), if Council were to adopt the request, it would have legal effect from the date of *notification*, rather than the date of *decision* however, pursuant to s86BA of the Act, this would not be the case if Council were to adopt the request as part of its Variation.

As discussed above, the substantive merits of the request have not been considered at this time, merely the adequacy of the information provided to enable continued processing. As such, limited consideration has been given to the question of whether Council supports the plan change request or not, however adopting the plan change request, in whole or in part, as currently presented or modified, either on its own or as part of the Variation, would imply that Council generally supports the request.

It is not recommended that the Council adopt the request as it is considered that there are a number of merit-based matters that it is appropriate to consider at the substantive hearing stage, with the potential that other matters may be raised by interested parties through the submissions process.

Option 3: Accept the Plan Change

Accepting PC 82, under Clause 25(2)(b), would enable the plan change request to be publicly notified and for the request to be subject to the participatory processes provided under the Act. This, in turn, would provide Council with a more informed understanding of the community's view on this specific request.

Accepting the plan change would mean that the costs associated with the continued processing of the request would be the responsibility of the proponent and no direct costs would be incurred by the Council or rate payers, although the preparation of any Council submission could not be on-charged.

As mentioned in Option 1 above, PC 82 is located outside of the development areas identified on Map A of the CRPS, but the NPS-UD provides for consideration of 'unanticipated' or 'un-sequenced' development, where a plan change would add significantly to development capacity; if that development capacity would also contribute to a well-functioning urban environment, is well-connected along transport corridors and meets specified criteria.

The request[2] states that it will contribute to a well-functioning urban environment, because it:

a. has a variety of lots sizes that will support different housing typologies and generate varied and more affordable housing options in the locality;
b. provide accessibility to the town centre; open space areas; existing public transport options; the state highway and railway line (and any future opportunities it may provide for alternative rail-based public transport); and to the increasing range of employment opportunities in Rolleston;
c. will respond to the shortage of land for development in Rolleston and help to foster competition in the local land market;

[1] A **new residential zone** means an area proposed to become a relevant residential zone that is not shown in a district plan as a residential zone.
[2] Paragraph 46 of the request

d. support reductions in greenhouse gas emissions, through having good accessibility to local centres and neighbouring areas, including by active and public transport modes, and,
e. not be at risk from climate change induced extreme natural hazard events like sea level rise or river flooding.

In terms of the criteria, the NPS-UD directs that the regional policy statement include criteria for determining what plan changes will be considered as adding significantly to development capacity. These are currently being developed by Greater Christchurch Partnership local authorities and have not yet been included in the CRPS.

In the absence of any criteria, the plan change request states that it provides significant development capacity in that it will enable development of up to 1320 additional residential sites. This is the equivalent of up to 24% of the housing stock in Rolleston, as of 2018[3].

The NPS-UD direction does not mean that every development providing capacity is appropriate. A plan change proponent must firstly demonstrate how a proposed development will add significantly to development capacity and meet the direction of the NPS-UD; and while the Council must have "particular regard" to the development capacity provided, the Council may still determine that the request is not the most appropriate course of action, and any plan change will still need to be considered on its merits overall.

As mentioned above, in accordance with the Act, Council must not accept or adopt a request if it does not incorporate the Medium Density Residential Standards (MDRS). As there are a number of private plan change requests before Council that would be captured by the reach of clause 35, Council's preferred approach has been to develop a stand-alone zone – Living Medium Density (Living MD) – in respect of the application of the MDRS.

The proponent has acknowledged this approach, and as amended the request to rezone the area to Living MD and largely adopted the provisions provided by staff without amendment. However, in regards to density, the proponent has requested a modification (in the form of a cap on household numbers, set out within the ODP), in order to accommodate a qualifying matter and in response to the findings in the transport assessment.

It is considered that the merits of the plan change request overall, including the weight and consideration that should be given to the development capacity provided by the request and the appropriateness of the qualifying matter, are best tested through the substantive assessment process provided for under the Schedule 1 process, including the submissions and hearing processes.

