

21 July 2025

Energy Policy  
Ministry of Business, Innovation and Employment  
PO Box 1473  
Wellington  
6140

Via: [energyuse@mbie.govt.nz](mailto:energyuse@mbie.govt.nz)

Tēnā koe,

### **MDC Submission on Proposals to Support the Uptake of Smart Electric Vehicle (EV) Charging**

The Manawātū District Council (MDC) thanks the Ministry of Business, Innovation and Employment for the opportunity to provide feedback on these proposals. This submission encapsulates the interests of our district's residents and businesses, with particular focus on rural communities, low-income households, and areas with limited EV charging infrastructure. We largely support measures that improve energy affordability, network resilience, and equitable access to EV charging.

MDC, however, signals a misrepresentation of EV uptake in the consultation document. The consultation document erroneously states that EV uptake is on the rise. This premise forming the problem statement is factually incorrect. While EV numbers had been growing in recent years (attributable in part to the Clean Car Discount rebate scheme), the policy landscape changed dramatically at the start of 2024. The government removed EV purchase subsidies (the Clean Car Discount ended on 1 January 2024) and simultaneously began imposing road user charges on EVs from April 2024, among other cost-parity measures.

These changes had an immediate chilling effect on electric vehicle (EV) uptake and sales. In the first quarter of 2024, new EV registrations in New Zealand plunged by roughly 75% compared to late 2023 levels. By the year to November 2024, registrations of new fully electric cars were down 55% compared to the prior year (with plug-in hybrids down 51%), whereas petrol car sales dipped only 5%.

In the Manawātū-Whanganui region, this trend was also evident. For instance, Palmerston North City recorded only 229 EV registrations in the year to March 2025, down from 329 the previous year, reflecting a decline of approximately 30% — in line with the national downturn. Despite some softening of sticker prices, the abrupt removal of financial incentives has made EVs less affordable for consumers, contributing to this slump. As of June 2025, the share of EVs in the market has remained largely unchanged, with approximately 84,000 fully electric light vehicles and around 38,700 plug-in hybrids on the road.

In addition to the foregoing, MDC would like to address several other key issues in the consultation document, including:

#### **Limited Charging Infrastructure in Manawātū District**

MDC is primarily concerned about the lack of public electric vehicle charging infrastructure in the Manawatū district. The proposal rightly alludes to ‘most EV charging happens at home’ in New Zealand and in districts like the Manawatū, and this is exacerbated because public charging options are sparse, thereby posing a serious barrier for both existing EV owners and potential adopters. In the Manawatū, outside of a few sites on state highways or in Palmerston North, public chargers are virtually non-existent- in fact, within our own district of 2,624 km<sup>2</sup> (stretching nearly 100 km in length) there is only a single public charging point, located at 42 Aorangi Street, Feilding, with none available in any of our villages.. Households in the district cannot rely on finding a convenient charging station in town or on routine trips.

MDC generally supports the government’s Electric Vehicle Charging Strategy target of 10,000 public chargers by 2030 (up from about 1,378 currently) to reach a ratio of 1 charger per 40 EVs. This planned expansion is encouraging, but it will take time to materialize and may not evenly cover all districts. Consequently, in the near term, Manawatū residents who buy EVs have little choice but to charge at home, since local public infrastructure has not kept pace. This reality raises other issues like equitable access and local uptake impacts that must shape our response to the smart charging proposal.

### **Equitable Access**

MDC highlights that the thinking behind and the wording of the proposals is leaning more towards private charging. Therefore if public charging remains scarce, only those who own homes with off street parking (and can install a private charger) will fully benefit from EV ownership. Residents in apartments or rental housing – or those who rely on street parking- will be at a disadvantage, unable to easily charge smartly or at all. The consultation document explicitly asks about charging availability for homeowners vs renters, and in our district this gap is a serious equity concern. A policy that focuses on home charging (making it smart) should be paired with efforts to expand accessible charging options for those who cannot install charger, or else we risk marginalising certain groups. Some countries have tackled this by funding chargers in apartment complexes or kerbside chargers in residential areas.

### **Local Uptake impacts**

MDC acknowledges that the government is relying on increased EV uptake as a key mechanism for meeting national climate change commitments. However, the limited availability of public charging infrastructure in our district remains a significant barrier to adoption—one that cannot be addressed by smart charging mandates alone. Range anxiety continues to influence consumer behaviour, particularly in rural regions where charging access is sparse.

Without substantial improvements to public charging coverage, the effectiveness of smart home charging policy will be constrained, and there is a risk that regional disparities will deepen. Urban centres such as Wellington or Auckland may benefit from broader public and workplace charging networks, while rural communities remain reliant on home-based charging and must absorb the full cost of equipment installation.

### **Affordability and Equity Considerations for Households**

From an affordability standpoint, MDC notes that the upfront cost of installing a private EV charger- let alone a smart charger is a major concern. The consultation document

acknowledges that a fixed charging unit entails a significant purchase and install cost for consumers, and that “the upfront cost will continue to be the largest barrier to uptake of fixed charging units” (i.e. wall-mounted home chargers). For many households in Manawatū, especially those on modest incomes, this cost is prohibitive.

Requiring all new chargers sold to have smart functionality could further increase the cost of these units. Smart chargers (with communication chips, software, metering capabilities, etc.) are typically more expensive than basic chargers. For example, in the UK basic 7 kW home chargers might cost around £500, whereas smart models with added features can cost £800–£1200 installed.

While NZ prices vary, the mandate would likely nudge prices upward or at least keep them higher until economies of scale kick in. The policy proposal does not suggest any financial assistance or subsidy to offset this cost for consumers; in fact, it explicitly ruled out subsidies “due to the current fiscally constrained environment” and concerns that subsidies would mainly benefit wealthier early adopters. This is troubling, because it leaves the entire burden of investment on individual households, at a time when other costs of EV ownership in NZ have been rising.

The proposal argues that a subsidy for chargers now would “solely benefit current EV owners” (who skew affluent). However, this viewpoint misses the fact that if we want EVs to move beyond the wealthy and into the mainstream, we must lower barriers to entry for average families. Removing purchase rebates (as has happened) and then adding additional required costs (like a smart charger) could delay the point at which middle- or low-income families find EVs affordable. In the Manawatū, household incomes are generally lower than the big cities, and many households may not be able to spare up to \$2,000 (for a charger + installation) on top of an EV purchase without assistance.

MDC urges the government to revisit how other jurisdictions have balanced these issues. Some examples are South Australia, the United Kingdom and Germany who have taken different approaches using either rebates, grants or allowing flexibility in the use of smart chargers by refraining from issuing any mandates. Below are responses to the questions contained in the consultation document.

## **Consultation Questions**

1. *Research indicates that most EV charging occurs at home. Do you have any comments on the split between private (home) and public charging and how this may change into the future?*

Council agrees that today the vast majority of EV charging is done privately – typically at home or workplace. Currently almost 80% of EV charging is at home. As EV uptake broadens to renters and high-mileage users, public and workplace charging must grow. Home charging remains most convenient and cheapest, but more public infrastructure will be needed to serve those without home chargers and long-distance travel.

In the Manawatū District, public charging infrastructure is currently limited, so most local EV owners indeed rely on home charging. However, we are conscious that public charger scarcity is a barrier in rural areas – e.g. smaller towns in our district have few or no public chargers, which can dissuade residents without off-street parking from considering an EV. Over time, as more public chargers are deployed through government and private investment, those

without home charging will gain options, and the share of charging done publicly will rise somewhat. We also note the role of workplace charging (semi-private). Many businesses are installing chargers for staff and fleet vehicles. Workplace charging can effectively supplement home charging, especially for those who live in multi-unit dwellings. It is typically done during daytime and could align with solar generation peaks – a future trend that might emerge is more daytime charging at work while solar is abundant, which is a positive for the grid if managed smartly.

*2. Do you have comments on the current state of private EV charging in New Zealand?*

Private EV charging in New Zealand is still basic and largely unregulated, with around two-thirds of EV owners using standard 3-pin wall outlets instead of dedicated chargers. Fewer than 1 in 5 have invested in smart, network-connected units, with cost and low awareness acting as barriers — particularly for rural and lower-income households. Renters and those in multi-unit dwellings face added challenges, often lacking the ability to install private chargers and relying instead on slower or public options. While EECA's approved list of smart chargers is a positive development, the market remains fragmented and under-optimized, highlighting the need for clearer standards and incentives.

*3. Do you agree that smart charging can support network infrastructure needs, and in turn realise benefits for end consumers?*

Yes MDC agrees that smart EV charging is a key tool to support electricity network infrastructure and deliver significant benefits to consumers.

*4. What are your views on whether the supply of chargers in New Zealand would move to predominantly smart charging without regulation?*

MDC considers that without clear intervention, the transition to predominantly smart EV chargers in New Zealand will be too slow and fragmented to manage the growing strain on the electricity network. Although EV uptake and international trends might eventually push suppliers toward smarter models, the continued prevalence of low-cost, non-smart chargers—driven by limited awareness and upfront cost sensitivity—suggests market forces alone will not deliver timely change.

In our district, households are likely to default to the cheapest available options or stick with basic portable cables, missing the opportunity to optimise charging behaviour. Overseas experience, such as the UK's decision to regulate, reinforces the risk of delaying action and locking in inefficient infrastructure just as demand is scaling. We believe government standards are needed to make smart functionality the default, ensuring that the benefits of managed charging are embedded early rather than retrofitted later at greater cost.

*5. Do you have any comments on the availability of private EV charging for varying demographics, for example, homeowners versus renters?*

MDC recognises that access to private EV charging is markedly unequal across demographic groups, with homeowners—particularly those in single-family dwellings—having significantly greater access than renters and residents of multi-unit housing. In both our district and nationally, homeowners are more likely to own EVs and charge them at home, supported by off-street parking and the ability to install or use existing electrical infrastructure. Renters, by contrast, often lack dedicated parking, face restrictions on electrical modifications, and rely on more costly or inconvenient public and workplace charging—factors that contribute to lower EV uptake and entrench affordability challenges.



These disparities are especially pronounced in rural areas, where renters may live in farm cottages or small-town properties with physical space but limited electrical capacity or landlord support. MDC considers it essential that smart charging policy is complemented by targeted measures—such as “right-to-charge” regulations, landlord incentives, shared charging infrastructure, and subsidised solutions for rental households—to ensure equitable access. Without such interventions, the risk is a two-tier transition in which higher-income homeowners benefit from smart, cost-efficient charging, while lower-income and renting households face persistent structural barriers to EV ownership.

*6. Is there any other relevant context, such as industry developments or international practice that we should consider?*

MDC recommends that New Zealand closely align its smart EV charging policy with international best practice to ensure regulatory efficiency, market compatibility, and future-readiness. Jurisdictions such as the United Kingdom and the European Union have already mandated smart functionality, interoperability, off-peak charging defaults, and cybersecurity standards—providing proven models from which to draw. Australia is also progressing in this direction, with federal and state-level efforts focusing on demand response capabilities and data security.

Aligning with these frameworks will not only reduce compliance costs and streamline product supply chains but also prevent New Zealand from becoming a repository for substandard or outdated chargers. As global manufacturers increasingly standardise around smart, connected systems—and as technologies like V2G and V2H mature—it is critical that our regulations are designed to accommodate future developments. MDC therefore urges MBIE to adopt established international standards and remain responsive to evolving global trends in both technology and cybersecurity.

*7. What cybersecurity risks do you see with greater uptake of smart EV chargers?*

Smart EV chargers are essentially Internet of Things devices on the grid, which makes them potential targets for cyberattacks. If compromised, an attacker could steal sensitive user data, disrupt charging services, or even manipulate a large number of chargers simultaneously to destabilize the power grid. Researchers have demonstrated, for example, that a coordinated hack turning thousands of chargers on or off at once could cause sudden spikes or drops in electricity demand, straining local networks and potentially leading to outage. These threats are not just theoretical – in 2024 a hacker leaked over 100,000 records from multiple EV charging providers,<sup>1</sup> and security flaws have been found that allowed remote control of poorly secured chargers.

There are also privacy concerns: charging data (timing, duration, location, user identity) could reveal personal routines or whether someone is home if intercepted. Additionally, a compromised charger might serve as a gateway into a home Wi-Fi network or even into utility systems if chargers are integrated with grid control platforms, further expanding the attack surface. Recognizing these risks, some jurisdictions now require that all communications from smart chargers be encrypted and that chargers meet strict cybersecurity standards (like complying with ETSI EN 303 645) to guard against tampering and unauthorized access. In

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<sup>1</sup> Virta “How to Address the Increasing Threat of Cyberattacks on EV Charging Stations”  
<https://www.virta.global/blog/en/blog/how-to-address-the-increasing-threat-of-cyberattacks-on-ev-charging-stations>

summary, the key cybersecurity risks for smart EV charging infrastructure include unauthorized access and control, data/privacy breaches, and large-scale coordinated attacks, which could lead to anything from individual fraud or inconvenience up to serious grid reliability issues if left unaddressed.

*8. Do you see a role for cybersecurity to be managed alongside any requirements relating to smart functionality, or should this be managed by another mechanism?*

It is imperative that cybersecurity is built into smart-charger functional specifications and not treated separately. MDC notes that leaving security considerations until later will occasion in systemic vulnerability. Regulatory integration will ensure baseline protection from the beginning.

*10. Are there any additional objectives you think we should also adopt to inform decisions on this proposal?*

MDC recommends adding equity and accessibility as a distinct policy objective within the smart EV charging framework, to ensure that underserved communities—including renters, rural residents, and lower-income households—benefit from the transition. While current objectives largely focus on peak demand management, cost reduction, and user experience, they do not explicitly account for systemic access barriers that many populations face.

This recommendation aligns with New Zealand’s National EV Charging Strategy, which identifies improving access for renters, low-income households, and geographically isolated areas as a key priority. Rural areas like Manawatū often contend with sparse public charging networks, longer travel distances, and grid capacity constraints—underscoring the need for tailored approaches that go beyond urban-centric solutions. Including an equity objective would guide complementary measures such as right-to-charge regulations, EV-ready building codes, and targeted infrastructure in high-need areas, drawing on international best practice.

MDC also supports referencing international standards and climate outcomes—such as enabling smart charging to align with renewable generation—as guiding principles but considers equitable access the most critical addition to strengthen social outcomes and inclusivity in New Zealand’s EV charging transition.

*11. Which option do you prefer and why? Are there other options you think should be considered? (see page 10-14)*

MDC generally supports Option 4A conditional upon the inclusion of other supporting measures such as incentives and assistance programs. We note that direct subsidies for chargers were considered and not preferred on equity grounds, however, there could be other ways- for example, a rebate for installing a smart charger in a rental property or funding assistance for community charging hubs in rural villages. These would not replace Option 4A but supplement it to ensure no one is left behind.

We also encourage exploring building code changes requiring new buildings (or major renovations) to include EV charger readiness (conduit, space for a smart charger, etc.). While this is outside the scope of MBIE’s equipment regulation as such, it is a parallel action that aligns with making smart charging ubiquitous.

*12. Do you agree with our assessment of the options against the objectives? If you agree or disagree, please explain why.*

Yes, MDC broadly agrees with MBIE’s assessment of how each option performs against the stated objectives. We, however, want to emphasize a couple of points that might deserve more weight in the assessment. One is the equity aspect we mentioned in Q10. The formal objectives did not explicitly include equity, so perhaps it was not in the assessment criteria. But in our view, any chosen option should also be judged on whether it allows all segments of society to participate. Option 4A, for example, scores highly on technical and economic objectives, but we note that by itself, it does not resolve disparities in charging access (e.g., it does not automatically help renters get chargers).

*13. What are your views on the functionality outcomes that could be adopted?*

*a. Are there any outcomes that you think should be required?*

*b. Do you think any functionality outcomes above should not be included, and if not why?*

*c. Are there any different types of requirements we need to consider for V2X chargers?*

MDC supports a smart charger functionality framework that prioritises key outcomes such as flexibility, interoperability, user control, and safety, aligning with international best practice. At minimum, chargers should support two-way communication, remote scheduling or load control, user interface access (via app or device), and interoperability with multiple platforms and energy retailers, consistent with global best EV Smart Charge Point Regulations and open standards like OCPP and ISO 15118.

Basic charging should function offline to accommodate rural connectivity constraints, and chargers should include energy metering and secure communication protocols, including encryption and safe firmware. MDC does not support mandating overly specific technologies (e.g., in-built displays or fixed communication methods) but recommends outcome-based requirements that allow for innovation and cost control. MDC suggests the laying of regulatory groundwork—similar to the EU’s (Alternative Fuels Infrastructure Regulation) AFIR approach—for V2X scalability in the future, particularly by ensuring chargers use updatable software and standards (e.g., ISO 15118-20) that do not preclude future integration.

*14. Do you think there is a case for voluntary or mandatory labelling of EV chargers, and why or why not?*

*a. If you support labelling, what content do you think should be incorporated in the label?*

Side by side with supporting measures, MDC supports mandatory labelling of EV chargers, particularly to indicate smart functionality, energy efficiency, and key technical features, as a vital complement to regulatory requirements. Mandatory labels—modelled on existing schemes like New Zealand’s Energy Rating Label—would empower consumers at point of sale, clarify what constitutes a “smart charger,” and drive competition on quality, safety, and energy performance.

Internationally, the UK’s EV Smart Charge Point regulations require consumer information to be transparent, and labelling has proven effective in other sectors at promoting efficiency and informed decision-making. Clear indicators (e.g. standby power use, connectivity type, supported protocols such as OCPP or ISO 15118, and compliance with AS/NZS safety and cybersecurity standards) would help consumers differentiate chargers beyond technical spec sheets, especially as many remain unfamiliar with smart charging concepts. While labels should be concise, optional use of QR codes could provide further detail online; overall,

labelling would foster both consumer confidence and market innovation and is unlikely to be effective if kept voluntary.

*15. What types of chargers should your preferred option be applied to? For instance, if you think different types of chargers (for example public vs private, or chargers smaller or larger than 2.4kW) should be subject to different parts of your preferred option, please explain.*

No comment.

*16. Do you agree with our assessment of the scope against the objectives? If you agree or disagree, please explain why.*

MDC broadly supports MBIE's assessment that prioritising regulation of private chargers—especially residential and workplace units—delivers the greatest benefit in terms of peak demand management, cost reduction, and user experience. We agree that this segment represents the majority of charging load and offers the most effective opportunity to shape consumer behaviour and reduce grid stress. However, we see slightly greater value in also including public chargers, particularly in rural areas where even a few high-powered units can impact local networks.

Smart functionality in public infrastructure enhances resilience and supports equity by improving service for renters and travellers who rely on shared facilities. While we acknowledge the need to avoid over-regulating very low-power devices, we advocate for a practical scope that includes all mainstream home, workplace, and public chargers above a reasonable threshold (e.g. >2 kW) to ensure consistent outcomes, avoid loopholes, and future-proof the charging network.

*17. If you agree with option four – requiring EV chargers to be smart:*

- a. What types of chargers should the requirements apply to? For example, should there be a minimum or maximum size?*
- b. Is there a case to regulate public chargers as well as private, and what are the risks of including or excluding public chargers?*

Including public chargers enhances network resilience, supports equitable access (especially for renters and rural users), and reduces risks such as vendor lock-in and cybersecurity vulnerabilities. While compliance may introduce modest costs for public providers, these are manageable with phased implementation, and the long-term benefits—such as demand response capability and consistent user experience—justify a unified, inclusive regulatory approach.

*18. Do you agree with our assessment of the costs and benefits of each option?*

Overall, MDC agrees that the long-term benefits of strong smart charging regulation far outweigh the costs, and that weaker measures yield much smaller net benefits. One cost/benefit aspect we want to ensure is accounted for is impact on low-income EV owners. The analysis avoided recommending subsidies (arising from the analysis that current EV owners earn higher-incomes). However, as EVs become accessible to more moderate-income families through the used market, we need to watch that the added charger cost does not become a barrier. The analysis assumes a small cost increase, which is fine for most, but for a marginal low-income household, even \$200 could matter.

*19. Are there any impacts you believe we should consider that are not covered?*

MDC notes that there are a few additional impacts that the consultation document has not covered. As mentioned earlier, the transition to smart charging may unintentionally widen equity gaps. Without targeted support, these groups may be unable to benefit from off-peak electricity pricing or participate in demand-side response programmes, limiting their ability to realise cost savings and undermining the policy's social equity objectives.

Behavioural and educational factors will strongly influence the effectiveness of smart charging. Many EV owners are unfamiliar with how smart chargers operate or how to maximise their benefits. Without dedicated consumer education and support—ideally in partnership with electricity retailers—there is a risk that users will override off-peak settings or avoid participation altogether, significantly reducing the intended network and cost efficiencies.

Enforcement and compliance will be critical to realising the policy's intent. Agencies such as MBIE and EECA will need resources to prevent the import and retail of non-compliant devices. This includes outreach to rural distributors and enforcement at border and retail levels to avoid grey market leakage, which could otherwise undermine public safety and regulatory trust.

Taken together, these impacts illustrate the need for a carefully coordinated approach—combining regulation with consumer education, local network readiness, and targeted support to ensure a just and safe transition to smart EV charging for all New Zealanders.

*20. Are there any unintended consequences on the market for EV chargers or wider EV market you think we haven't considered?*

There are a number of unintended consequences that could arise from regulating smart chargers and recommends early mitigation. These include a short-term rise in second-hand or imported non-compliant chargers, concerns about added cost or complexity discouraging some prospective EV buyers, and temporary market adjustments as lower-end models exit and suppliers adapt to new standards.

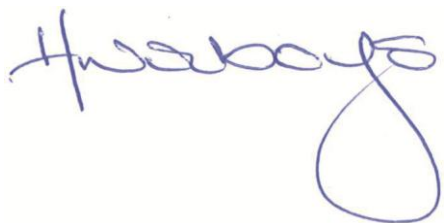
*21. How do you see the proposal affecting different people and groups (e.g., business users, manufacturers, consumers)?*

MDC considers that consumers and businesses will face some upfront cost increase that will potentially translate to long-term savings and features. Local manufacturers and suppliers will need to meet higher product standards, which may phase out low-end models but align New Zealand with international trends. Each group will need some support in transition (be it information or time to adjust), and we should plan for that.

Overall MDC supports the overarching goals of the smart EV charging proposal and recognises its potential to improve network efficiency, unlock long-term consumer benefits, and enable more sustainable transport outcomes. However, we remain concerned that the proposal, as currently framed, places undue emphasis on private charging while underplaying the urgent need for accessible public infrastructure and the real affordability constraints faced by many of our residents—particularly renters, rural communities, and lower-income households.

To ensure a fair and effective transition, smart charging policy must be implemented alongside targeted equity measures, expanded public charging networks, and coordinated support for local electricity providers and consumers. A balanced approach—combining regulatory certainty with financial, technical, and behavioural support—will be key to unlocking the full benefits of smart charging across all regions, including ours. We welcome further engagement with MBIE to ensure the final framework reflects both national goals and local realities.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Helen Worboys', with a large, stylized loop at the end.

Helen Worboys, JP

**Mayor**



23 July 2025

Ministry of Business, Innovation and Employment  
Emailed to: [responsiblecamping@mbie.govt.nz](mailto:responsiblecamping@mbie.govt.nz)

Dear Ministry Officials,

**Feedback from the Manawātū District Council on the council survey titled “review of freedom camping homelessness exemption”**

Thank you for the opportunity to provide information to support your review of the Freedom Camping Homelessness exemption. Our responses to the survey questions are outlined below.

1. *Generally, have the 2023 changes to the Freedom Camping Act improved your council’s ability to manage freedom camping?*

No. The changes to the Freedom Camping Act have made the enforcement of our Freedom Camping Bylaw more difficult. Council is aware that some individuals have been promoting the claim of homelessness as a way to avoid infringements via online Freedom Camping Facebook groups. Enforcement Officers report that some individuals who are Freedom Camping now claim homelessness, which exempts them under the Act.

Since the changes, there has been an increase in people camping in self-contained only areas in non-self-contained-vehicles and tents, as well as an increase in the length of time individuals are staying in parks and reserves.

Compliance Officers report a case involving a person staying in a self-contained bus who was employed as an Engineer in town. When asked to move on, he said that he was homeless, which left Officers unsure of how to respond. In another instance, a person camping in a non-self-contained vehicle in a self-contained only area responded to Enforcement Officers by saying “I’m homeless, you can’t do anything to me.”

In addition to unhoused individuals camping in restricted areas and staying extended periods, Enforcement Officers have also observed the erection of semi-permanent structures and the keeping of animals in Council reserves. For example, one individual lived in a caravan on-site for an extended time and accumulated two cars and a motorbike, along with various semi-permanent structures. In another case, a person was camping in the same reserve with a range of animals, including dogs, chickens, and a miniature horse.

It is difficult for Enforcement Officers to enforce the maximum length-of-stay requirements of our Freedom Camping Bylaw when the same rules do not apply to those who are unhoused. Officers are perceived as behaving inconsistently when they ask someone who is Freedom Camping responsibly to move on, while someone camping next to them, claiming homelessness, stays beyond the maximum permitted period.

Enforcement Officers have limited ability to verify housing status due to privacy constraints. Consequently, individuals often stay at parks and reserves for extended periods. This has led to large groups forming in some reserves, creating disharmony (including concerns around public safety) within the local community, and causing frustration among compliant freedom campers.

2. *Does your council have an existing policy for managing homelessness (this policy need not exclusively be in relation to freedom camping)?*

No. Manawātū District Council (MDC) does not currently have a formal policy for managing unhoused persons. Instead, we adopt an education-first approach, which emphasises engagement and relationship building. Officers aim to offer support and encourage individuals to connect with social services that may be able to assist them.

MDC recognises that this informal approach may be insufficient as the visibility and complexity of homelessness in our community increases. A structured framework or policy response may be needed to guide our practices, ensure consistency, and clarify the role of Council in managing homelessness.

3. *Has the homelessness exemption affected your enforcement officers' ability to enforce the Freedom Camping Act 2011? If yes, explain how.*

Yes. The exemption has created a grey area for enforcement. Some individuals claim to be homeless in order to remain at certain sites or camp in areas where they would otherwise be prohibited.

Officers are cautious not to breach the Privacy Act when inquiring into a person's housing situation and have limited means to determine whether someone is genuinely unhoused. This makes it difficult to apply the rules consistently and fairly. The exemption places added pressure on Enforcement Officers, who are not trained social workers. Officers are being required to make complex judgements without the tools, training, or mandate to do so, which risks both legal liability and community dissatisfaction.

4. *How many individuals have you assessed as meeting the homelessness exemption within the Freedom Camping Act 2011?*

It is very difficult for us to provide an estimate on the number of individuals as we do not keep records of this, and the numbers fluctuate on a daily basis. On 22 July 2025, MDC's Compliance and Enforcement Officer estimated that there were 28 people who are (or claim to be) unhoused in and around feilding. This total does not include those living in rural reserves and village areas.

MDC is aware of a small number of individuals who have ongoing contact with Council staff. These individuals are generally compliant when concerns arise, and relationships have been built over time.

Council also knows of approximately five groups of unhoused people living permanently at Almadale Reserve. The groups consist of between one to six people. In recent months the number of groups of unhoused at Almadale was as high as 8 or 9.

Accommodation ranges from tents to caravans and motorhomes. There are currently five dogs at Almadale Reserve that belong to those living there. The number of dogs at the reserve fluctuates, and was previously much higher. Some of the larger groups have other people coming and going from the site, which makes it more difficult to establish who is living in the reserve permanently.

Almadale is one of the more remote rural reserves in the District, and the presence of these individuals is generally tolerated by the community. However, there have been instances of antisocial behaviour by unhoused individuals towards other people wishing to freedom camp at the reserve.

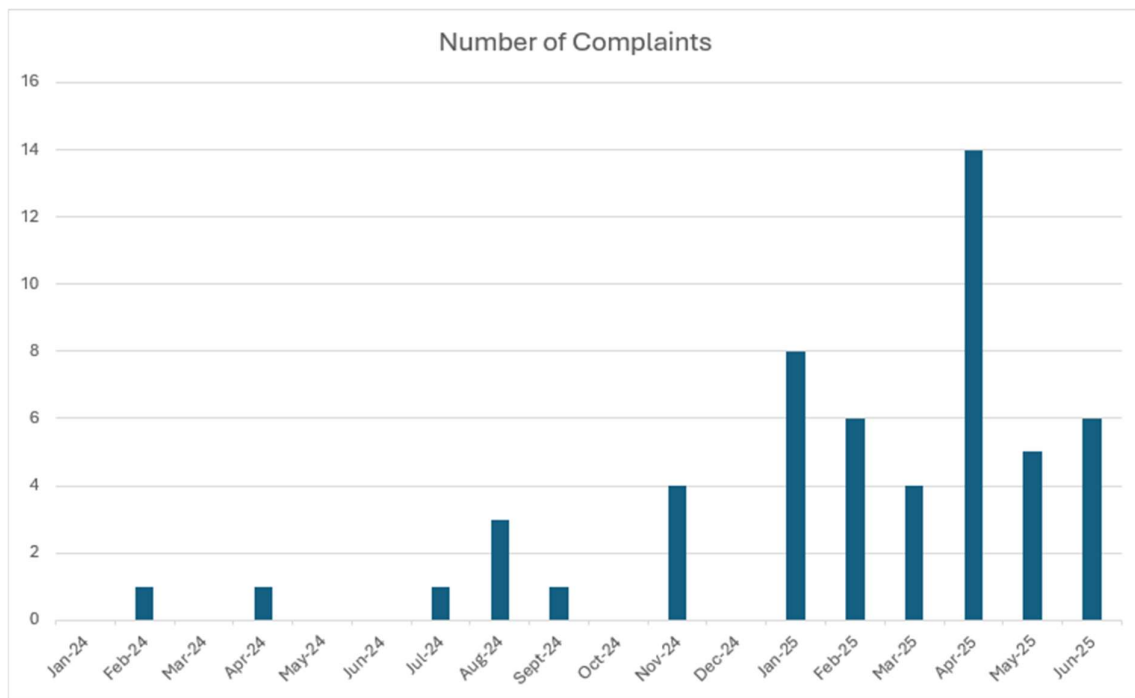
Timona Park – a centrally located reserve – has also become increasingly popular with the unhoused community. Council's Compliance and Enforcement Officer has reported that there has been a recent influx of cars, small vans, SUV's to Timona Park as well as an increase in tents on the river side of the road at Timona Park. He estimates that there are currently at least 14 cars, caravans and tents that are not self-contained and appear to be staying at Timona Park as long-term campers. The numbers vary frequently as people move between Almadale Reserve, Timona Park, or in and out of the District.

Council has just completed the statutory review of its Freedom Camping Bylaw, adopting the amended bylaw on 19 June 2025. This amended bylaw includes a designated area for non-self-contained vehicles at Timona Park, adjacent to the public toilet block. In designating an area for non-self-contained vehicles, Council is hopeful that we will be able to encourage these vehicles to co-locate adjacent to the public toilet facilities, rather than dispersed throughout the park. However, there is also a concern that this change may exacerbate the current conflicts between freedom campers and unhoused people living in non-self-contained vehicles at the park.

MDC is aware of a wider public perception that the presence of unhoused people living in our parks and reserves makes these places unsafe. Particular concerns have been raised regarding unhoused individuals living at Timona Park in proximity to children's playgrounds and sports fields. The keeping of dogs at reserves by unhoused individuals is also raising safety concerns. Many community members no longer walk their own dogs along the riverside track through Timona Park for that reason.

As the number of unhoused people living in these parks grows, the relationship between them, other community members, and Enforcement Officers is becoming increasingly strained. This is due to factors such as increased agitation with Officers who are visiting more frequently in response to public complaints, and a growing sense of assertiveness among some unhoused individuals regarding their right to remain on site. The figure below shows the number of complaints received by Council regarding unhoused persons in council parks and reserves from January 2024 to 30 June 2025.

Some individuals choose not to use alternative accommodation options such as local campgrounds or boarding houses, even when they are available. In these cases, it is unclear whether they meet the criteria for exemption under the Act. Without formal tools or access to relevant data, Council is unable to make consistent or confident assessments regarding a person's housing status.



5. *What operational approaches have you taken to assess whether an individual meets the requirements of section of 5(2A) of the Freedom Camping Act 2011?*

MDC Enforcement Officers adopt a relational approach – engaging in conversation with individuals to better understand their circumstances and needs. Privacy constraints and the absence of formal assessment criteria mean Officers are constrained in what they can ask.

Officers report that guidance suggesting they enquire into an individual’s personal or financial situation or review their social media is impractical. Most individuals they interact with are reluctant to provide even their name, let alone disclose sensitive personal details. Additionally, many do not have social media accounts, or if they do, their profiles are private or offer little usable information.

The lack of a structured assessment process makes it difficult to verify homelessness claims and leads to inconsistent decisions - often based on Officer discretion, perceived sincerity, or community tolerance. This variability risks undermining public confidence in Council’s enforcement practices.

We support the development of a formal verification mechanism or a shared tool to guide consistent, fair, and legally sound assessments across all councils.

6. *Does your council refer people who meet the homelessness exemption to social service agencies?*

*a. If yes, how many people have you referred?*

*b. If yes, how many social service providers do you work with?*

Yes. MDC continues to explore how best to support individuals who meet the homelessness exemption. At present, Officers will ask individuals if they are connected with any social services and may suggest they contact the Ministry of Social Development or Manchester House, a local social service provider. However, these interactions are highly dependent on how receptive individuals are to Officer engagement. Officers report that many people experiencing homelessness have a distrust of those in authority - particularly Enforcement Officers and in some cases, social services agencies.

While unhoused persons were relatively uncommon in our District a few years ago, things have now changed considerably to the point where we are now faced with societal issues that we cannot solve alone. We are in the initial stages of establishing regular hui with local social service providers to co-develop collaborative support pathways for unhoused individuals. While no formal referral process currently exists, our goal is to strengthen coordination and ensure that people are connected with appropriate support as early and effectively as possible.

Metropolitan councils may be better resourced to support unhoused individuals and have better access to social service support. There is one organisation, Te Wakahuia that has been working with unhoused individuals through the Manawatū Community Hub Libraries. Te Wakahuia are part of the He Piringa Whare, a working group consisting of various support agencies including Central Government that work with whanau to secure housing through Kainga Ora (in Palmerston North). Manchester House Social Services and the Christian Leaders Network, including the Salvation Army, provide unhoused people with food and supplies.

MDC is aware that several community organisations in the Manawatū District (including two iwi-based services providers) that have previously provided accommodation and support services have lost their funding or have had their services significantly retracted this financial year. The implications of these cuts will become more apparent over the next 12 months. MDC would like the Government to better resource smaller rural and provincial councils, and their own agencies (including the Ministry of Social Development) operating in these smaller centres to improve outcomes.

*7. Has your council issued any freedom camping infringements?*

No. MDC has not issued any freedom camping infringements in the past four years. One Enforcement Officer noted that, since beginning the role in 2016, they have issued approximately four infringements in total. Since the legislative changes, Officers report a high degree of uncertainty around how to apply the homelessness exemption, combined with a strong reluctance to risk unjustly penalising vulnerable individuals.

Previously, the Council's education-first approach had proven effective – particularly when paired with the ability to issue infringements where necessary. Before the legislative changes, the potential of infringement served as a valuable tool to encourage compliance with the Bylaw. Officers were often able to use this authority

- to prompt individuals to relocate to more appropriate sites (e.g., those with adequate sanitation facilities), comply with requirements (e.g., avoiding the erection of semi-permanent structures), or engage with MSD or other support services. With this enforcement tool now effectively removed, Officers have lost a key mechanism for encouraging responsible behaviour and supporting positive outcomes.
8. *What changes, if any, would you like to see to the Freedom Camping Act 2011 or Plumbers Gasfitters and Drainlayers Act 2006, in relation only to the homelessness exemption?*
- Introducing a clear legal definition of “homeless” under the Freed Camping Act 2011. For example, does refusing alternative accommodation or refusing to engage with housing service providers disqualify a person from the exemption?
  - Establishing a formal verification mechanism, such as a letter from MSD or a social housing provider, confirming an individual’s status as unhoused. This letter should have a defined validity period (e.g., three months) before requiring renewal. Enforcement Officers should have the authority to request to view this letter, similar to how they check for certified self-containment stickers.
  - Providing clear guidance on the presence of animals and the use of semi-permanent structures, and how these interact with the homelessness exemption.
  - Limiting the exemption to areas with access to adequate sanitation facilities, in order to uphold basic health and environmental standards.
  - Providing councils with clearer authority to balance compassionate responses with the need to uphold basic health and environmental standards.
  - Developing a national framework or toolkit to guide councils in assessing and responding to freedom camping involving unhoused individuals; ideally co-designed with local government and social sector agencies.
9. *Please provide any further comments or information regarding how the 2023 changes to the Freedom Camping Act (including the introduction of the homelessness exemption) affected homelessness.*

There are multiple and complex drivers contributing to the rise in homelessness. The exemption has not led to better support or experiences for unhoused persons within our District. Rather, it has complicated enforcement and contributed to growing tension between housed and unhoused members of the community. It has created operational challenges, contributed to public frustration, and blurred lines of accountability between local and central government.