Accepting the plan change request is the recommended option under the current set of circumstances.

Option 4: Convert to a Resource Consent Application

The final option open to the Council is to process PC 82 as a resource consent.

[3] Paragraph 3 (e) of the plan change request.

As the request seeks to enable MDRS, as required by the Act, through the inclusion of a new zone, the Operative District Plan does not include the necessary provisions to the future development of the area. Processing the request as a resource consent is not therefore considered appropriate.

Recommended Option:

Option 3, to accept PC 82 for further consideration, is recommended.

There are not considered to be sufficient grounds to reject the plan change request when assessed against the statutory powers available to Council under the Act. And while Council could adopt the plan change as its own within the Variation, for the reasons set out above, this is not recommended.

The consideration of the request at this stage is limited to a coarse scale assessment of the contents of the request to ensure that the content and implications of the request can be generally understood and that the request is not in direct conflict with other planning processes and statutory instruments.

As the Act affords the opportunity for the proponent to request changes to the District Plan, the recommended option to accept PC 82 for notification will enable the request to be publicly notified, submissions and further submissions to be received and for the substantive merits of the request to be considered at a public hearing.

Accepting the private plan change request for notification does not signal that Council supports the request. The opportunity remains for Council to recommend that the request be supported, amended or opposed at a later stage. The benefit in accepting the request is that public input can be received to inform the overall assessment of the merits of the request, including that of the qualifying matter proposed by the proponent.

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected and Consultation

If the recommendation to accept the request for notification is adopted, then the content of PC 82 will be subject to the statutory consultative provisions of the Act where the opportunity for public involvement is mandatory. Council will be required to publicly notify PC 82 and serve notice on all directly affected parties and organisations who then have the opportunity to participate in the process.

The proponent did not consult with Selwyn District Council while preparing PC 82. As addressed above, the request has been peer reviewed by the relevant internal Council staff to consider the adequacy of information provided and amendments have been made.

(b) Māori and Treaty implications

No wāhi tapu or wāhi taonga sites of cultural significance within the plan change area have been identified. The plan change request indicates that a copy of the request has been forwarded to Mahaanui Kurataiao Limited on behalf of local rūnanga for their feedback.

(c) Climate Change considerations

The request includes an assessment of the resilience of the request to the effects of climate change. The adequacy of this assessment will be tested through the submission and hearings processes.

7. FUNDING IMPLICATIONS

If PC 82 is accepted for processing then the proponent is responsible for the costs associated with processing a private plan change request, with Council costs being recoverable. Council would be responsible for the cost of defending its decision should it be appealed to the Environment Court.

8. INPUT FROM OTHER DEPARTMENTS

As discussed above, the contents of the request, including relevant technical reports, were circulated to Council's Asset Managers for review. Queries received from the Asset Managers were included in the RFI and the response received has been provided back to the relevant staff for their consideration.

Jocelyn Lewes
STRATEGY AND POLICY PLANNER

Endorsed For Agenda

Tim Harris
GROUP MANAGER ENVIRONMENTAL AND REGULATORY SERVICES

RESOLUTION TO EXCLUDE THE PUBLIC

Recommended:

'That the public be excluded from the following proceedings of this meeting. The general subject matter to be considered while the public is excluded, the reason of passing this resolution in relation to the matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		Reasons for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution	Date information can be released
1.	Public Excluded Minutes	*Good reason to withhold exists under Section 7*	*Section 48(1)(a)*	
2.	Public Excluded Update – Westland Milk			
3.	Property Matters			

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

1, 2, 3	Enable the local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or	Section 7(2)(h)
1, 2, 3	Enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or	Section 7(2)(i)

2 that appropriate officers remain to provide advice to the Committee.'