The exemption removes the ability to require compliance with basic camping standards, such as the use of self-contained vehicles or camping near sanitation facilities, and in doing so, increases public health risk and social discord. Prior to the change in legislation, Enforcement Officers were able to use the Bylaw to direct unhoused individuals to relocate to reserves with facilities that better suit their needs (e.g., 24-hour toilet facilities). The changes to the legislation mean that unhoused individuals are locating in Council’s premier urban parks and reserves and Officers are not able to require them to relocate.



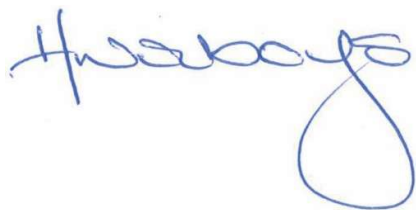
Enforcement Officers are being placed in difficult situations, expected to navigate unclear legal boundaries while responding to complex needs that fall outside the traditional scope of local government. Without adequate support, training, or guidance, the burden of managing homelessness continues to fall disproportionately on frontline Enforcement Officers.

Additionally, MSD or other central agencies could play a more active role in verifying homelessness status and supporting coordination between government and councils. This would reduce the risk of inconsistent treatment and help ensure that support is being directed where it is genuinely needed.

Another concern of MDC is that many unhoused individuals are choosing to live permanently in what used to be our premier freedom camping spots of Timona Park and Almadale Reserve. Their presence is deterring the type of domestic tourist we are trying to attract, and is impacting on our District's reputation as an attractive place to visit.

Please feel free to contact our Strategy Manager, Lisa Thomas (email: [Lisa.Thomas@mdc.govt.nz](mailto:Lisa.Thomas@mdc.govt.nz)) if you have any questions about our information.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Helen Worboys', with a large loop at the end.

Helen Worboys, JP  
**Mayor**

25 July 2025

National Direction Consultation  
Ministry for the Environment  
P O Box 10362  
Wellington 6143

Lodged via: [Ministry for the Environment - Citizen Space](#)

**Submission from the Manawātū District Council on Proposed Changes to RMA National Direction, Packages 1, 2 and 3.**

The Manawātū District Council (MDC) thanks the Ministry for the Environment for the opportunity to make a submission on the first three packages of proposed changes to national direction under the Resource Management Act 1991 (RMA).

**General Comments**

***Support for the concept of national direction where it is robust and cohesive***

MDC is supportive of the overall government intent to grow New Zealand's economy by removing unnecessary obstacles to high-quality infrastructure, encourage the responsible growth of the primary sector and to make the multiple layers of RMA-related legislation and regulation less complicated.

MDC is supportive of national direction where there is a genuine need to have consistency of planning provisions which apply to common issues across New Zealand, and where the higher-order legal effect of government regulation supports local authorities in making difficult decisions.

However, to be effective, national direction needs to be cohesive and guided by a robust framework. Such a framework is required to assist decision-makers in resolving conflicts between the application of national direction provisions which inevitably arises when dealing with the complexities of our environment. Further work to establish such a framework would be supported by MDC.

Care also needs to be taken to ensure national direction does not create unnecessary regulatory barriers to development when plans are already permissive. As with a number of smaller councils' district plans, the Manawātū District Plan is permissive by New Zealand standards as part of an 'open for business' approach. MDC therefore supports national direction which incorporates flexibility for plans to be more lenient than standards (where appropriate to circumstances).

***Timing of the proposed changes to national direction***

MDC understands the need to expedite changes to national direction to extract the maximum benefit as soon as possible. Making changes to national environmental standards which have

immediate effect (and can be incorporated into plans without having to use the RMA Schedule 1 process) is one way to do this.

However, MDC is concerned proposals to change so many national policy instruments so close to completely replacing the RMA will create additional costs and confusion that may outweigh any interim benefits. Reasons for this concern include:

- Repeated changes to the RMA and national direction within a short space of time, requires councils to expend additional time and effort to adjust internal processes and systems, seek legal clarifications on how new provisions are to be applied, and spend time and money on explanations and explanatory materials for customers.
- Despite assurances that proposed changes are being made 'with the new system in mind,' changes to national direction must still be made under the existing RMA purpose, principles and matters of importance framework. If, as proposed, the RMA replacement legislation will have different purposes, principles, and national goals, further changes to national direction will be needed from mid-2026 to ensure proper alignment. Failure to have that alignment will result in legal interpretation issues.
- Many of the proposals, particularly those relating to primary sector changes and freshwater, require additional development to ensure they do not result in undesirable and unintended consequences. Rushing through changes to meet a nominal 'by end of 2025' deadline increases the risk of such unintended consequences.

Given these circumstances, MDC recommends only the most urgent and beneficial changes which can be made through National Environmental Standards be brought into force ahead of RMA replacement legislation being enacted. Other changes should be given more time to allow refinements to be made. This should be done by delaying their coming into force until such time as RMA replacement legislation is enacted.

### ***General support for the Taituarā submission***

MDC notes that many of the concerns and suggestions we make in this submission are similar to those raised, or made, by Taituarā. MDC therefore expresses general support for much of the Taituarā submission while noting MDC also holds different views on some matters. Those matters we differ on include the detail of highly productive land proposals, impacts on built heritage, the necessity of some telecommunications changes and proposals for mapping source water risk management areas.

### **General Comments on the three packages**

MDC's detailed comments on proposals for the three discussion document packages are attached as a table, in order of the questions asked in the discussion documents, for ease of reference. However, MDC also wish to make the following general comments.

#### ***Package 1: Infrastructure and Development***

MDC agrees that there needs to be recognition of the benefits for infrastructure where infrastructure is for the good of the wider community. However, the absence of an overall set of guiding prioritisation principles or 'effects management hierarchy' works against what the government is seeking to achieve. As currently proposed, MDC foresees issues relating to how provisions aimed at enabling infrastructure are to be weighed against directly worded provisions aimed at protecting aspects of the environment.

Adoption of the ‘recognise and provide for’ wording for many of the proposed infrastructure policies creates further conflicting requirements for councils already having to ‘recognise and provide’ for the environmental and cultural values under RMA section 6 matters of national importance.

The absence of prioritisation principles or a hierarchical framework to help resolve conflicts risks local government decision-making becoming more inconsistent, time consuming and litigious. As noted in the Supreme Court case *Port Otago v Environment Defence Society* [2023] NZSC 112, where there are multiple, conflicting directive policies, there can be ‘no presumption that one will always prevail over another.’ In these instances, it is often left to council plans and consent decisions to resolve the conflict as best they can. This results in increased levels of uncertainty and costs for applicants, the wider community, and councils.

### ***Package 2: Primary Sector***

MDC has chosen not to comment on proposed changes to the National Environmental Standards for Marine Aquaculture. There are currently no marine farms within jurisdictional boundaries of the Manawatū District Council or in Manawatū coastal waters administered by Horizons Regional Council.

MDC supports the removal of LUC 3 from the definition of highly productive land. Although MDC agrees with the need to retain New Zealand’s most high value soils, the nationwide broad-brush approach taken in the National Policy Statement: Highly Productive Land places unduly restrictive limits on communities in areas with extensive areas of LUC 1, 2 and 3 land. Compared to most areas of New Zealand, Manawatū District has a high proportion of its land area classified as highly productive.

However, MDC also requests prompt attention be given to:

- Clarifying whether lifestyle blocks will still be restricted on LUC 3 land. Council’s growth framework recognises that around 45% of the district’s new housing growth occurs in rural areas, and there is a desire to locate these around the villages and settlements. We consider most of this development is likely to be lifestyle block in character.
- Providing an efficient pathway to rezoning land necessary for recognising long-existing non-primary-production activities such as aerodromes and research establishments. Reliance on RMA section 10 existing use right provisions does not adequately provide for such activities to evolve and adapt to their changing needs.
- Recognising that government is considering extending the date for Regional Council’s to complete HPL maps, the NPS must balance this by enabling reliance on more recent assessments and mapping of land productivity where these are more accurate than the older, default, broad-brush NZRLI maps. We consider this a significant matter on two accounts. First – that the Manawatū includes a range of non-primary productive activities already operating on HPL. Second, Council has experienced the issue where the NZLRI contains multiple datasets that show conflicting information.

### ***Package 3: Freshwater***

Water quality and availability are amongst the most challenging New Zealand environmental issues to manage. MDC notes that the state of development of many of the proposals in this package are less advanced than for Package 1. More time to develop and refine these

proposals would be beneficial to ensure regulatory settings strike an appropriate balance between competing needs and values.

In terms of the overall objectives for the National Policy Statement on Freshwater, MDC would like to see a return to the 2017 framing of Te Mana O Te Wai. The 2017 framing better enabled consideration of the health and wellbeing of communities alongside the health of waterways.

MDC has chosen not to answer a number of other questions which appear to relate to regional council roles and water management practices which do not impact on the interests of the Manawātū District Council.

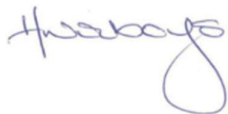
### **Key recommendations**

Based on the discussion above, and the general themes contained in the attached table, MDC recommends:

1. Only aspects of national direction which are urgent and the most beneficial, and which can be implemented through national environmental standards without requiring councils to use the RMA Schedule 1 process, should be brought into force before RMA replacement legislation is enacted.
2. There either be a hierarchy or framework to help councils resolve conflicts between otherwise equally weighted, directive worded, national direction provisions.
3. The benefits of a wider suite of local government infrastructure needs to be recognised in national direction, and spatial plans should have regard the functional and operational requirements of key local government infrastructure (alongside those of other providers' infrastructure already identified).
4. Changes to the National Policy Statement on Highly Productive Land should:
  - a. allow for local decision making when it comes to determining the appropriate management and land uses for LUC 3 land and in the recognition of Special Agricultural Areas; and
  - b. be more permissive in recognising and providing (through rezoning) for modest expansion of long-existing non-primary-production activities.
  - c. Allow for more up-to-date soils mapping or studies to be considered when determining whether the NPS-HPL applies.

Thank you again for the opportunity to provide feedback on the proposed changes to RMA national direction.

Yours sincerely



Helen Worboys, JP  
**Mayor**

## MDC Comments on Discussion Document Package 1: Infrastructure and Development

2.1 Proposed National Policy Statement – Infrastructure		
Question raised in the discussion document		MDC View / Decision Requested
1	Is the scope of the proposed NPS-I adequate?	<b><u>General MDC support, but with amendments recommended</u></b>
2	Do you agree with the definition of ‘infrastructure,’ ‘infrastructure activities’ and ‘infrastructure supporting activities’ in the NPS-I?	<p>The concept of ‘social infrastructure’ should be expanded to include council owned and operated social infrastructure such as community halls, sports stadia, and libraries.</p> <p>Although MDC supports the concept of ‘social infrastructure’ being included in the NPS-I, and the inclusion of parks, other social infrastructure provided by local government which have community social, cultural, and economic benefits appears absent. To ensure consistency across legislative settings, the concept of local government infrastructure should be more aligned with that proposed for the definition of ‘core services’ under the <i>Local Government (System Improvements) Amendment Bills 2025</i>.</p>
3	Does the proposed objective reflect the outcomes sought for infrastructure?	<p><b><u>General MDC support, but with amendments recommended</u></b></p> <p>MDC generally supports the outcomes set out in the objective. However, greater recognition should be given to new and replacement infrastructure which can also benefit the natural environment. By way of example, a well designed and operated wastewater treatment plant can improve water quality if it is replacing an existing plant which had lower treatment standards.</p>
4	Does the proposed policy adequately reflect the benefits that infrastructure provides?	<p><b><u>MDC recommends changes</u></b></p> <p>MDC recommends amending policy P1(a) by inserting a reference to ‘current generations’ alongside ‘future generations.’ MDC also recommends defining the phrase ‘value for money’ noting that there is no one universally accepted definition, and that proving value for money in a local government setting can be difficult to do.</p>



		Proposed Policy P1(a) refers to the wellbeing of future generations but does not recognise benefits to <u>current</u> generations (who in most cases will be alive for decades to come and so benefit from existing and new infrastructure).
5	Does the proposed policy sufficiently provide for the operational and functional needs for infrastructure to be located in particular environments?	MDC considers Policy P2 is sufficiently broad to cover the foreseeable needs of most infrastructure functional and operational needs.
6	Do you support the proposed requirement for decision-makers to have regard to spatial plans and strategic plans for infrastructure?	<p><b><u>General MDC support, but spatial plans also need to include key council infrastructure</u></b></p> <p>MDC supports proposals that will require decision makers to have regard to spatial plans. Spatial plans can have a beneficial role in co-ordinating the provision of strategically important infrastructure with subdivision and development and managing the impacts of one on the other. However, it is noted current proposals currently leave out reference to council-owned and operated infrastructure. This needs to be addressed as councils are also owners and operators of strategic infrastructure assets (arterial roads, airports, ports, flood control works, local government owned and operated water and wastewater networks, water source areas etc.) which also need to be planned ahead, and space allocated for them.</p> <p>Although no formal spatial plan currently exists for the Manawatū-Whanganui Region at this time, MDC understand such plans will play a key part in implementing RMA-replacement legislation.</p>
7	Would the proposed policy help improve the efficient and timely delivery of infrastructure?	<p><b><u>MDC recommends inclusion of an overarching decision framework</u></b></p> <p>MDC considers the proposed policy may improve the timely delivery of infrastructure by assigning it a higher weighting in the decision-making process, including the recognition of the benefits of infrastructure. However, MDC considers RMA decision-making is only one part of a wider set of factors (many of which are outside the RMA) which determine whether infrastructure delivery can be described as efficient. For example, the RMA has no influence over the tendering of contracts, access to finance, construction material costs or supply chains.</p> <p>The Manawatū District Council also notes that proposed NPS does cannot override primary legislation and the purpose and principles of the RMA. The proposed 'recognise and provide for' wording (e.g. as used in proposed policy P2) creates and conflict for decision-makers when weighing environmental 'matters of national importance' under RMA section 6 which they must also 'recognise and provide for'. Without a framework or hierarchy for resolving this conflict, decision-making will likely be inconsistent and inefficient.</p>

8	Does the proposed policy adequately provide for the consideration of Māori interests in infrastructure?	<p><b><u>General MDC support, but with amendments recommended</u></b></p> <p>The overall intent behind policy P5 is supported.</p> <p>However:</p> <ul style="list-style-type: none"> <li>• There should be clearer directions on applicants and councils to recognise and provide for Māori interests by supporting early and meaningful engagement with tangata whenua, particularly in the route and site selection processes and in respect to how best to manage adverse effects.</li> <li>• the direction for decision makers to ‘recognise and provide for’ <i>‘opportunities tangata whenua may have in developing and operating their own infrastructure at any scale or in partnership’</i> may be problematic to implement when the RMA environment effects management regime is largely agnostic in respect to the ownership of consent applicant assets.</li> </ul>
9	Do the proposed policies sufficiently provide nationally consistent direction on assessing and managing the adverse effects of infrastructure?	<p><b><u>MDC considers there will be some consistency improvements, but issues remain</u></b></p> <p>MDC considers although the proposed policies will increase consistency of direction, the implementation burden appears to fall disproportionately on decision-makers (typically local authorities). There appears to be little direction relating to the duties of infrastructure providers to consider solutions which lessen then impact on the wider environment. More directly-written provisions are needed which clearly links the assessment of effects to route, location and design choices.</p> <p>MDC considers the absence of an overarching prioritisation framework to be problematic. More comprehensive, directive guidance is needed to manage environmental effects and help determine priorities between infrastructure and environmental values. This should include clear thresholds for when adverse effects on the environment must be avoided and when trade-offs may be appropriate based on public benefit and functional and operational needs.</p> <p>MDC also has concerns that the wording of P6(d) directs councils to adopt relevant international standards and recognised best practice standards without any indication as to whether, and which, standards have been tested and found suitable to the New Zealand context. Without the relevant NPSs and NESs specifying which standards are to apply, there is also a risk that different experts may choose different standards (resulting in costly and time consuming debates or challenges during plan and resource consent decision making). Further, international standards are usually developed with limited or no New Zealand input and can be changed with little or no warning.</p>

10	Do the proposed policies sufficiently provide for the interface between infrastructure and other activities including sensitive activities?	<p><b><u>MDC generally agrees the policies are sufficient</u></b></p> <p>MDC generally agrees that the proposed policies are sufficient. However, MDC also considers that policies P9 and P10 are better headed 'Managing the effects of other activities on, or compatibility with, infrastructure' as that is what the policies largely imply.</p> <p>MDC already employs, or was (prior to the 16 July 'Plan Stop' announcements) in the process of incorporating, most the methods set out in proposed policy P9(c) into its district plan.</p>
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## 2.2 National Environmental Standard - Renewable Energy Generation

Question raised in the discussion document		MDC View / Decision Requested
11	Do you support the proposed amendments to the objective of the NPS-REG?	<p><b><u>General MDC support</u></b></p> <p>The proposed change to the objectives of the NPS-REG (to incorporate a reference to meeting emission and renewable energy targets) are supported.</p> <p>One of the key benefits of renewable energy is its ability to support the transition away from greenhouse-gas emitting industry and transportation activities.</p>
12	Are the additional benefits of renewable electricity generation helpful considerations for decision-makers? Why or why not?	<p><b><u>The list of benefits is informative, but the absence of a framework does not help decision making</u></b></p> <p>A list of benefits of the nature described is useful for decision-makers in understanding what benefits to look for and consider. However, it is still unclear how decision makers are to weigh these benefits if they conflict with RMA s.6 matters of national importance which also must be 'recognised and provided for.' The absence of an overarching framework may lead to potentially expensive redebating of some issues on a case-by-case basis and inconsistent decision-making where equally weighted matters conflict.</p>
13	Does the proposed policy sufficiently provide for the operational and functional need of renewable electricity generation to be located in particular environments?	<p><b><u>Amendments suggested</u></b></p> <p>Clause (c) of Policy C1 requires decision makers to recognise the operational and function need of REG activities includes the need to ... <i>have sufficient and accessible land available to support <u>all</u> associated current <u>and future</u> REG activities in that particular location.</i> Unless the REG asset owner is prepared to</p>

		<p>share comprehensive future plans it could be difficult for decision makers to anticipate all future needs and ensure sufficient land will be available.</p> <p>MDC recommends amending Policy C1(a) to refer to current and <u>known planned future</u> REG activities in the relevant location. Decision makers can only make decisions about what they know, not vague speculative possibilities about what may happen.</p> <p>As with other policies the proposal to increase the weighting of this policy to ‘recognise and provide for’ adds to a growing list of matters which Councils and other decision makers must recognise for across RMA s.6 and national direction. An overarching prioritisation framework is also needed to assist decision makers in deciding which national direction policy or matter is to prevail where they have similar levels of weighting (or directiveness of wording), but conflict.</p>
14	Do the proposed new and amended policies adequately provide for existing renewable electricity generation to continue to operate?	<p><b><u>The amendments are sufficient for existing infrastructure, but too restrictive on other activities</u></b></p> <p>In general, the MDC considers the new and amended policies adequately provide for existing infrastructure activities to continue to operate.</p> <p>Policy D’s use of words ‘protect’ and ‘avoid’ in relation to adverse effects on REG infrastructure is too restrictive as the wording proposed is not limited to the ‘reverse sensitivity effects’ (as seems was intended) but any adverse effects of new activities (regardless of their significance). MDC suggests the policy be amended to refer to ‘significant effects,’ or ‘effects which will hinder the safe and efficient operation of the infrastructure.’</p>
15	Do the proposed policy changes sufficiently provide for Māori interests in renewable electricity generation?	<p><b><u>General MDC support, but with amendments recommended</u></b></p> <p>The overall intent behind policy P1 is supported.</p> <p>However:</p> <ul style="list-style-type: none"> <li>• There should be clearer directions on applicants and councils to recognise and provide for Māori interests by supporting early and meaningful engagement with tangata whenua, particularly in the route and site selection processes and how best to manage adverse effects.</li> <li>• The direction for decision makers to ‘recognise and provide for’ <i>‘opportunities tangata whenua may have in developing and operating their own infrastructure at any scale or in partnership’</i> may be problematic to implement when the RMA environmental effects based management regime is generally agnostic in respect to the ownership of assets.</li> </ul>

16	Do you support the proposed policy to enable renewable electricity generation development in areas not protected by section 6 of the RMA, or covered by other national direction?	<p><b><u>General MDC support</u></b></p> <p>MDC generally supports the development of renewable generation development in areas which are not outstanding natural landscapes, areas of significant indigenous vegetation, historic heritage areas, areas subject to significant risk of natural hazards, or which are important to the relationship of Māori and their culture and traditions with their ancestral lands, wāhi tapu, sites or waterways.</p>
<p><b>Other Comments:</b></p> <p>Most of the definitions proposed appear to be workable and sensible. However, MDC has the following suggestions to improve clarity:</p> <ul style="list-style-type: none"> <li>• <b>D6 (Environmental Footprint)</b> is better expressed as ‘Spatial Footprint’ as it only refers to the horizon spatial extent of REG assets. An ‘environmental footprint’ is tied to the extent of ecological damage or pressure exerted by individuals, organizations, nations, or specific human activities on the planet's ecosystems.</li> <li>• <b>D7 (Existing renewable electricity generation assets)</b> needs to be clear that the decision(s) referred to are those related to resource consents, plan changes, water conservation orders, notices of requirement and heritage orders. The RMA contains many other types of decisions which are not necessarily material to REG.</li> <li>• <b>D8 (Existing renewable electricity generation site)</b> needs to also cover sites that may be identified by way of designation.</li> <li>• <b>D13 Renewable electricity generation assets</b> should be clearer as to whether it is intended to cover off battery farms which are some distance from where the electricity is generated and/or which are operated by another party.</li> </ul>		

2.3 National Policy Statement – Electricity Transmission (to become Energy Networks [NPS- EN])		
Question raised in the discussion document		MDC View / Decision Requested
17	Do you support the inclusion of electricity distribution within the scope of the NPS-EN?	<p><b><u>Distribution lines are important but should not be given the exact same privileges as the National Grid.</u></b></p> <p>MDC agrees that the provision, operation, and maintenance of distribution lines (i.e. those which are not part of the National Grid) is important and should be recognised. However, care needs to be taken that the distribution lines are not accorded exactly the same protections as the national grid. MDC recommends that consideration of the full range of protections be limited to the main distribution lines (from the transmission substation to distribution transformers through to distribution network street transformers).</p>

		Distribution lines are much more numerous, extensive, and traverse existing urban and rural areas where the settlement pattern is long established. It can therefore be more difficult, and unreasonable, to protect all aspects of distribution network lines and other assets from effects of all existing development. Allowance needs to be made in the NPS-EN for the limitations associated with existing development and consideration given to the implications on urban development capacity of taking a restrictive approach to infill / intensification development within existing urban areas.
18	Are there risks that have not been identified?	<p><b><u>The absence of a framework creates a risk of inconsistent decisions and legal challenges.</u></b></p> <p>The use of the wording ‘recognise and provide for’ in many of the proposed policies creates the same or similar duty on local authorities as s.6 (matters of national importance) in the RMA. This creates a potential conflict between provisions which neither the RMA nor the NPS provides clear direction on how to resolve. This could result in inconsistent decision making and challenges to decisions (which would impact on levels of certainty, time, and process costs). A clearer hierarchy or framework across the RMA system is needed to reduce this risk.</p>
19	Do you support the proposed definitions in the NPS-EN?	<p><b><u>General MDC support, but amendments are suggested</u></b></p> <p>MDC considers most the proposed definitions to be workable and sensible, but suggests the following changes to improve workability and clarity:</p> <ul style="list-style-type: none"> <li>• <b>D3 Customer Driven Projects:</b> The example in the definition is better left out as it could be implied that the definition is intended for urban projects only. Developments, including significant business developments, which create a demand for electricity distribution infrastructure also occur in non-urban (e.g. rural) areas.</li> <li>• <b>D18 Routine electricity network activities:</b> Clarify in clause (b) the replacement or substitute EN assets must have effects of similar intensity and scale as the assets they are replacing (particularly if not like for like). This would better differentiate this definition from the definition of “non-routine electricity network activities.”</li> <li>• <b>D19 Sensitive activities:</b> This lists residential units, visitor accommodation units, and retirement units as separate activities. Visitor accommodation units (and some retirement units) are a form of commercial activity so should be listed separately.</li> </ul>
20	Are there any changes you recommend to the NPS-EN?	Please see the responses to other questions in this part of the submission.



21	Do you support the proposed objective? Why or why not?	<p><b><u>MDC Supports of the objective</u></b></p> <p>Inclusion of clauses relating to the contribution electricity distribution makes in meeting New Zealand's emissions reduction and renewable energy targets is supported.</p> <p>One of the key benefits of renewable energy (and its transmission and distribution) is its ability to support the transition away from greenhouse-gas emitting industry and transportation activities.</p>
22	Will the proposed policy improve the consideration of the benefits of electricity networks in decision-making?	<p><b><u>The policy recognises benefits, but the weighting creates a greater risk conflicting considerations</u></b></p> <p>MDC considers that, overall, the NPS promotes a greater and more thorough consideration of the benefits of electricity networks. However, as noted in other parts of this submission, the absence of a clear hierarchy or framework to help guide decision makers faced with conflicting matters which must be 'recognised and provided' for creates a risk of inconsistent decision-making and a higher incidence of costs and delays arising from legal challenges.</p>
23	Does the proposed policy sufficiently provide for the operational and functional needs for electricity networks to be located in particular environments?	<p><b><u>The operational and functional needs are better recognised, but the weighting risks conflicts</u></b></p> <p>Clause (1) of Policy P2 states that '<i>Planning decisions must <u>recognise and provide</u> for EN activities that have an operational need or functional need to be in particular environments, including in areas with section 6 RMA values, with unavoidable adverse effects on those environments.</i>'</p> <p>It is unclear whether Policy P2 is intended to override other national direction which may direct council to protect (or avoid) areas with section 6 RMA values. Further refinement to national direction is required to resolve these potential conflicts.</p> <p>An overarching prioritisation framework is needed to assist decision makers in deciding which national direction policy or matter is to prevail where they have similar levels of directive wording, but conflict.</p>
24	Do you support Transpower and electricity distribution businesses selecting the preferred route or sites for development of electricity networks?	<p><b><u>It is appropriate for lines providers to select preferred routes</u></b></p> <p>MDC considers it is appropriate for the national grid operator and electricity distribution business to select their preferred routes or sites as they are the party that best understands their functional and operational needs. However, a preferred route should still have to have regard to appropriate environmental protections (where appropriate) and be subject to conditions where necessary.</p>
25	Are there any other route or site selection considerations that have not been identified?	<p><b><u>Greater consideration should be given to impacts on the environment &amp; sites of cultural significance</u></b></p> <p>MDC notes that policies P4 to P8 place little or no onus on EN operators (or conditions or criteria) to consider routes or sites which would, within reason, avoid or reduce impacts on the environment or</p>

		sites of cultural significance. MDC considers the EN operators would be able to act with greater social licence if it were clearer they had to have regard to such considerations.
26	Does the proposed policy adequately provide for the consideration of Māori interests in electricity networks?	<p><b><u>General MDC support, but with amendments recommended</u></b></p> <p>The intent to recognise Māori interests in relation to electricity networks is supported – However:</p> <ul style="list-style-type: none"> <li>• There should be clearer directions on applicants and councils to recognise and provide for Māori interests by supporting early and meaningful engagement with tangata whenua, particularly in the route and site selection processes and consideration of how best to manage adverse effects.</li> <li>• the direction for decision makers to ‘recognise and provide for’ <i>‘opportunities tangata whenua may have in developing and operating their own infrastructure at any scale or in partnership’</i> may be problematic to implement when the RMA environment effects based management regime is generally agnostic over the ownership of assets.</li> </ul>
27	Do you support the proposed policy to enable development of electricity networks in areas not protected by section 6 of the RMA, or covered by other national direction?	<p><b><u>MDC general support</u></b></p> <p>MDC generally supports the development of electricity networks in areas which are not outstanding natural landscapes, areas of significant indigenous vegetation, historic heritage areas, areas subject to significant risk of natural hazards, or which are important to the relationship of Māori and their culture and traditions with their ancestral lands, wāhi tapu, sites or waterways. Electricity networks are important to the social and economic wellbeing of urban and rural communities and businesses.</p>
28	Do the proposals cover all the matters that decision-makers should evaluate when considering and managing the effects of electricity network activities?	<p><b><u>The proposals cover all the benefits, but clarity is needed on what other effects plans can manage</u></b></p> <p>The proposals cover all the benefits of electricity networks and some of the measures network operators may take to reduce the impact of networks on the environment and various sensitive activities.</p> <p>It would be helpful if the proposals were clearer that council plans can still determine what other environmental-effect-management rules should apply to network activities.</p>
29	Do you support the proposed policy to enable routine works on existing electricity network infrastructure in any location or environment?	<p><b><u>MDC general support</u></b></p> <p>MDC supports the proposals to enable routine works on existing electricity network infrastructure subject to small change to the definition, as suggested in the response to question 19. Work to</p>

		maintain existing infrastructure is temporary in duration and minor in its impact. As such, a more permissive approach should reduce the need for unnecessary resource consents.
30	What other practical refinements to Policy 8 of the NPS-EN could help avoid adverse effects on outstanding natural landscapes, areas of high natural character, and areas of high recreation value and amenity in rural environments?	<p><b><u>MDC recommends amendments</u></b></p> <p>MDC understands the Policy 8 of the current NPS will be replaced by a new Policy P7: EN development and non-routine activities which states: <i>In rural environments, planning and development of the EN should seek to avoid adverse effects on outstanding natural landscapes, areas of high natural character, and areas of high recreation value and amenity.</i></p> <p>Proposed Policy 7 should also incorporate a provision which seeks to 'avoid (where practicable) or otherwise minimise adverse effects of listed heritage buildings and areas, and other identified sites of high cultural significance'.</p>
31	Do you support the proposed policy to enable sufficient on-site space for distribution assets?	<p><b><u>MDC general support, but with some reservations</u></b></p> <p>MDC generally supports the approach where it applies to National Grid Assets, and existing high-voltage lines and substations of other network operators. MDC's district plan already limits activities within the National Grid Yard.</p> <p>However, MDC considers there are likely to be challenges in setting aside on-site space for distribution assets in situations where:</p> <ul style="list-style-type: none"> <li>• The location of future assets is not yet known (as their location may only be determined once the pattern of development becomes clearer).</li> <li>• A development is of small-scale 'infill' nature where options and space are limited.</li> <li>• A development is of a nature which will not trigger the need for a resource consent (e.g. permitted activity granny flats) such that a council may not always be aware of it taking place.</li> </ul>
32	Should developers be required to consult with electricity distribution providers before a resource consent for land development is granted? If not, what type or scale of works would merit such consultation?	<p><b><u>MDC general support</u></b></p> <p>MDC supports a requirement for developers, as part of their consent application, to demonstrate how electricity is to be provided to a development and how impacts on existing EN infrastructure will be avoided or minimised. Such a demonstration should, of necessity, incorporate the results of any consultation developers have undertaken with distribution network providers.</p> <p>However, it is likely contact with electricity providers would occur in many circumstances anyway (as streetlighting and buildings would still need to be provided with a connection to electricity network).</p>

## 2.4 National Environmental Standard – Electricity Transmission Activities

Question raised in the discussion document	MDC View / Decision Requested
<p>33</p> <p>What activity status is appropriate for electricity transmission network activities when these:</p> <ol style="list-style-type: none"> <li>do not comply with permitted activity standards?</li> <li>are located within a natural area or a historic heritage place or area?</li> </ol>	<p><b><u>MDC prefers a restricted discretionary activity status</u></b></p> <p>MDC's approach to activities which do not comply with a permitted activity standard is to make them restricted discretionary activities, with one of the matters of discretion being specific to the effects of the non-compliance. However, activities with the potential to have more significant effects are classified as discretionary.</p> <p>MDC considers there needs to be the ability to decline consents where the failure to comply with a permitted activity standard results in adverse effects of such scale and significance as to be unacceptable.</p>
<p>34</p> <p>Do you support the proposed scope of activities and changes to the permitted activity conditions for electricity transmission network activities?</p>	<p><b><u>Qualified support for most changes to permitted activity standards and conditions,</u></b></p> <p><b>MDC supports</b></p> <ul style="list-style-type: none"> <li>The occupation of land for existing transmission lines being a permitted activity (provided that is it with the landowner's permission).</li> <li>Minor changes relating to lines and their configuration (combining regulations 6 and 8, removing limits on the number of conductors in regulation 6, and increasing maximum cable diameters from 25mm to 28mm).</li> <li>The introduction of operational noise limits on high voltage lines.</li> <li>Requirements for line support structures to be set back from occupied buildings (noting that this should also include buildings which may be temporarily unoccupied as well).</li> </ul> <p><b>MDC prefers the replacement of poles with towers be a restricted discretionary activity</b> where this is to occur in a heritage area, an outstanding natural landscape, or location of significant cultural importance. The matters of discretion should include the measures proposed to limit visual impacts of the towers, noise, and access.</p>

		<p><b>MDC opposes a 25% increase in tower height and footprint being a permitted activity</b>, particularly in respect to the cumulative effects these provisions will result in over the course of multiple ‘upgrades’. MDC’s preference is for the standard to be left as 15% and the standard state that increases in scale can only occur once from a set date, or once within a prescribed (multi-year) timeframe.</p> <p><b>MDC has insufficient information to form a view on magnetic flux densities</b> but emphasises the need to ensure these are set at levels which safeguard human health (including a significant safety margin).</p>
35	Do you support the proposed matters of control and discretion for all relevant matters to be considered and managed through consent conditions?	<b>MDC has no position on this matter.</b>
36	Would the proposed National Grid Yard and Subdivision Corridor rules be effective in restricting inappropriate development and subdivision underneath electricity lines?	<p><b><u>MDC general support, but suggests further refinements</u></b></p> <p>MDC is supportive of restrictions on certain activities within the National Grid Yard, and of requiring greenfield subdivisions to provide setbacks or transmission line corridors, provided such corridors do not have to be maintained by the Council or counted towards reserves contributions that a council may otherwise have required to be made by a developer.</p> <p>A restriction on subdivision alone may not necessarily prevent inappropriate development in the National Grid Yard, for safety and other operational reasons. It may be necessary to also restrict activities which adversely affect the safe and efficient operation of electricity infrastructure or will themselves be sensitive to the effects of electricity transmission activities.</p>
37	Do you support adding any or all of the five categories of regional activities to the NES-ENA as permitted activities?	<b>MDC has no position on this matter at they appear to relate to regional council roles.</b>
38	Do you support the proposed permitted activity conditions and the activity classes if these conditions are not met?	<p><b><u>MDC prefers a restricted discretionary activity status</u></b></p> <p>MDC’s approach to activities which do not comply with a permitted activity standard is to make them restricted discretionary activities, with one of the matters of discretion being specific to the effects of the non-compliance. However, activities with the potential to have more significant effects are classified as discretionary.</p> <p>MDC considers there needs to be the ability to decline consents where the failure to comply with a permitted activity standard results in adverse effects of such scale and significance as to be unacceptable.</p>