PUBLIC EXCLUDED MINUTES OF AN ORDINARY MEETING OF THE SELWYN DISTRICT COUNCIL HELD VIA ZOOM ON WEDNESDAY 9 MARCH 2022 COMMENCING AT 1.53PM

PRESENT

Mayor S T Broughton, Councillors, M A Alexander, J B Bland, S N O H Epiha, J A Gallagher, D Hasson, M P Lemon, M B Lyall, S McInnes, G S F Miller, R H Mugford and N C Reid

IN ATTENDANCE

Messrs. D Ward (Chief Executive), T Harris (Group Manager Environmental and Regulatory Services), D Marshall (Group Manager Property), K Mason (Group Manager Organisational Performance), M Washington (Group Manager Infrastructure), S Hill (Group Manager Communication and Customer Services), R Raymond (Communications Advisor), and S Tully (Mayoral Advisor); Mesdames D Kidd (Group Manager Community Services and Facilities), and N Smith (Executive Assistant), and Ms T Davel (Committee Advisor)

APOLOGIES

None.

CONFLICTS OF INTEREST

None new.

CURRENT MATTERS REQUIRING ATTENTION

See last page.

IDENTIFICATION OF EXTRAORDINARY BUSINESS

Two items were tabled as extraordinary business:

3 Waters

The report and recommendations from the Working Group just released will be discussed in detail at the Council meeting of 23 March 2022.

UNCONFIRMED

Concerns around Western Milk Product discharge

Volumetric discharges and concerns with the composition of the waste were causes of concern. Councillor Miller noted it was not clear whether Council's operators were receiving real time data and that potentially a stop / go traffic light system was needed. It would be able to tell them when they were not allowed to discharge. He said Council couldn't afford to jeopardize the plant. Councillor Miller also asked whether Council was actually charging them for the non-compliance to ensure they are putting systems in place. He was extremely concerned with the issue and wanted immediate action. Councillor Miller said this was an ongoing issue as far back as when he was the Chair of the Audit and Risk Subcommittee.

The Chief Executive said it was timely Council was having this conversation as he was meeting with the Westland Milk Executive the next day. He said it had been 5 years ago when there was a conversation about the company investing in mitigation systems but as yet nothing has been actioned.

Council's Group Manager Infrastructure, Mr Washington, also noted that it had been ongoing since 2017 and although they have been paying excess charges there was a reasonable commitment from them to invest in pre-treatment. This has, unfortunately not yet happened. It seemed the issue was that they were prepared to pay penalties but not front up with the funding to install appropriate measures. Mr Washington said the company was going to discuss pricing and reduction in costs with Council staff at tomorrow's meeting. He said he would be able to report back to Council after the meeting.

The Mayor said Council supports the measures noted by staff as it has been going on for far too long. He did not want to risk Council's credibility and supported staff taking a strong view.

Staff said Westland Milk had been notified that unless they take action soon Council will install a control valve. Councillors agreed it would be the direction staff should be going. It will give them the ability to monitor discharge volume. Councillor Reid said dairy waste was the worst kind to take on at a plant and asked whether Westland had a holding tank on their end.

Staff said if a valve is installed it will not happen overnight and can take up to 6 months. The Chief Executive said there will be an interim report to Councillors the next day after the executive meeting and a full public excluded report for the 23 March 2022 Council meeting.

Staff also said that it had always been a possible consideration to have a pre-treatment facility in Izone, particularly as more customers develop there.

CONFIRMATION OF MINUTES

1. Public excluded minutes of an Ordinary meeting of the Selwyn District Council held via Zoom on Wednesday 23 February 2022.

There was a discussion about the presentation from Tennyson 21 with some Councillors suggesting there should be a written report in future as with any other item on the agenda. The Chief Executive said he would ensure the slides shown during the company's presentation at the last Council meeting, will be circulated.

Moved – Councillor Lemon / **Seconded** – Councillor Mugford

UNCONFIRMED

'That Council confirms the unconfirmed public excluded minutes of an Ordinary Meeting of the Selwyn District Council held on Wednesday 23 February 2022.'

CARRIED

EXTRAORDINARY BUSINESS

None.