39	Do you support management plans being used to manage environmental impacts from blasting, vegetation management and earthworks?	<b>MDC has no position on this matter.</b>
40	What is an appropriate activity status for electricity distribution activities when the permitted activity conditions are not met, and should this be different for existing versus new assets?	<p><b><u>MDC prefers a restricted discretionary activity status</u></b></p> <p>MDC's approach to activities which do not comply with a permitted activity standard is to make them restricted discretionary activities, with one of the matters of discretion being specific to the effects of the non-compliance. However, activities with the potential to have more significant effects are classified as discretionary.</p> <p>MDC considers there needs to be the ability to decline consents where the failure to comply with a permitted activity standard results in adverse effects of such scale and significance as to be unacceptable.</p> <p>There is potential for existing activities to be treated more leniently than a new activity where an activity relates to a modest change to an existing transmission structure as the increase in the scale of effects would likely to be less and better known.</p>
41	What is your feedback on the scope and scale of the electricity distribution activities to be covered by the proposed NES-ENA?	<p><b><u>Include a definition similar in nature to that proposed for 'Electricity Distribution Network'</u></b></p> <p>MDC considers the scope to be vague and not particularly helpful (as it creates a circular cross referencing situation with the definition of Electricity Network). This makes it hard to understand what exactly is (and is not) covered from an infrastructure standpoint. MDC would prefer to see a list of what is covered which is similar to the definition of 'Electricity Transmission Network' so that the community, the council, and operators have greater certainty.</p>
42	Do you support the proposed inclusion of safe distance requirements and compliance with some or all of the New Zealand Electrical Code of Practice for Electrical Safe Distances 34:2001?	<p><b><u>General MDC support</u></b></p> <p>MDC supports the proposed inclusion of safe distance requirements which are consistent with some or all of those set out in the New Zealand Electrical Code of Practice for Electrical Safe Distances 34:2001. MDC's district plan and consent decision-making already incorporates the same (or a similar) approach for subdivision and development in proximity to the national grid. However, as set out below, incorporation of a reference to the Code itself is opposed.</p>
43	Is the proposed NES-ENA the best vehicle to drive compliance with the New Zealand Electrical Code of	<p><b><u>MDC opposes incorporation of NZ Electrical Code of Practice 34:2001 into plans and consents</u></b></p> <p>New Zealand Electrical Code of Practice for Electrical Safe Distances (2001) is already required and enforced under Electricity Act 1992.</p>

	Practice for Electrical Safe Distance 34:2001? If not, what other mechanisms would be better?	<p>While the concept of the NES specifying safety distances is supports, incorporating a reference to the Code in planning and consenting decisions may be read as councils taking on responsibility to, apply, monitor, and enforce the provisions of the Code. Although this is unlikely to be what was intended, it could see a move toward councils being given a further unfunded-mandate function.</p> <p>MDC considers standard setback distances specified through an NES (as shown in Attachment 1.4.1) are sufficient, without there being a need to specifically reference to the NZ Electrical Code of Practice.</p>
44	Should the NES-ENA allow plan rules to be more lenient for electricity distribution activities proposed to be regulated?	<p><b><u>General MDC support</u></b></p> <p>MDC supports some flexibility for district plan rules to be more lenient than the NES. There may be circumstances outside those considered as part of the NES where this may be appropriate.</p>
45	Should the NES-ENA allow plan rules to be more stringent in relation to electricity distribution activities in specific environments? (e.g., when located in a 'natural area')	<p><b><u>General MDC support</u></b></p> <p>MDC supports some flexibility for district plan rules to be more stringent than the NES. There may be circumstances outside those considered as part of the NES where this may be appropriate. Areas of high cultural significance, or outstanding natural value may need greater protection than that envisaged by the NES.</p>
46	Do you support the proposed provisions to make private electric vehicle charging and associated infrastructure a permitted activity at home or at work?	<p><b><u>MDC general support, but suggests further refinements</u></b></p> <p>MDC agrees with the charging infrastructure on private land (such as at home or at a business premises) being a permitted activity, provided that the infrastructure does not result in more than minor external alterations to listed heritage buildings.</p>
47	Have private or at work electric vehicle users been required to obtain a resource consent for the installation, maintenance and use of electric vehicle charging infrastructure?	<p><b><u>EV chargers on private land are generally permitted</u></b></p> <p>Within the Manawatū District, EV chargers on private land are not subject to rules within the Manawatū District Plan. However, a consent is required where such infrastructure results in the exterior alteration of a listed heritage building. If the charging infrastructure happens to be inside the heritage building (in a garage, for example) then no consent is required.</p>
48	Should the construction, operation and maintenance of electric vehicle charging infrastructure be a permitted activity, if it is located in a land transport corridor?	<p><b><u>MDC recommends amendments</u></b></p> <p>MDC considers EV charging infrastructure could be permitted in a transport provided compliance is achieved with standards and conditions which include:</p>

		<ul style="list-style-type: none"> <li>the written agreement of the corridor owner is obtained as to the location of the infrastructure; and</li> <li>the positioning of the infrastructure is such that it does not interfere with traffic safety (e.g. blocking sightlines at intersections, railway crossings or vehicle crossings) and pedestrian / wheelchair movement on footpaths; and</li> <li>the charging infrastructure does not hinder vehicle manoeuvring, on-road parking, or storage areas.</li> </ul> <p>Councils should also retain the ability to charge fees or lease space where the council owns the road corridor, particularly in circumstances where the corridor space may have otherwise been used for activities such as outdoor dining.</p>
49	Should the construction, operation and maintenance of electric vehicle charging infrastructure become a permitted activity, if it is ancillary to the primary activity or outside residential areas?	<p><b><u>MDC general support, but suggests further refinements</u></b></p> <p>MDC considers that EV charging infrastructure should be a permitted activity if:</p> <ul style="list-style-type: none"> <li>ancillary to the primary use of a site, and</li> <li>is not externally located immediately outside, or mounted on the exterior of, a listed heritage building or site of cultural significance to Māori.</li> </ul> <p>MDC has no issue with private, personal use, charging infrastructure located on privately-owned residential land, but considers that larger scale commercial and ‘multi-charger’ stations are best located at premises such as supermarket carparks, services stations, or on areas of publicly owned land which have been agreed with the Council.</p>
50	Do you support the proposed provisions for electric vehicle charging for all types of EVs, or are additional requirements needed for heavy vehicles such as large trucks, ferries, or aircraft?	<p><b><u>General MDC support</u></b></p> <p>MDC supports the proposed provisions for electric vehicles of all types, provided the conditions set out in our reply to question 49 are incorporated.</p> <p>Charging stations for large trucks are likely to be outside of the transport corridor (or if they are in the corridor, providers can work with the corridor owner to determine an appropriate location and design). EV charging infrastructure for aircraft will typically be at an aerodrome or airport where electrical infrastructure (e.g. GPUs) may already exist or where more than sufficient space is available.</p>
<b>Other Comments:</b>		



- MDC requests including permitted activity standards for ground-mount electrical transformers located in the road reserve. MDC has little issue with these if they are appropriately sited, but in some cases there have been instances where the transformers have been placed in such a way as block site lines from vehicle crossings (creating a safety issue) or have been placed in a way which hinders pedestrian and wheelchair use of footpaths.

2.5 National Environmental Standard – Telecommunications Facilities		
Question raised in the discussion document		MDC View / Decision Requested
51	Do the proposed provisions sufficiently enable the roll-out or upgrade of telecommunication facilities to meet the connectivity needs of New Zealanders?	<p><b><u>General MDC support, but MDC also suggests further work be undertaken</u></b></p> <p>MDC considers the proposed provisions will assist with the enabling more efficient roll-out of mobile and land-based fixed-wireless telecommunications. However, the proposed changes to the NES-TF do not significantly increase the ease with which the roll-out of fibre can be achieved. Fibre is important to rural areas with high population densities. In these areas fixed wireless towers are increasingly congested and do not deliver upload and download speeds necessary for rural households to full participation in the modern digital economy.</p> <p>Consideration should also be given to simplifying and streamlining provisions related to satellite-based telecommunications. Satellite communications are of particular importance for rural areas with little mobile coverage and for communications during civil defence emergencies.</p> <p>For example, existing provisions for satellite dishes or antenna up to 1m<sup>2</sup> on roof mountings up to 1m high (i.e. of sufficient size to cater for Starlink or Amazon Kuiper infrastructure) could be made a permitted activity in every zone in a less complicated matter than currently expressed in the NES-TF.</p>
52	Which option for proposed amendments to permitted activity standards for telecommunication facilities do you support?	<p><b><u>MDC preference for Option 1</u></b></p> <p>MDC considers Option 1's linking the height (and other dimensions) to zones provides greater certainty and ease of administration than linking the height to existing cell phone towers and streetlights. Existing towers and streetlights can be of variable height (such that there is difficulty in deciding which height is most appropriate) and some existing pole heights are too low to optimise coverage.</p>

53	Do the proposed provisions appropriately manage any adverse effects (such as environmental, visual, or cultural effects)?	<p><b><u>MDC concerns over visual impact, including on heritage buildings and safety</u></b></p> <p>MDC has concerns that the proposed provisions for antennas on buildings (including increasing the permissible height to 10m above the roof of buildings) would be visually disproportionate and inappropriate for heritage buildings and towns (such as those in the Manawatū) where building heights very rarely exceed 9m.</p> <p>MDC also has concerns around the proposed increase in cabinet size. Larger cabinets may have the effect of blocking views at intersections, railway crosses and driveways (so creating traffic hazards). MDC recommends permitted activity standards include a siting requirement which specifies cabinets cannot be within a specified distance from intersections and driveways, or otherwise positioned in such a way as to not block sightlines.</p>
54	Do the proposed provisions place adequate limits on the size of telecommunication facilities in different zones?	<p><b><u>General MDC support, but with changes recommended</u></b></p> <p>MDC considers a height of 15m for the poles in General Residential Zones to be more acceptable than the proposed 20m height limit).</p> <p>15m (plus the height of the antenna on top of the pole) still provides sufficient height to prevent three-storey housing from blocking signals (three-storey houses are generally 9-11m in height). Taller poles offer little advantage in Manawatū District towns where the topography is relatively flat.</p> <p>If desired, taller pole heights could be permitted for designated medium density zones, such as where the government has directed councils permit housing above three-storeys (e.g. around mass transit stops).</p> <p>MDC accepts that the taller poles may be necessary in commercial and industrial areas as building heights in these zones tend to be both high and more variable.</p> <p>MDC requests that, in addition to there being limits on the size of dishes in residential areas, local centre, neighbourhood centre and open space zones, dishes on heritage buildings should not be permitted. Larger DMR dishes are still appropriate for rural zones as alternative to, or backup for, fibre to provide emergency communications, although long-term their utility is questioned as satellite telecommunications (including direct satellite to cell capabilities) improves.</p>
55	Should a more permissive approach be taken to enabling telecommunication facilities to be inside rather than outside the road reserve?	<p><b><u>General MDC disagreement with more permissive rules in the road reserve</u></b></p> <p>MDC considers the answer to this question is context dependent.</p> <p>Although the road reserve is often publicly owned (either by councils or the NZTA) the area or width of land available can vary greatly and may not offer sufficient space for the safe siting of</p>

		<p>telecommunications infrastructure. Consideration also must be given to the placement of telecommunications infrastructure least things such things as towers, cabinets, or other equipment block sight lines, restrict vehicle manoeuvring or hinder pedestrian use of foot paths.</p> <p>The distance from the edge of the road reserve to the nearest building can also vary. In some instances, buildings (potentially including apartment or terrace housing) will be built with no setback from road reserve. In these cases, the effects could be the same or similar to when towers are located outside road reserves.</p> <p>However, MDC considers it may be possible to take a more permissive approach to enabling telecommunications facilities in rural areas, areas of open space (e.g. parks), or on industrial sections where there is often more space that is available in residential or town centre environments. However, the permission of landowners should still be required.</p>
56	Do you support the installation and operation of fewer larger telecommunication facilities to support co-location of multiple facility operators?	<p><b><u>MDC questions the underlying premise</u></b></p> <p>MDC questions the presumption larger telecommunications facilities will automatically mean fewer such facilities. Our understanding is that co-location of 3G or 4G equipment on towers in the past may have supported that premise, but a near exponential demand for wireless data, along with the shorter range signal propagation characteristics of higher frequency 5G equipment (compared to the 3G and 4G/LTE) may result in a need for more tower locations in future.</p> <p>MDC also has some concerns the proposed increase in the size of the telecommunications infrastructure proposed will not always be appropriate to local context. The proposed sizes fail to consider the impact on heritage buildings or local character (for example, the lower buildings heights typically found in smaller towns will mean taller towers will be more visually dominant). Three-storey buildings are rare in most rural towns, including those in the Manawatū District. Most rural towns also tend to feature residential areas where housing is only one or two storeys.</p> <p>MDC understands that 5G micro-cells can also be mounted on existing buildings and structures as a lower-cost and less visually intrusive alternative to building more full-size towers to enhance localised coverage in areas of high demand.</p>

### 3.1 National Environmental Standard – Granny Flats (Minor Residential Units)

Question raised in the discussion document		MDC View / Decision Requested
57	Are the proposed provisions in the NES-GF the best way to make it easier to build granny flats (minor residential units) in the resource management system?	<p><b><u>Directively worded NPS rather than a NES</u></b></p> <p>MDC considers a national policy statement on granny flats (minor residential units) to be more appropriate. Many district plans already provide for minor residential units within residential zones (and some other zones). Similar to the NPS-UD or NPS-HPL, a directive national policy statement could achieve a similar effect to what the NES seeks to achieve in (respect to a consistent enabling approach) while still allowing councils some flexibility to incorporate standards which are appropriate to local circumstances.</p>
58	Do you support the proposed permitted activity standards for minor residential units?	<p><b><u>General MDC support</u></b></p> <p>MDC supports a permitted activity status for minor residential units and already has provisions according them this status in the Manawātū District Plan.</p>
59	Do you support district plans being able to have more lenient standards for minor residential units?	<p><b><u>General MDC support</u></b></p> <p>MDC understands that some district plans already have more lenient rules for minor residential units in particular locations or circumstances. By way of example MDC does not specify a floor area for minor residential units, while proposed changes to the Mixed-Use-Zone do not place a limit on the number of residential units able to be built on a site.</p>
60	Should the proposed NES-GF align, where appropriate, with the complementary building consent exemption proposal?	<p><b><u>MDC supports alignment with building consent exemptions and notes changes will be required</u></b></p> <p>The NES-GF needs to better mirror the proposals for small stand-alone dwellings proposed under the <i>Building and Construction (Small Stand-alone Dwellings) Amendment Bill</i>. MDC wishes to draw the government's attention to the follow matters:</p> <ul style="list-style-type: none"> <li>• The Building Act amendment and the proposed NES-GF use different terms for what are supposed to be the same type of dwelling (Small Stand Alone Building v Minor Residential Unit). Continued use of different terms may result in a gap in the intended effect of the provisions if they are interpreted as two different types of building.</li> <li>• The Building Act amendment definition (contained proposed changes to Schedule 1A) uses an undefined <i>net floor area approach</i> when referring the maximum 70m<sup>2</sup> floor area limit while the NES-GF uses a 'internal floor area' approach which is inconsistent with the proposed National</li> </ul>

		<p>Planning Standards (2019). For a simple structure such as minor residential unit / granny flat / small standalone dwelling, the National Planning Standards (2019) definition of '<i>gross floor area</i>' should be sufficient to use (and would promote greater consistency).</p> <ul style="list-style-type: none"> <li>The Building Act amendment implies the units are supposed to of simple design and single storey. There is no such requirement proposed within the NEF-GF. This could be problematic if units are built to the height limit permitted in many district plans (8 or 9 metres - which allows for 2-3 storeys).</li> </ul>
61	Do you support the proposed list of matters that local authorities may not regulate in relation to minor residential units? Should any additional matters be included?	<p><b><u>General MDC support, but changes recommended</u></b></p> <p>Although MDC understands the restriction on parking for granny flats, we question the why granny flats must also be exempt from access requirements. Granny flats can create additional traffic and poorly sited accessways can create a traffic safety hazard.</p>
62	Do you support existing district plan rules applying when one or more of the proposed permitted activity standards are not met?	<p><b><u>General MDC support for this approach</u></b></p>
63	Do you support the list of matters that are out of scope of the proposed NES-GF? Should any additional matters be included?	<p><b><u>General MDC support, but changes recommended</u></b></p> <p>MDC supports the exclusion of subdivision, earthworks, RMA section 6 matters of national importance, non-residential uses, regional plan, papakāinga provisions (which are covered separately in the NES-P) and setback from infrastructure rules from the scope of the NES.</p> <p>MDC is of the view that traffic and access considerations should also be excluded from the scope of the NES. Granny flats have the potential to create additional traffic movements and, with no limitation on the NES on access, could see poorly sited accessways created which pose a traffic safety hazard (e.g. by being located too close to an intersection or in a location that is obscured by other buildings, terrain or vegetation).</p>

### 3.2 National Environmental Standard – Papakāinga

Question raised in the discussion document		MDC View / Decision Requested
64	Do you support the proposal to permit papakāinga (subject to various conditions) on the types of land described above?	<p><b><u>General MDC support, but changes recommended</u></b></p> <p>MDC supports the concept of permitting papakāinga on Māori land as a permitted activity (subject to various standards and conditions), but considers there should be a greater ability for papakāinga to be built on general land owned by Māori (subject to conditions), particularly where local iwi or hapū hold no land of the types proposed by the NES-P.</p>
65	What additional non-residential activities to support papakāinga should be enabled through the NES-P?	MDC considers the range of non-residential activities proposed to be sufficiently broad to cover the foreseeable range of activities that are likely to be undertaken in and around papakāinga housing.
66	What additional permitted activity standards for papakāinga should be included?	<p><b><u>Setbacks and shared driveways / access / appropriate means of disposing of wastewater</u></b></p> <p>MDC suggests:</p> <ul style="list-style-type: none"> <li>• Setbacks from existing activities which generate effects which may be incompatible with the predominantly residential use of papakāinga.</li> <li>• Entrance to developments is via a shared driveway or accessway which located in such a way as to reduce traffic safety risks on the road to which it will connect.</li> <li>• Requirements for habitable buildings to have connections to appropriate wastewater and greywater disposal infrastructure (including sufficient space for disposal fields, where required) which comply with relevant regional plan rules.</li> </ul> <p>The permitted activity standards above assume that many papakāinga are likely to be in rural areas where setbacks from activities such as piggeries, quarries, or transmission lines may be required. Additionally:</p> <ul style="list-style-type: none"> <li>• Many rural roads have 100 km/h speed limits and blind corners. Having multiple driveways in a short length of road may pose a traffic safety risk.</li> <li>• Remoter, rural papakāinga developments are less likely to be able to connect to a council reticulated wastewater disposal and treatment system. Where this is not possible, dwellings and other buildings from which wastewater needs to be disposed off will need to be connected to</li> </ul>

		appropriate local disposal infrastructure (which could be a small ‘group’ treatment scheme for larger developments, or tanks and drainage fields for a smaller number of buildings).
67	Which, if any, rules from the underlying zone should apply to papakāinga developments?	<p>In addition to those matters proposed in PAS3, MDC suggests the following district plan rules should still apply to papakāinga developments:</p> <ul style="list-style-type: none"> <li>• Stormwater management (including onsite attenuation and treatment where appropriate)</li> <li>• Setbacks from quarries, national grid yards, and activities such as existing piggeries (where relevant)</li> <li>• Rules relating to access and traffic safety.</li> <li>• Any requirements for connection to appropriate wastewater and greywater infrastructure (if there are not included in the NES-P itself).</li> </ul>
68	Should local authorities have restricted discretion over papakāinga on Treaty settlement land (i.e., should local authorities only be able to make decisions based on the matters specified in the proposed rule)?	<p>MDC considered that local authorities should have restricted discretion in respect to papakāinga, but the matters discretion need to be broader than those set out in RDM3.</p> <p>In respect to RDM3 itself –</p> <ul style="list-style-type: none"> <li>• MDC suggests consideration could be given to rewording RDM3 to state that the land will remain in Māori ownership, rather than used as papakāinga. If there’s a legal mechanism on the land saying it can only be used for papakāinga, then this could preclude future aspirations beyond papakāinga development for the land.</li> <li>• MDC also suggests that clarification be given as to what ‘demonstrate’ would mean in practice. For example, would evidence or a determination need to be given by the Māori Land Court? (if so, then what’s stopping people from getting a determination as ‘general land owned by Māori’ instead and using one of the permitted pathways?).</li> </ul>
69	What alternative approaches might help ensure that rules to enable papakāinga on general land are not misused (for private/commercial use or sale)?	<p><b><u>Land must be held in trust for the benefit of all occupiers</u></b></p> <p>MDC suggests the follow alternatives (which could be complementary to, rather than a replacement for, other approaches):</p> <ul style="list-style-type: none"> <li>• <i>All the land within the areas proposed for a papakāinga development must be held in a single trust for all those who occupy the land, and /or on behalf of the iwi, hapū or whanau.</i></li> <li>• <i>Determinations from the MLC that say the land will remain in Māori ownership in perpetuity or in use as papakāinga development (as this would be consistent with the approach in RDM3).</i></li> </ul>

70	Should the NES-P specify that the land containing papakāinga on general land cannot be subdivided in future?	MDC considers that this approach could serve as an alternative approach (e.g. and either / or provision) where land for the papakāinga is not to be held in collectively or in perpetuity by a trust representing all occupiers, iwi or hapū.
<b>Other Comments:</b> <ul style="list-style-type: none"> <li>MDC questions the need to have a definition of ‘general land owned by Māori’ which is different from that already used in the Te Ture Whenua Act 1993. Ideally the definition should be the same to reduce confusion to landowners, councils and applicants acting on behalf of those wishing to undertake papakāinga developments.</li> <li>Most of the papakāinga provisions proposed relate to activities managed through district plans and are focussed on permitted activity standards. MDC notes that activities permitted by a district plan are still subject to rules in regional plans (which may still require a resource consent for matters such as water takes, wastewater and stormwater discharges). It is unclear whether and how regional council consenting requirements are being addressed.</li> </ul>		

3.3 National Policy Statement – Natural Hazards		
Question raised in the discussion document		MDC View / Decision Requested
71	Should the proposed NPS-NH apply to the seven hazards identified and allow local authorities to manage other natural hazard risks?	<p><b><u>General MDC support for including the seven hazards listed</u></b></p> <p>MDC supports the inclusion of the seven risks identified and the concept that councils can also managed other natural hazard risks that may be significant in their region or district but are not present nationwide (e.g. volcanic activity). Other than to enable or facilitate water storage, there is little which councils can do to proactively manage hazards associated with drought or disease.</p>
72	Should the NPS-NH apply to all new subdivision, land use and development, and not to infrastructure and primary production?	<p><b><u>New subdivision, land uses, development, and infrastructure critical for community safety to be included</u></b></p> <p>MDC considers that as a minimum, NPS-NH should apply to new subdivisions, land use and development (buildings and structures). It should also apply to infrastructure which is vulnerable or is critical to community health, safety, and wellbeing unless the operational and functional needs of that infrastructure cannot be met by locating the infrastructure away from the hazard.</p> <p>The inclusion of infrastructure is also appropriate from the point of view that councils are ultimately liable if vested infrastructure assets are damaged as part of a natural hazard event.</p>



		Primary production should be exempt as those activities often require large area of land which will be subject to a variety of hazards wherever they are located. However, consideration should still be given to managing practices associated with primary production activities where those practices will exacerbate damage to property or life during a hazard event.
73	Would the proposed NPS-NH improve natural hazard risk management in New Zealand?	<p><b><u>Current provisions not likely to result in significant improvements</u></b></p> <p>Although the risk-management approach and pragmatic ‘proportionate’ response principles are supported the NPS-NH provisions proposed may not lead to a notable improvement in natural hazard risk management for the following reasons:</p> <ul style="list-style-type: none"> <li>• Objective OB1, promotes taking a risk-based approach which is proportionate without specifying a particular outcome. It reads more like another policy.</li> <li>• Many councils already, albeit sometimes implicitly, take a proportionate approach to risk. However, what is appropriately ‘proportionate’ varies between councils.</li> <li>• Appropriate actions or activities statuses associated with different levels of risk are not further expanded upon in the NPS, leaving the ‘proportionate approach’ still open to varied interpretations, and councils open to the risk of legal challenges. Such challenges undermine the strength of the risk avoidance or mitigation measures a council may be prepared to put in place.</li> <li>• The wording ‘best available information’ while supported, may be difficult to apply in practice as provisions in plans are often tied to the information available at the time the plan was prepared, and can be slow to update under RMA Schedule 1 processes. There also needs to be a limitation on liability where councils are acting in good faith, but their information may be limited to incomplete, partial, or out-of-date information (but that is the best information available). The risk to councils without such a clause is only exacerbated by the directive wording of P6 – which requires councils to continue with risk assessments even when information is uncertain or incomplete.</li> <li>• Given the issues above, and IM1 wording that there is no timeframe to give effect to the NPS, MDC questions whether some councils will choose to give effect to the NPS before newer, stronger, national direction is issued.</li> </ul>
74	Do you support the proposed policy to direct minimum components that a risk assessment must consider but allow local authorities to take a more	<p><b><u>General MDC support</u></b></p> <p>The considerations listed codify what should be existing practice amongst many local authorities (even if they have no plan provisions which explicitly contain this list). MDC supports the flexibility for local authorities to undertake a more comprehensive risk assessment if desired. However, the current</p>

	comprehensive risk assessment process if they so wish?	<p>proposals raise a number of questions which will need to be addressed before the NPS is finalised. These questions include:</p> <ul style="list-style-type: none"> <li>• What the process is for filling any information gaps? (e.g. as in Policy 6) Will the onus be on applicants to provide the necessary information or would reporting fall solely on councils?</li> <li>• Who prepares any reports that will be required? What (if any) qualifications or experience is required of the persons preparing the reports?</li> <li>• What reliance is allowed to be placed on previous reports (given those reports often have disclaimers, and information can change over time)?</li> </ul>
75	How would the proposed provisions impact decision-making?	<p><b><u>There may not be much noticeable change from current settings</u></b></p> <p>Although a risk-based approach appears pragmatic, the lack of location-specific hazard data may limit its effectiveness (or add costs to the planning and consenting process if further information is needed to fill an information gap).</p> <p>The lack of a directive framework relating to which approach should be taken to different levels of risk as part a 'proportionate management' could lead to councils taking widely different to avoiding or managing hazards in the face of the threat of legal challenges.</p>
76	Do you support the placement of very high, high, medium, and low on the matrix?	<p><b><u>General MDC support</u></b></p> <p>MDC supports the placement the risk categories on the risk matrix. We understand that the placement is broadly consistent with overseas practice and the AEP cross-over from 'medium' to 'high' is similar to the 1% AEP (or 1-in-100 year) trigger already used a number of regional and district plans.</p>
77	Do you support the definition of <i>significant risk</i> from natural hazards being defined as very high, high, medium risk, as depicted in the matrix?	<p><b><u>General MDC support</u></b></p> <p>In the absence of significant evidence to the contrary, MDC considers this definition to be appropriate.</p>
78	Should the risks of natural hazards to new subdivision, land use and development be managed proportionately to the level of natural hazard risk?	<p><b><u>General support for the 'proportionate' approach concept, but stronger direction is needed</u></b></p> <p>MDC supports the concept of taking a proportionate approach but considers the current proposal to be too vague to be helpful. It is noted that the draft NPS is weaker than previous proposals, lacking mandatory avoidance policies for high-risk areas.</p> <p>Stronger, directive government policy is needed to assist councils in being effective taking appropriate measures where risks are significant. Delaying the incorporation of directive wording because 'New</p>
79	How will the proposed proportionate management approach make a difference in terms of existing practice?	

		<p>Zealand needs to grow' increases the risk (and future liability) of damage to life or property from inaction. Some of the damage to life and property in the past has occurred because councils did not have a sufficiently firm legal basis to restrict development in known hazard prone areas.</p> <p>Without stronger direction as to what types of management approach (and activity statuses) should be employed by councils to manage different risks levels, councils will be open to repeated costly challenges which could result in different councils taking different approaches to the same risks.</p>
80	Should the proposed NPS-NH direct local authorities to use the best available information in planning and resource consent decision-making?	<p><b><u>Best available information is appropriate if liability protections are incorporated</u></b></p> <p>It is appropriate for the NPS-NH to direct councils to use best available information as that ensures account is taken of the most up to date information. However, similar to recent LGOIMA changes, there should be some legal protection against legal challenges where councils have acted in good faith but have had to rely on information that is old or incomplete.</p>
81	What challenges, if any, would this approach generate?	<p><b><u>Limitations of 'best available information'</u></b></p> <p>Across New Zealand there are likely to be many instances where what hazard data is available is partial, old, or may not follow modern best practice.</p> <p>Policy 2 states that climate change implications need to consider hazards 100 years into the future. This raises a question as to which climate change scenario is to be used in order for it to be considered 'best available information' and achieve a nationally consistent approach.</p>
82	What additional support or guidance is needed to implement the proposed NPS-NH?	<p><b><u>Nationally consistent approaches to mapping, and funding support</u></b></p> <ul style="list-style-type: none"> <li>• A nationally consistent approach to recording and mapping hazards is suggested to support the concept of 'best available information.'</li> <li>• A pool of funds to support less well resourced councils to carry out mapping work is also suggested.</li> <li>• Legislative changes are requested to strengthen RMA section 106. The current wording of 'may refuse' leaves open the question of council discretion (and therefore challenge that the exercise of discretion has not been applied appropriately). Wording should be along the lines that where the risks (as assessed by the matrix) are high or very high, and unable to avoided or mitigated, subdivision consent must be declined.</li> </ul>
83	Should the NZCPS prevail over the proposed NPS-NH?	<p><b><u>NPS to prevail over NZCPS with respect to hazard risk management</u></b></p>

		MDC considers that, if appropriately developed, the NPS-NH should prevail as it is the national direction specifically focussed on the management of natural hazards across New Zealand, not just in the coastal environment. The management of natural hazards is not one of the top priorities for the New Zealand Coastal Policy Statement under RMA s.58.
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4 Implementation Questions		
Question raised in the discussion document		MDC View / Decision Requested
84	Does 'as soon as practicable' provide enough flexibility for implementing this suite of new national policy statements and amendments?	<p><b><u>Sufficient flexibility is provided while conveying an expectation of action being expected soon.</u></b></p> <p>The words 'as soon as practicable' provides flexibility while conveying an expectation that implementing changes in national direction and new national direction will occur within a short period of time. It is appropriate for national environmental standards, where such standards specific the RMA Schedule 1 process is not specified as being required, but may create a sense of frustration amongst non-local-government stakeholders who are expect results faster than what the current RMA Schedule 1 process allows for.</p>
85	<p>Is providing a maximum time period for plan changes to fully implement national policy statements to be notified sufficient?</p> <p>a. If not, what would be better, and why?</p> <p>b. If yes, what time period would be reasonable (e.g. five years), and why?</p>	<p><b><u>Plan Stop announcement makes implementation timeframes a moot point</u></b></p> <p>Given the government's 'Plan Stop' announcements of 16 July 2025, this question appears moot at this time.</p> <p>Under ordinary RMA circumstances, the reasonableness of timeframes will depend on what changes are required to be made, and whether regional policy statements need to be changed as well as plans. If both regional policy statements and plans are required to go through the full RMA section 32 and Schedule 1 processes a minimum of four years is likely needed (i.e. 18-24 months for each of the two changes).</p>
86	Is it reasonable to require all plan changes to fully implement a national policy statement before or at plan review?	<p><b><u>Changes to NPSs should be made at the next full plan review (post RMA-replacement legislation enactment)</u></b></p> <p>The range and extent of change proposed across all four packages of national direction changes touch on almost all chapters of district plans. All other things being equal, it would make sense for a council to fully implement a national policy statement before or at a plan review. However, MDC believes the current environment will make this challenging for the following reasons:</p>

		<ul style="list-style-type: none"> <li>• The RMA (s.79) allows councils, including MDC, to undertake plan reviews on a chapter-by-chapter basis such that there is not on single event that would trigger a full plan review.</li> <li>• Some councils are already part way through their full (or partial) plan reviews. Repeating the plan change process to accommodate new national direction changes for almost every chapter will add considerable cost and time to plan review processes.</li> <li>• The proposed repeal and replacement of the RMA, including a move to one district plan per region, means that it is highly unlikely a council can review its district plan to incorporate all the changes to national direction before the district plan itself is replaced.</li> <li>• The 16 July Plan Stop Announcements mean the next realistic opportunity to implement wide-ranging changes to national directly will likely be after enactment of RMA-replacement legislation.</li> </ul> <p>MDC is of the view that implementing all the national direction changes proposed is better left to when the RMA-replacement district plans are being prepared. However, if there are some changes which cannot wait, then the government could direct those changes be incorporated without use of the RMA Schedule 1 process.</p>
87	Are there other statutory or non-statutory implementation provisions that should be considered?	<p>MDC suggest taking a 'whole of system' approach where changes to legislative settings complement national direction, and national direction is guided by an overall, overarching framework to help resolve conflicting requirements and prioritise decisions.</p> <p>The whole of system approach needs to be supported by adequate resources to help smaller local authorities resource the amount of change proposed to plans and internal processes.</p> <p>Many of the changes also have implications beyond the planning system and into other council functions associated with infrastructure funding and financing. A better system is required to support councils in carrying out these functions, otherwise they will result in further unfunded mandates from central government which have to be met from rates or charges such as increased fees and development contributions.</p>

## MDC Comments on Discussion Document Package 2: Primary Sector

Note: MDC does not have a position on proposals relating to National Environmental Standards for Marine Aquaculture (Questions 1-9).

2.2 National Environmental Standard – Commercial Forestry		
Question raised in the discussion document		MDC View / Decision Requested
10	Does the proposed amendment to 6(1)(a) enable management of significant risks in your region?	<p><b><u>Most risks are covered, but the mapping requirement may be of concern</u></b></p> <p>The most likely risks of erosion, and damage to downstream infrastructure (e.g. bridges, roads, and pipes) are covered, along with significant effects on ‘receiving environments’ (which MDC assumes to include freshwater resources and areas of significant vegetation). However, MDC is concerned that this provision also has a concurrent test (through the use of the word ‘and’) that requires underlying risks to be identified through mapping at a 1:10,000 scale or digital elevation model. Some risks may be difficult to accurately map at that scale, even if it is assumed regional councils have good knowledge of the presence of local authority (and other utility provider) infrastructure.</p> <p>A 1:10,000 scale requirement also seems odd in that it infers that the objective is to have hard copy maps, when (with central government encouragement) local authorities are moving towards e-plans with electronic maps with layers which can be zoomed into (or layers turn on or off).</p>
11	Does the proposal provide clarity and certainty for local authorities and forestry planning?	<p><b><u>MDC has no position on this matter.</u></b> Forestry planning functions for the Manawātū District currently rest with Horizons Regional Council.</p>
12	How would the removal of 6(4A) impact you, your local authority or business?	<p><b><u>The lessening of local discretion over afforestation rules is of concern to MDC</u></b></p> <p>Regulation 6(4A) enables a rule in a plan for afforestation to be more stringent or lenient than in Subpart 1 of Part 2 of these regulations. Removal of 6(4A) means that regulations are absolute with much less discretion to tailor plan rules to match local circumstances. There is a risk that not having local discretion could lead to higher rates of exotic afforestation than is appropriate to the circumstances of the Manawātū district.</p> <p>In the Manawātū District high rates of exotic forestation carry potential impacts which include:</p>

		<ul style="list-style-type: none"> <li>• Loss of land for food production to forestry because of the higher returns from rising carbon unit prices for carbon storage that can be realized from large scale permanent exotic afforestation.</li> <li>• A further decline in rural communities as families relocate from rural areas, swayed by the economic incentives that carbon farming presents through the NZETS.</li> </ul> <p>MDC considers there needs to be local discretion over afforestation to ensure the “best use” of land, recognising the competing priorities for land use in the ETS (driven by emissions reduction targets), the National Policy Statement (NPS) Urban Development, and NPS on Highly Productive Land.</p>
13	Do you support amendments to regulations 69(5-7) to improve their workability?	<p><b><u>A risk-based approach is supported, but an ability to decline a consent is needed</u></b></p> <p>MDC supports a pragmatic, risk-based approach to the management of slash mobilisation. However, it is noted the requirement to obtain a resource consent only applies where risks are assessed as high and that as a controlled activity, a consent application cannot be declined. MDC would prefer to see the use of a restricted discretionary activity when risks are high, so that there is some ability to decline a consent if risk avoidance or mitigation measures are assessed as being inadequate.</p>
14	Do you support a site-specific risk-based assessment approach or a standard that sets size and/or volume dimensions for slash removal?	<p><b><u>Preference for site specific risk assessments</u></b></p> <p>MDC considers a site specific risk-based approach to more suited to the Manawatū.</p> <p>The Manawatū District has a variety of topographies and soils, ranging from sandy coastal duneland to flood planes with highly productive soils, rolling hills and hard hill country with poor soils. Each environment has a different risk profile in respect to erosion, soil loss, and slash mobilisation. Rainfall patterns also vary, as do the locations of various natural hazards (including fault lines and flood prone land). It may be difficult to set a sufficient range of standardised slash size and volume dimensions to cater to various combinations of local circumstances.</p>
15	Is the draft slash mobilisation risk assessment template (provided in attachment 2.2.1 to this document) suitable for identifying and managing risks on a site-specific basis?	<p><b><u>MDC has no position on this matter.</u></b></p>
16	Should a slash mobilisation risk assessment be required for green-zoned and yellow-zoned land? If so, please explain the risks you see of slash mobilisation	<p><b><u>MDC has no position on this matter.</u></b></p>

	from the forest cutover that need to be managed in those zones?	
17	If a risk-based approach is adopted which of the two proposed options for managing high-risk sites, do you prefer (i.e., requiring resource consent or allowing the removal of slash to a certain size threshold as a condition of a permitted activity)?	<b><u>MDC has no position on this matter.</u></b>
18	For the alternative option of setting prescriptive regulations for slash management, is the suggested size and/or volume threshold appropriate?	<b><u>MDC has no position on this matter.</u></b>
19	Do you support the proposed definition of cutover to read "cutover means the area of land that has been harvested"?	MDC understands the definition proposed is broadly similar to similar definitions used in local best practice guidance and overseas standards.
20	Do you support the proposed removal of the requirement to prepare afforestation and replanting plans?	<b><u>MDC has no suggestions to make in relation to this matter.</u></b>
21	Do you support the proposed minor text amendments?	MDC has no position on this matter, but it is noted some minor amendments correct errors and minor omissions.