RESOLUTION TO MOVE FROM PUBLIC EXCLUDED

Moved – Councillor Lemon / **Seconded** – Councillor Lyall

'That the meeting move out of public excluded business at 2.23pm and resume in open meeting.'

CARRIED

The meeting closed at 2.23pm

DATED this day of 2022

_____

MAYOR

UNCONFIRMED

PX MATTERS UNDER INVESTIGATION

Selwyn Aquatic Centre Update Report Recommendations	Report from staff documenting learnings to share with other Councils and staff	April 2022
Billingual Township Signage	Report back on how Council could achieve this, with a suggested timeframe as well as funding models/streams.	March 2022
Trade Waste – Westland Milk	Report back following governance meeting	23 March 2022

UNCONFIRMED

PUBLIC EXCLUDED REPORT

TO: Council

FOR: Meeting on 23 March 2022

FROM: Chief Executive

DATE: 14 March 2022

SUBJECT: **CHIEF EXECUTIVE - VERBAL UPDATE ON WESTLAND MILK PRODUCTS TRADE WASTE**

RECOMMENDATION

'That the Council receives the Chief Executive's verbal update on outcomes from recent Westland Milk Products meetings.'

1. PUBLIC EXCLUDED REASONING

This report is to be received in a publicly excluded environment due to the following reasons:

Chief Executive verbal update on PX matters	enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities	Section 7(2)(h)

2. PURPOSE

Further to concerns raised by Elected Members relating to the trade waste activities of Westland Milk Products, the purpose of this report is to update Elected Members on discussions and outcomes from recently held meetings with Westland Milk Products.

At today's meeting, Council's Chief Executive and key staff will provide a verbal update to Elected Members on conversations held recently, including but not limited to, mitigations proposed by Westland Milk Products and Council; and a possible way forward.

David Ward
CHIEF EXECUTIVE

PUBLIC EXCLUDED REPORT

TO: Chief Executive

FOR: Council – 23 March 2022

FROM: Group Manager Property

DATE: 14 March 2022

SUBJECT: **PROPERTY TRANSACTION UPDATE – 28 FEBRUARY 2022**

RECOMMENDATION

"That Council receives the Property transactions update, public excluded report, as at 28 February 2022, for information."

1. PUBLIC EXCLUDED REASONING

This report is excluded for the following reasons provided under Section 7 of the Local Government Official Information and Meetings Act (LGOIMA):	(h) Enable the local authority holding the information to carry out, without prejudice or disadvantage, commercial activities, or (i) Enable the local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

2. PURPOSE

This report updates the Council on a number of matters that will be of interest to them.

The wording/paragraphs in RED are the updates since the last report.

Project name:	**Health Hub – Toka Hapai**
Key staff:	Douglas Marshall (Group Manager Property)
Approved budget:	**$15 million (excluding land value)**
Project overview:	Development of an approximately 3,412m2, two storey complex, most likely in two buildings for a combination of health/office and related activities.

Update since last meeting	**Construction** Construction complete. Council has taken over ownership responsibility. **<u>Tenant Managed Fit-Outs</u>** • CDHB fit out commenced late February 2021 with completion expected April 2022 • Pacific Radiology are operational. **<u>Council Led Fit-Outs</u>** **Physio area:** • Evexias are operational. **GP area:** • The design for the GP fitout area underway to allow for revised lease calculations including fitout funding. **Blood sample collection area:** • Progress with tenant progressing well • Space is approximately 120m2 • The DHB will be part of the approval and funding approval. **Balance of tenancies** As at today's date, the balance of the tenancies available have the following commentary: • First floor 320m^2 area – tenant search commencing. • Southern end ground floor - total tenancy area of 165m2 to be used by District Plan hearings until late 2022.
Next steps	Continue tenant identification and lease signing.

Project name:	**Rolleston Town Centre – Retail/Commercial Space – "Rolleston Fields"**
Key staff:	Douglas Marshall (Group Manager Property) Gabi Wolfer (Senior Urban Design/Town Planner) Phillip Millar (Acting Major Property Projects Manager) Dylan Robinson (Landscape Architect) Creagh Robinson (Management Accountant)
Approved budget:	To be established – funded from Commercial Property budget with annual costs of funding and operating these spaces from lease income.
Project overview:	Development of retail and commercial areas for town centre. This project also includes the carparks, town square, reserve areas and all other services required for the town centre.

Update since last report:	**Tenant Discussions** Tennyson 2021 have made good progress regarding tenant discussions for Buildings A, B, D and I. They have largely signed up tenants for Buildings A and D, and have begun construction of these buildings. Armitage Williams are the Contractors on site, building these first two buildings which are due for completion late 2022. **Carpark and Services** Tender accepted for Stage 2 works. Selected contractor Isaacs are on site. Completion programmed for April 2022 but wet weather during February 2022 may push completion out until May 2022. **Land Sales** Settlement on lot 4 (December 2021) and lot 5 (February 2022). Settlement value - ($2.3 million plus GST). **Arbour Structure Town Centre** Pricing of the covered structure has been carried out by Armitage Williams. This is on hold while the developer continues looking at the design of surrounding buildings. A report is now expected to come to Council in May 2022 for consideration. The covered arbour structure will provide an environment where the square is protected in terms of shade and wind protection.
Next steps:	Building A and D construction to continue. Selwyn District Council Major Projects staff are reviewing options for undertaking further landscape areas around these buildings.
Anticipated timeframe:	Update - May 2022

Project name:	**Commercial Land Sales**
Key staff:	Douglas Marshall (Group Manager Property)
Approved budget:	To be established – funded from Commercial Property budget with annual costs of funding and operating these spaces from lease income.
Project overview:	Sale of surplus Council land
Update since last report:	**Izone land sales** ~~A "prospective" offer has been received for the Izone maintenance site from an adjacent neighbour.~~ No further contact has been made so this item will be removed from report. Council staff are developing a feasibility to now hold the last lot, without a contract, being lot 10 in Hynds Drive as a maintenance/storage site for Council activities.

	Other land sale items NZ Police – The Mayor organised a very productive meeting with NZ Police local and national property staff, and Inspector Peter Cooper in early March. The indication is that Police are very keen to advance a new station option in Rolleston, a joint emergency precinct with Fire and St Johns could be a possibility. A site in the area between Rolleston Drive, Kidman St and McDonalds would be most appropriate. Fire & Emergency – have asked for Council assistance in identifying future site options to meet their needs. Fire and Emergency advised that new fire stations are required in Rolleston, Lincoln and Leeston although the timing of development at each site differs. An agreed development process with Fire and Emergency and the Council working together provides certainty for Fire and Emergency and the Council as to how future needs of both can be catered for. Options being considered are as follows: **Rolleston** An area of approximately 2,500m2 is required. Council has three sites that have merit in being considered further. The above HQ site would be a fourth option. It should be noted that an HQ site for a responding fire unit next to SH1 sounds logical but the arrival of volunteers for a responding unit is best closer to residential areas where volunteers live. Once fire fighters are in their responding vehicles, they can use their red lights and sirens to move through traffic whereas while driving to the station, volunteers have no greater rights then the general public on the road to move through traffic. The HQ site would be appropriate for the operational management side of Fire and Emergency's team to be based in Selwyn. **Lincoln** Three sites that can be considered. **Leeston** One site that can be considered.
Next steps:	
Anticipated timeframe:	May 2022