2.3 New Zealand Coastal Policy Statement		
Question raised in the discussion document		MDC View / Decision Requested
22	Would the proposed changes achieve the objective of enabling more priority activities and be simple enough to implement before wider resource management reform takes place?	<p><b><u>MDC recommends delaying implementation until after replacement legislation is enacted</u></b></p> <p>The proposed changes are likely to enable more priority projects in the coastal areas, by elevating the status and weighting of priority projects above.</p> <p>The lengthy section 32 and RMA Schedule 1 processes and the need to implement the changes, first through regional policy statements and then through plans, means these changes are unlikely to</p>



		<p>implemented through regional policy statements and plans before RMA replacement legislation comes into force. This position is now only reinforced by the proposed 'Plan Stop' order announced on 16 July 2025.</p> <p>MDC recommends delaying implementation of these changes until RMA replacement legislation has been enacted.</p>
23	Would the proposed changes ensure that wider coastal and marine values and uses are still appropriately considered in decision-making?	<b><u>MDC has no position on this matter.</u></b>
24	Are there any further changes to the proposed provisions that should be considered?	<p><b><u>MDC agrees with Taituarā's suggestions related to flood control infrastructure</u></b></p> <p>MDC agrees with Taituarā's recommendation that specified infrastructure for public flood control, flood defences, or drainage work carried out by a local authority is recognised in the changes. This would ensure regional councils are able to provide flood management in the coastal environment. The river mouths around the Manawatū are prone to flooding and our district has several settlements around those river mouths.</p>

2.4 National Policy Statement – Highly Productive Land		
Question raised in the discussion document		MDC View / Decision Requested
25	Should LUC 3 land be exempt from NPS-HPL restrictions on urban development (leaving LUC 3 land still protected from rural lifestyle development) or should the restrictions be removed for both urban development and rural lifestyle development?	<p><b><u>General MDC support, but flexibility is needed over lifestyle block developments</u></b></p> <p>MDC supports the removal of LUC 3 Land from the definition of highly productive land. The Manawatū District has a high proportion of LUC1, 2 and 3 land around its principal settlements which restricts urban growth under current NPS-HPL settings.</p> <p>LUC-3 land is still important to the rural productive base, but MDC considers flexibility should exist at the local or regional level to decide whether lifestyle development should be allowed. The appropriateness of subdividing LUC 3 land for lifestyle blocks at given location will depend on a variety of local circumstances (e.g. the amount of LUC-3 land, its location or proximity to other highly productive land, or existing lot layouts to name but a few).</p>

26	<p>If the proposal was to exempt LUC 3 land from NPS-HPL restrictions for urban development only, would it be better for this to be for local authority led urban rezoning only, or should restrictions also be removed for private plan changes to rezone LUC 3 land for urban development?</p>	<p><b><u>Private plan changes allowed, but subject to clause 3.6-type tests and delayed implementation</u></b></p> <p>MDC believes private plan changes should also be able to rezone LUC-3 land for urban development provided tests the same or similar to those which exist in clause 3.6 of the NPS-HPL had to be met (so to limit the risk of potentially unnecessary, sporadic, unplanned, development which could fragment large areas of land which would otherwise be important to meet future food and fibre needs). In addition to the clause 3.6 tests, additional tests around the availability and suitability of infrastructure to service an urban development should also be required.</p> <p>Mapping of HPL is not complete in many regions, and some councils will need to incorporate provisions in their plans to manage subdivision and development of LUC 3 land (to reduce the risks of sporadic, untargeted, development which fragments land needed for other purpose or places unreasonable demands for the supply of additional infrastructure). MDC therefore recommends private plan changes the ability to request a private plan change be delayed until such time as councils have in place appropriate provisions for managing subdivision and development on LUC 3 land.</p>
27	<p>If LUC 3 land were to be removed from the criteria for mapping HPL, what, other consequential amendments will be needed? For example, would it be necessary to:</p> <ol style="list-style-type: none"> <li>amend 'large and geographically cohesive' in clause 3.4(5)(b)</li> <li>amend whether small and discrete areas of LUC 3 land should be included in HPL mapping clauses 3.4(5)(c) and (d)</li> <li>amend requirements for mapping scale and use of site-specific assessments in clause 3.4(5)(a), and amend definition of LUC 1, 2 or 3 land.</li> <li>remove discretion for councils to map additional land under clause 3.4(3).</li> <li>use more detailed information about LUC data to better define HPL through more detailed mapping, including farm scale and/or</li> </ol>	<p><b><u>MDC has no position on what consequential amendments are required as no preferred option is listed.</u></b></p> <p>The nature of consequential changes required will depend on whether LUC 3 is removed entirely, or whether restrictions on lifestyle blocks are proposed to be retained with no regional or local discretion applied. MDC would welcome the opportunity to be involved in this work.</p> <p>As noted by Taituarā, clear guidance will be needed on how the values of SAAs are to be balanced against other national direction, particularly the National Policy Statement for Freshwater Management, to avoid policy conflicts.</p>

	more detailed analysis of LUC units and sub-classes.	
28	Given some areas important for foods and fibre production such as Pukekohe and Horowhenua may be compromised by the removal of LUC land, should additional criteria for mapping HPL be considered as part of these amendments?	<p><b><u>MDC suggests criteria for identifying land for protection and excluding land from consideration.</u></b></p> <p>The current proposals' reliance on three existing criteria may be insufficient, and additional criteria are needed to ensure important food and fibre producing land is appropriately identified and protected.</p> <p>Criteria for identifying land for protection could include those along the lines of:</p> <ul style="list-style-type: none"> <li>• Smaller areas of land which are contiguous with, and surrounded by, LUC 1 and 2 land and which is used for the same or similar primary production purposes.</li> <li>• Land where soil and climatic conditions make it one of the few areas in New Zealand where specifically identified crops important to domestic consumption or with strong high-value export potential can be grown. A schedule in the NPS could identify which crops may qualify.</li> <li>• The level and extent of threats to the area of productive land from other land uses.</li> <li>• The contribution the area makes to national food security.</li> </ul> <p>However, MDC also considers there should be criteria to guide mapping decisions as to which land <u>must be excluded</u> from mapping for protection for primary-production-only purposes. These should include:</p> <ul style="list-style-type: none"> <li>• Where more recent and site-specific investigation has been completed since the last mapping exercise and that investigation has found the land in question not to be LUC Class 1 or Class 2 (and one or more of the other criteria do not apply).</li> <li>• There are known long-term constraints on the land (such as the presence of infrastructure, airfields, or other activities) which mean the land cannot be used for primary production purposes, even if assessed as being LUC 1 or 2.</li> <li>• Small areas of land (&lt; X ha in area), which are contiguous with, and surrounded by, developed urban land or lifestyle blocks.</li> </ul> <p>At present, for land to be excluded, councils or applicants must go through costly and time consuming clause 3.6 or clause 3.10 processes – even when long-term constraints on the ability to use land for primary production have existed for decades.</p>
29	If so, what additional criteria could be used to ensure areas important for food and fibre production are still protected by NPS-HPL?	

30	What is the appropriate process for identifying special agricultural areas? Should this process be led by local government or central government?	<p><b><u>MDC suggests a local-government-led collaborative approach</u></b></p> <p>MDC considers the process should be primarily local government led, with areas then included in a schedule within central government regulations or policy statements.</p> <p>In the absence of a National Food [Security] Strategy, special agricultural areas should be identified at the regional level as collaboration between regional councils, territorial authorities, iwi, and primary industry representatives. The area(s) chosen could then nominated by the regional council for approval by key Ministers (e.g. the Environment Minister and Minister for Primary Industries) for incorporation into a schedule within the NPS-HPL to which restrictions on rezoning and subdivision, use and development for anything other than primary production activities would continue to apply. Removal of special agricultural areas from the schedule could follow a similar process.</p>
31	What are the key considerations for the interaction of special agriculture areas with other national direction – for example, national direction for freshwater?	<p><b><u>MDC has no suggestions to make in relation to this matter.</u></b></p>
32	Should timeframes for local authorities to map highly productive land in regional policy statements be extended based on revised criteria? Alternatively, should the mapping of HPL under the RMA be suspended to provide time for a longer-term solution to managing highly productive land to be developed in the replacement resource management system?	<p><b><u>Postpone mapping requirements until at least after the RMA and LGA changes are enacted.</u></b></p> <p>MDC considers the most realistic approach will be to postpone the requirement for regional councils to complete mapping of highly productive land until the replacement resource management system is in place. MDC also notes ongoing changes to local government being proposed by central government. It is also possible that those changes could affect the future roles and responsibilities of councils.</p> <p>MDC understands that a number of regional councils were already likely to miss the date originally proposed for the completion of mapping of highly productive land. Changes to what land is to be included as highly productive land, and the proposals for identification of Special Agricultural Areas would likely have further delayed mapping by changing underlying assumptions regional councils had been relying on.</p>

## 2.5 Multiple instruments for quarrying and mining provisions

Question raised in the discussion document		MDC View / Decision Requested
33	Do you support the proposed amendments to align the terminology and improve the consistency of the	<b><u>MDC is supportive of proposals to better align terminology across national direction instruments.</u></b>

	consent pathways for quarrying and mining activities affecting protected natural environments in the NPS-FM, NES-F, NPSIB and NPS-HPL?	
34	Are any other changes needed to align the approach for quarrying and mining across national direction and with the consent pathways provided for other activities?	<b><u>MDC has no position on this matter.</u></b>
35	Should “operational need” be added as a gateway test for other activities controlled by the NPS-FM and NES-F?	<b><u>MDC has no position on this matter.</u></b>

2.6 Stock Exclusion Regulations		
Question raised in the discussion document		MDC View / Decision Requested
36	Do you agree that the cost of excluding stock from all natural wetlands in extensive farming systems can be disproportionate to environmental benefits?	<p><b><u>Costs can be disproportionate, but only in some cases</u></b></p> <p>MDC disagrees with the generalised proposition that the cost of excluding stock from <u>all</u> natural wetland is disproportionate. Wetlands are vulnerable environments which provide valuable eco-system services which are rarely properly accounted for in traditional cost-benefit analysis. Wetlands can also be of great significance to tangata whenua and may contain taonga species.</p> <p>MDC considers that the costs of excluding of stock from some natural wetlands can be disproportionate where those wetlands are small and already compromised beyond recovery (such that there is little benefit from stock exclusion) and where intrusion of stock would not affect water quality elsewhere (e.g. downstream of the wetland).</p> <p>Consideration of whether stock should be excluded should consider the location of wetlands, the functions they serve (e.g. filtering of water that may enter another more significant freshwater body), wetland size and habitat function. This varies from location to location. The blanket nationwide approach proposed does not appear to factor in these variables.</p>

3 Implementation of primary sector instruments		
Question raised in the discussion document		MDC View / Decision Requested
37	Does “as soon as practicable” provide enough flexibility for implementing this suite of new national policy statements and amendments?	<p><b><u>Sufficient flexibility is provided while conveying an expectation of action being expected soon.</u></b></p> <p>The words ‘as soon as practicable’ provides flexibility while conveying an expectation that implementing changes in national direction and new national direction will occur within a short period of time. It is appropriate for national environmental standards, where such standards specific the RMA Schedule 1 process is not specified as being required, but may create a sense of frustration amongst non-local-government stakeholders who are expect results faster than what the current RMA Schedule 1 process allows for.</p>
38	<p>Is providing a maximum time period for plan changes to fully implement national policy statements to be notified sufficient?</p> <p>a. If not, what would be better, and why?</p> <p>b. If yes, what time period would be reasonable (e.g., five years), and why?</p>	<p><b><u>Plan Stop announcement makes implementation timeframes a moot point</u></b></p> <p>Given the government’s ‘Plan Stop’ announcements of 16 July 2025, this question appears moot at this time.</p> <p>Under ordinary RMA circumstances, the reasonableness of timeframes will depend what change is required to be made, and whether regional policy statements need to be changed as well as plans. If both regional policy statements and plans are required to go through the full RMA section 32 and Schedule 1 processes a minimum of four years is needed (i.e. 18-24 months for each of the two changes).</p>
39	Is it reasonable to require all plan changes to fully implement a national policy statement before or at plan review?	<p><b><u>MDC considers this to be moot point until RMA replacement legislation is in force.</u></b></p> <p>The 16 July Plan Stop Announcements make this a moot point. The next realistic opportunity to implement wide-ranging changes to national direction will be after enactment of RMA-replacement legislation.</p>
40	Are there other statutory or non-statutory implementation provisions that should be considered?	<p><b><u>The proposed changes need to be considered as part of a whole-of-system approach</u></b></p> <p>MDC suggest taking a ‘whole of system’ approach where changes to legislative settings complement national direction, and national direction is guided by an overall, overarching framework to help resolve conflicting requirements and prioritise decisions.</p> <p>The whole of system approach needs to be supported by adequate resources to help smaller local authorities resource the amount of change proposed to plans and internal processes.</p>

		Many of the changes also have implications beyond the planning system and into other council functions associated with infrastructure funding and financing. A better system is required to support councils in carrying out these functions, otherwise they will result in further unfunded mandates from central government which have to be met from rates or charges such as increased fees and development contributions.
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## MDC Comments on Discussion Document Package 3: Freshwater

Options for changing national direction for freshwater		
Question raised in the discussion document		MDC View / Decision Requested
1	<p>What resource management changes should be made in the current system under the RMA (to have immediate impact now) or in the future system (to have impact longer term)?</p> <p>From the topics in this discussion document, which elements should lead to changes in the current system or the future system, and why?</p>	<p><b><u>MDC Concerns over the applicability of targets in the Horizons Region.</u></b></p> <p>MDC has previously expressed concern that current water quality targets are unrealistic and unachievable for our region due to its unique geology and geography.</p> <p>For example, volcanic activity leads to naturally elevated levels of phosphorus in our waterways and our physical geography (topography and underlying geology) results in naturally elevated levels of suspended solids.</p> <p>Consideration should also be given as to whether associated environmental benefits are applicable across all flow percentiles. For example, nitrogen and phosphorus limits to control periphyton growth should coincide with lower flow conditions where there is a higher risk of periphyton growth.</p> <p>There needs to be a framework that is enabling, cognisant of flow conditions, and considers the naturally occurring variances of phosphorus and suspended solids in regions such as the Horizons region.</p> <p>MDC recommends that greater consideration be given to options for the management of phosphorus in waterways. For example, it should be recognised that the most common chemical treatment process to remove phosphorus from wastewater discharges involves the use of aluminium salts. This produces a heavy metal precipitate (a suspended solid) which has the potential to negatively impact ecosystem health.</p>

2.1 Rebalancing freshwater management through multiple objectives		
Question raised in the discussion document		MDC View / Decision Requested
2	<p>Would a rebalanced objective on freshwater management give councils more flexibility to provide</p>	<p><b><u>MDC considers rebalancing would provide more flexibility</u></b></p>



	for various outcomes that are important to the community? How can the NPS-FM ensure freshwater management objectives match community aspirations?	<p>MDC understand this question to be related to a proposed objective which would direct councils to:</p> <ul style="list-style-type: none"> <li>• <i>safeguard the life-supporting capacity of freshwater and the health of people and communities.</i></li> <li>• <i>while enabling communities to provide for their social, cultural, and economic well-being, including productive economic opportunities.</i></li> </ul> <p>MDC considers the proposed new objective would give councils more flexibility to provide for broader outcomes important to the community in much the same way as the NPS-FW did prior to 2020. The objective would not require priority to be given to making water pristine over community needs but weigh these two aspects more equally.</p> <p>MDC's preference is to reinstate the Te Mana O Te Wai provisions in a form similar to that which existed in 2017. The 2017 approach recognised there is a connection between the health of the environment, the health of the water body and the health and wellbeing of people, and that the values to be incorporated into plan objectives and limits reflect engagement with the community and tangata whenua.</p>
3	What do you think would be useful in clarifying the timeframes for achieving freshwater outcomes?	<p><b><u>Mandatory timeframes but set by the regional council on a catchment by catchment basis.</u></b></p> <p>MDC considers specifying a timeframe will prioritise and introduce some of the rigor necessary to ensure a more proactive approach is taken to achieving freshwater outcomes. Regional councils should decide and commit to timeframes for each of their catchments.</p> <p>However, the outcomes themselves need to be realistic and recognise the variability in the environment which means a single, constant base-level state is not always possible.</p> <p>While there is a desire to set consistent base levels, regional councils should be able to set and justify realistic targets on a catchment-by-catchment basis.</p>
4	Should there be more emphasis on considering the costs involved, when determining what freshwater outcomes councils and communities want to set? Do you have any examples of costs associated with achieving community aspirations for freshwater?	<p><b><u>Community freshwater outcomes need to take into available financial resources to be achievable</u></b></p> <p>MDC considers that consideration of costs is relevant to the extent that any proposed solution or action needs to be financially realistic and viable. Pursuing ambitious targets which cannot be matched within available financial resources will achieve little and have severe financial repercussions for the wellbeing of local communities.</p>