Project name:	**Land Acquisition for Moore Street Extension from MOE**
Key staff:	Douglas Marshall (Group Manager Property) Rob Allen (Acquisitions, Disposals and Leasing Manager) Andrew Mazey (Asset Manager Transportation)
Approved budget:	
Project overview:	As part of the Selwyn Long Term Plan and Rolleston Town Centre Plan adopted by Council, the extension of Moore Street through part of the Rolleston Primary School has been identified. A draft MOU has been received but no feedback from MOE.
Update since last report:	Staff have suggested a joint meeting with MOE staff and the Board of Trustees to move matters forward. There has been a slight delay in arranging a meeting due to lockdown but now we are at Level 2 this should be possible. Staff continue to press for progress on this matter. Staff continue to chase for a meeting with the MOE on this matter and will request assistance from Senior Managers and the Mayor to make this happen. Staff have now requested legal advice to assist with a process and strategy to progress discussions with the MOE as there seems to be a lack of willingness from the MOE to have any meaningful discussions with Council on this matter. Staff will report back to Council on this matter in March 2022 for direction as to how to proceed. The Mayor has made contact with MOE staff and is in the process of arranging a meeting between respective Council and MOE staff and the School Board of Trustees to help progress this matter.
Next steps:	Staff will report back to Council following the meeting with MOE and School Board of Trustees in April/May 2022. Agree form of MOU and timeframes as identified above. Staff will work on amendments to the MOU following a meeting with MOE staff.
Anticipated timeframe:	2026/2027 subject to approved funding and MOU timeframes.

Project name:	**Proposed Sale of 354 Creyke Road Darfield and adjacent 9ha of land**
Key staff:	Douglas Marshall (Group Manager Property) Rob Allen (Acquisitions, Disposals and Leasing Manager)
Approved budget:	N/A
Project overview:	Declaration of house and land as being surplus to requirements and sale on the open market.
Update since last report:	Terms have now been agreed with Councils tenant of the adjacent farm land to incorporate the existing house and 9ha of land into the lease of Raeburn Farm. Legal documentation currently being prepared.

Next steps:	Documentation to vary existing lease to include the existing house and adjacent 9 ha now with tenant for execution.
Anticipated timeframe:	April 2022

Project name:	**Sale of Residential Sections**
Key staff:	Douglas Marshall (Group Manager Property) Rob Allen (Acquisitions, Disposals and Leasing Manager)
Approved budget:	
Project overview:	The Council will be able to market and sell a number of residential sections created from subdivision activity as follows: • Millpond Lane, Lincoln – 5 sections (ranging in size from 653m2 to 826m2)
Update since last report:	Millpond Lane Lincoln Subdivision – Agreement now reached with adjacent property owner to allow connection into the stormwater pipe which runs through private land.
Next steps:	Millpond Lane Lincoln - Reactivate Subdivision consent application that was put on hold due to stormwater disposal uncertainty and obtain specs for civil works to enable costings to be obtained. Draft conditions for Resource Consent now approved.
Anticipated timeframe:	Millpond Lane Lincoln – subdivision consent obtained March/April 2022 Costings for civil works obtained June 2022 Subdivision works competed October 2022 Sections marketed and sold November/December 2022

Project name:	**Landcare Research Block Lincoln**
Key staff:	Rob Allen (Acquisitions Disposals and Leasing Manager) Douglas Marshall (Group Manager Property)
Approved budget:	
Project overview:	Council have been in discussions with Landcare Research and Ngai Tahu since approximately 2015/2016 regarding the possibility of acquiring the above land that is located between the LEC and Boundary Road. There are challenges for all in acquiring the property.
Update since last report:	Council's updated valuation has recently been received and indicates a current market value of **$2,470,000 + GST (if any) (Two million four hundred and seventy thousand dollars).** This is substantially higher than the valuation in 2018 at **$1,050,000 + GST (if any) (One million and fifty thousand dollars).** It should be noted that Council has also resolved to pay a waiver fee to Ngai Tahu of $100,000 in addition to any purchase price negotiated. Landcare Research have not yet received their revised valuation to enable negotiations to continue**.** The budget allocated for this land purchase in this financial year is $1,039,356.

	As the potential purchase price is substantially higher than the allocated budget, confirmation is requested by staff that they should continue with negotiations to purchase this land. Landcare Research revised valuation expected by 19 November 2021 to enable final terms to be agreed. Detailed Site Investigation of contamination expected by week commencing 22 November 2021 together with estimated costs to remediate – this will enable a discussion on price reduction to occur. Ngai Tahu are currently detailing process to Waive their rights on payment of $100,000 and to remove Ngai Tahu memorial on the title. Due to the complexity of this land transaction Landcare Research have recently decided to appoint WSP Property Consultants to advise their Board on process to achieve a sale. It is hoped that terms will be finalised and reported to Council in March or April 2022.
Next steps:	Council solicitors and Landcare Research solicitors agreeing form of documentation. Finalise terms with Landcare Research and offer back and waiver with Ngai Tahu and report to Council.
Anticipated timeframe:	March/April 2022

Project name:	**Selwyn Aquatic Centre – Deficiency with Original Build**
Key staff:	Douglas Marshall (Group Manager Property)
Approved budget:	
Project overview:	*Council at its meeting on 11 August 2021 resolved a way forward.* ***CARRIED***
Update since last report:	Council staff are updating the claim for costs.
Next steps:	Naylor Love have agreed to their share of ceiling bracing claim. They believe that the air handler bracing issue was resolved. Ongoing discussions are being held with Warren and Mahoney regarding their portion of claim for costs.
Anticipated timeframe :	April 2022

Project name:	**72 Weedons Road, Lincoln**
Key staff:	Douglas Marshall (Group Manager Property) Rob Allen (Acquisitions Disposals and Leasing Manager) Andrew Boyd (Solid Waste Manager)
Approved budget:	
Project overview:	Strategic purchase of property adjacent to the former Springston Pit (now a clean fill pit).
Update since last report:	Upgrade being priced.
Next steps:	A potential waste blending/mixing business use is currently being investigated by the Solid Waste Manager in conjunction with Property staff and further details will be reported in due course. Solid Waste Manager to report and provide further details at the appropriate Council Meeting.
Anticipated timeframe:	March/April 2022

Project name:	**Glentunnel Holiday Park – Dwelling Upgrade**
Key staff:	Douglas Marshall (Group Manager Property) Rob Allen (Acquisitions, Disposal and Leasing Manager) Kevin Chappell (Facilities Manager) Sue Faulkner (Facilities Project Manager)
Approved budget:	The project is not included in the 2021/2022 budget but an annual depreciation charge of $18,985 per annum is credited to general funds thus providing the funding that is required. Estimated cost of upgrade is $240,000.
Project overview:	The dwelling at the camp ground is at end of life. It is one of the assets that the Council owns and leases as part of the Holiday Park agreement. Relocatable dwelling identified for purchase and relocation to site. Estimated date for relocation is early March 2002 depending on consents.
Update since last report:	Draft agreement being reviewed.
Next steps:	Consent applications to be submitted mid-February for house relocation May/June 2022.
Anticipated timeframe:	May/June 2022

Project name:	**Foster Park House (dwelling resided in by former owner)**
Key staff:	Douglas Marshall (Group Manager Property) Rob Allen (Acquisitions, Disposals and Leasing Manager)
Approved budget:	

Project overview:	Foster family have expressed disappointment with the decision by the Council to remove the dwelling. They have engaged legal advisors. The basis of the Foster family argument is that the community should have been involved in the decision to remove the house as should have the Foster Park Advisory Committee. Staff view is that if a formal Council resolution and a meeting of the Advisory Committee is needed, then that should be considered but they are also very much of the view that Council is entitled to make the decision it has. A separate report will be provided to the Council meeting on 27 April 2022.
Update since last report:	27 April 2022

Project name:	**Proposed extension to Corde Offices – Hoskyns Road**
Key staff:	Douglas Marshall (Group Manager Property) Rob Allen (Acquisitions, Disposals and Leasing Manager)
Approved budget:	N/A
Project overview:	Corde require an extension to their office space of approximately 180-190m2 with an estimated all up project build cost including fees and fit out of $700,000 excl GST.
Update since last report:	Corde are further refining their requirements to all Council property staff to provide a report on an appropriate decision whether to advance fund this investment option.
Next steps:	As above
Anticipated timeframe:	Staff to report back to Council in April 2022

Douglas Marshall
GROUP MANAGER PROPERTY