## 2.2 Rebalancing Te Mana o te Wai

Question raised in the discussion document		MDC View / Decision Requested
5	What will a change in NPS-FM objectives mean for your region and regional plan process?	<p><b><u>Councils balancing local environmental and community values rather than national priorities</u></b></p> <p>A change in the NPS-FM would see a return to the situation where councils have flexibility to balance environmental values and community needs according to local priorities (based on local conditions and values determined through community consultation) rather than national priorities.</p> <p>MDC considers the question as to what changed objectives would mean for the regional plan process in the Manawātū-Whanganui Region is best answered by the Horizons Regional Council</p>
6	Do you think that Te Mana o te Wai should sit within the NPS-FM's objectives, separate from the NPS-FM's objectives, or outside the NPS-FM altogether – and why?	<p><b><u>MDC's preference is for Te Mana O Te Wai to sit within the objectives (similar to 2017)</u></b></p> <p>To have any meaningful status, Te Mana O Te Wai needs form part of the objectives of the NPS-FM. Commentary on Te Mana O te Wai in a preface or commentary section of a NPS does not accord the concept any legal status or require it to be incorporated into planning documents.</p> <p>The 2017 framing of NPS-FW objectives gave Te Mana O Te Wai the status of an objective which had to be recognised, but was then expanded on, and complemented by, four other objectives covering the health of ecosystems and people, overall improvements in water quality, and enabling communities to provide for their economic wellbeing while sustainably managing freshwater quality.</p>
7	How will the proposed rebalancing of Te Mana o te Wai affect the variability with which it has been interpreted to date? Will it ensure consistent implementation?	<p><b><u>Increased variability, reflecting different ways of balancing competing objectives, may return.</u></b></p> <p>Whether a rebalancing of the concept will result in more consistent implementation will depend:</p> <ul style="list-style-type: none"> <li>• Whether Te Mana O Te Wai is an objective,</li> <li>• The wording of Te Mana O Te Wai objective relative to any other objectives</li> </ul> <p>Past practice of having multiple objectives has seen variability from region to region. This is to be expected if NPS objectives with similar weightings must be balanced against each other and those objectives and policies specify plans must also reflect local conditions and values expressed through community engagement.</p>

## 2.4 Providing flexibility in the National Objectives Framework

Question raised in the discussion document		MDC View / Decision Requested
8	Which values, if any, should be compulsory? Why?	<u><b>MDC has no position on this matter.</b></u>
9	What would be the practical effect of removing compulsory national values? Do you think this will make regional processes easier or harder?	<u><b>MDC does not have a view on this matter</b></u> as it is related to regional council considerations and functions.
10	Which attributes, if any, should be compulsory to manage? Which should be optional to manage?	<u><b>MDC does not have a view on this matter</b></u> as it is related to regional council considerations and functions.
11	Which attributes, if any, should have national bottom lines? Why?	<u><b>MDC does not have a view on this matter</b></u> as it is related to regional council considerations and functions.
12	To what extent should action plans be relied upon, including to achieve targets for attributes?	<u><b>MDC does not have a view on this matter</b></u> as it is related to regional council considerations and functions.
13	Should councils have flexibility to deviate from the default national thresholds (including bottom lines) and methods? Are there any other purposes which should be included?	<u><b>MDC has no position on this matter.</b></u>

## 2.5 Enabling commercial vegetable growing

Question raised in the discussion document		MDC View / Decision Requested
14	What are the pros and cons of making commercial vegetable production a permitted activity?	<u><b>A clearer consenting pathway, but a risk of worsening water quality</b></u>  This approach will provide a clearer consenting pathway. However, it also has the effect of elevating one primary production activity over others.

		MDC also note that, depending on standards, this approach could lead to worsening water quality outcomes given that there is wide variability in catchments (including soils, topography, diversity of other land uses, distribution of aquifers, and rainfall). Drafting appropriate standards at the national level may therefore be challenging
15	How do you think policies and/or rules should be designed to provide for crop rotation? Do you think these should be considered within sub-catchments only?	<b><u>MDC has no suggestions to make on this matter.</u></b>
16	For the proposal to develop nationally set standards, what conditions should be included?	<b><u>MDC has no suggestions to make on this matter.</u></b>

2.5 Addressing water security and water storage		
Question raised in the discussion document		MDC View / Decision Requested
17	Should rules for water security and water storage be set nationally or regionally?	<p><b><u>National rules for small-scale, low-risk storage proposals</u></b></p> <p>For small-scale, low-risk water storage proposals, MDC supports a standard being set nationally to promote consistency and encourage more storage through making it a permitted activity (subject to appropriate standards and conditions of the nature proposed).</p> <p>If rules are set at the regional level, there will be inconsistencies in approach (which will discourage investment in storage).</p>
18	Are there any other options we should consider? What are they, and why should we consider them?	<b><u>MDC has no other options to suggest.</u></b>
19	What are your views on the draft standards for off-stream water storage set out in <i>Appendix 2: Draft standards for off-stream water storage</i> ? Should other standards be included? Should some standards be excluded?	<p><b><u>General MDC support, but with amendments</u></b></p> <ul style="list-style-type: none"> <li>Proposed standard 5, while the storage structure should prevent excessive leaking, tests of reasonableness suggest a small amount should be permissible. At present the standard implies no leakage.</li> </ul>

		<ul style="list-style-type: none"> <li><i>Proposed standard 7.</i> Extraction of water from the storage structure should be a permitted activity (as it has already been collected and there is no impact on the environment). However, a resource consent may be required to source the water from the environment in the first place.</li> </ul>
20	Should both small-scale and large-scale water storage be enabled through new standards?	<p><b><u>Regional rules for larger scale storage proposals</u></b></p> <p>MDC notes that ‘large scale’ is not defined. However, given the risks associated with large volumes of water if the structure fails, the current consenting requirements (or equivalent) should be retained. Large scale activities are also more likely to require a more detailed approach which considers a wider variety of local circumstances (e.g. localised differences and changes in local geology, presence of other incompatible land uses, and localised natural hazards which could affect the storage structure).</p>
<p><b>Other comments:</b></p> <p>The nature of the water storage structure is not specified within the proposed provisions. Consideration may need to be given as how a permitted activity status for some built structures interface with Building Act requirements and any inspections required under that Act and its regulations. The Building Act manages the safety and performance of built structures such as tanks, reservoirs, and dams.</p>		

2.6 Simplifying the wetlands provisions		
Question raised in the discussion document		MDC View / Decision Requested
21	What else is needed to support farmers and others to do things that benefit the environment or improve water quality?	<p><b><u>Taking a more consistent approach to small ‘pocket’ wetlands and offsetting</u></b></p> <p>MDC considers there is an inconsistent approach in how the current NPS provisions are used, particularly in relation to small pockets of wetland plants in pasture dominated environment. To create a more consistent approach a more defined approach is required with a minimum scale for assessment and size-of-wetland requirements (e.g. a small number of wetland plants on a small pasture wet area should be excluded).</p> <p>There should be provisions to offset wetland area loss by creating an equivalent area within the same generation location or catchment.</p>
22	What should a farming activities pathway include? Is a farming activities pathway likely to be more efficient	<b><u>MDC has no comment to make at this time.</u></b>

	and/or effective at enabling activities in and around wetlands?	
23	What will be the impact of removing the requirement to map wetlands by 2030?	<p><b><u>Mapping of wetlands above 500m<sup>2</sup> should still be a priority</u></b></p> <p>MDC has concerns that delaying mapping creates uncertainty for those wishing to undertake activities as well as undermining protections of New Zealand's more valuable wetlands. If mapping all wetlands within the existing timeframes is impractical then priority should be given to mapping wetland greater than 500m<sup>2</sup>.</p>
24	Could the current permitted activity conditions in the NES-F be made clearer or more workable?	<p><b><u>MDC does not have a view on this matter</u></b> as it is related to regional council considerations and functions.</p>

2.7 Simplifying the fish passage regulations		
Question raised in the discussion document		MDC View / Decision Requested
25	What else is needed to support farmers and others to do things that benefit the environment or improve water quality?	<p><b><u>MDC has no comment to make at this time.</u></b></p>
26	How can regulations for temporary and permanent culverts in the NES-F be made simpler?	<p>MDC considers that provisions for temporary culverts could be made simpler (see suggestions in the answer to question 27).</p>
27	Temporary culverts are currently treated the same as permanent ones. If temporary culverts were to be treated differently (e.g., had fewer conditions), would it be better to do so through a permitted activity pathway in the NES-F (culverts only), or by allowing councils to be less stringent than the permitted activity conditions for culverts and weirs?	<p><b><u>Temporary and permanent culverts could be permitted if standardised designs are used</u></b></p> <p>Assuming temporary culverts adhere to range of standardised designs (a bit like the Building Act's 'acceptable solutions' then it may be possible to incorporate permitted activity standards into the NES-F. Simplified standards could relate to matters such as:</p> <ul style="list-style-type: none"> <li>• Built to a one of a pre-set 'acceptable designs,' which have well known structural integrity qualities and accepted environmental effects.</li> <li>• The maximum duration a temporary culvert can remain in place, after which it must either be replaced by a permanent structure or the river or stream bed reinstated to how it was before the temporary culvert was built.</li> </ul>

		<ul style="list-style-type: none"> <li>• The culvert needing to be designed to accommodate the volume and velocity of water associated with a particular rain event (e.g. a 1-in-100 weather event)</li> <li>• Provide for fish passage.</li> </ul>
28	Have you encountered similar issues with any other policy or regulation within the NPS-FM or NES-F (e.g., rules or gateway tests about river reclamation)?	<b><u>MDC has no comment to make at this time.</u></b>

## 2.8 Addressing remaining issues with farmer-facing regulations

Question raised in the discussion document		MDC View / Decision Requested
29	To what extent will it be more efficient to require dairy farmers to report on fertiliser use at the same time of year they report on other matters?	<p><b><u>MDC supports the proposal, but cannot quantify the extent of efficiency improvements</u></b></p> <p>MDC supports the proposal to better coordinate the time at which they report fertiliser use with other reporting activities.</p> <p>Often the information used to report fertiliser use relies on, or supports, other information that may not be easily available (or has not yet been compiled) at other times of the year as they are aligned with timeframes such as the end of the dairy season.</p>
30	Has the requirement for dairy farms to report their use of fertiliser already served its purpose, in terms of having signalled a level of unacceptable use that should be avoided – no more than 190 kilograms per hectare per year – and if so, is this requirement still necessary?	<p><b><u>Reporting has served a useful purpose in the past, but information appears unreliable</u></b></p> <p>Past reporting has served a useful purpose in helping understand levels of fertiliser use which results in a decline in the condition of natural waterways. However, as reported in 2023 and 2024 (where it was found just 45% and 61% of farmers, respectively, reported their use of fertiliser) MDC understands underreporting of actual fertiliser use is stretching the reliability and usefulness of the information obtained for water quality management at a catchment level.</p>

## 2.9 Including mapping requirements for drinking water sources

Question raised in the discussion document		MDC View / Decision Requested
31	Do you think that requiring regional councils to map SWRMAs for applicable drinking water supplies in their regions will improve drinking water safety? Should councils be required to publish SWRMAs?	<p><b><u>MDC suggests mapping by territorial authorities, except for small non-council supplies</u></b></p> <p>Under current legislation drinking water supply is the responsibility of territorial authorities, and it should be those councils which map or define areas for safe water supply as they currently understand the functioning of their networks, the assets employed, and the standard to which treatment is undertaken. Knowing these things means territorial authorities can set a size of control area appropriate to manage risk. It does not require a 'whole of catchment' approach.</p>
32	Do you think that three zones should be required for each SWRMA, or is one zone sufficient?	<p><b><u>MDC preference for a single zone</u></b></p> <p>Although a three zone approach has some merit and matches practice overseas, MDC considers a single zone with appropriately designed controls will be sufficient to manage risk. The areas of greatest risk are normally close to where bores or intakes are located. Assuming, as in the Manawatu District, these are upstream of a water treatment facilities risks will be lowered by the water being treated before it reaches consumers. Managing entire catchments upstream of the intake and treatment can be unnecessary and impractical.</p>
33	What do you think the population threshold should be to require regional councils to map SWRMAs (e.g., 100-person, 500-person, or some other threshold)?	<p><b><u>MDC suggests mapping by territorial authorities, except for small non-council supplies</u></b></p> <p>Identification and mapping should be undertaken by territorial authorities who are (currently) responsible for most potable water supplies and can control the location of land use activities.</p> <p>For small schemes (e.g. non-council schemes of 25+ people) water managers should notify regional councils when considering water abstraction to ensure those abstractions are in areas identified as suitable. Regional councils should be responsible for mapping areas suitable for abstraction.</p>



6 August 2025

Te Waihanga the New Zealand Infrastructure Commission  
Level 7, the Todd Building  
95 Customhouse Quay  
Wellington 6011

Dear members of the New Zealand Infrastructure Commission

**Submission from the Manawātū District Council on the Draft National Infrastructure Plan**

The Manawātū District Council (MDC) thanks the New Zealand Infrastructure Commission (“the Commission”) for the opportunity to submit on the draft National Infrastructure Plan (the “draft Plan”). MDC generally supports the draft Plan, but wishes to raise a few points for the Commission’s consideration.

MDC also supports the submissions prepared by Taituarā Local Government Professionals Aotearoa and Te Utanganui Central New Zealand Distribution Hub.

MDC agrees with the Commission’s assertion that our small population and challenging landscape makes it challenging for us to build, maintain and operate affordable infrastructure. However, as drafted, we do not consider that the draft Plan (especially section 1.2, page 20) gives adequate recognition to New Zealand’s natural hazard risk exposure and the need to ensure that infrastructure is resilient to the impacts of earthquakes and extreme weather events.

MDC is forecasting an increased frequency of extreme weather events as a result of climate change, and expects that this will contribute to rising costs for repairing damaged infrastructure, Civil Defence and emergency management response to events, and community assistance. Over the period from 2016/17 to 2021/22, Council spent a total of \$9,285,041 on emergency works. In the 2022/23 financial year, Council spent a total of \$3,475,605 on emergency works relating to Cyclones Hale and Gabrielle, and lodged a claim for \$9,775,000 with NZTA for the loss of three bridges. To build more financial resilience, MDC has set aside a resilience reserve fund as well as ensuring its net debt is at least \$5 million below the debt limit to allow for emergency funding if required.

**About the Manawātū District**

The Manawātū District covers an area of 256,300 hectares and stretches from Rangiwhia in the north, to Himatangi Beach and Palmerston North City in the south. The western boundary of the District follows the Rangitikei River and the eastern boundary is the Ruahine Ranges. An estimated 33,700 people live in our District (March 2024), with 52% of our residents living in Feilding.

The Manawātū District is uniquely placed in its central location as the gateway to four other regions: Hawke’s Bay, Wairarapa, Rangitīkei and Horowhenua. This central location gives the District strategic economic advantages. With easy access to four seaports, seven airports and

major Defence Force bases, it is an accessible and centralised cargo, transport, and business hub for the lower North Island and the country.

The main trunk railway, which passes through Feilding, enhances the potential for connectivity, particularly for freight. Primary industry (agriculture and forestry) comprises our biggest economic sector, making up nearly 18% of District GDP. Manufacturing and Defence (primarily the Royal New Zealand Airforce Base Ōhakea) also contributes strongly to the local economy.

The Linton Military Camp is New Zealand's largest army base, with over 2,000 personnel, many of whom live in the Manawatū District. RNZAF Base Ōhakea has 1,200 personnel, many of whom are required to live within 20 minutes of the base for short notice deployment in times of emergency. This includes Squadron 5, the P8 Airborne Surveillance and Maritime Patrol, and Squadron 3 the helicopter division. Many of these personnel live in the Manawatū District and require direct and reliable roading routes to get to base within this timeframe.

Council's strategic infrastructure goal, as set out in our Long-term Plan 2024-34 is *"to provide the Manawatū community with resilient infrastructure in a cost-effective way, meeting both current needs and future growth and demand."*

### **The four focus areas**

MDC generally supports the four focus areas outlined in the draft Plan. In particular, we support the focus on maintenance and renewal of existing infrastructure. MDC also strongly supports the idea of cross-party agreements and commitments to ensure infrastructure decisions are guided by long-term national priorities rather than short-term political agendas.

### **Establishing Affordable and sustainable funding**

#### Funding Pathways

While MDC generally supports the recommendation that funding tools are matched to asset type, we consider the expectation that user charges fully fund investment in network infrastructure to be overly optimistic. This is particularly true for rural and provincial areas that have small populations dispersed over large land areas.

MDC agrees with the submission by Taituarā that network infrastructure is rarely funded from a single source and that there are instances where the collection of a per-use charge is uneconomic and not the best available solution. For example, MDC harmonises stormwater rates across the District as a means of keeping stormwater network upgrades in our rural villages affordable.

MDC agrees with Taituarā that Councils are required by section 101(3) of the Local Government Act 2002 to consider wider policy goals than just economics when determining how to fund activities of Council. For example, urban stormwater in the Manawatū District is 80% funded through a uniform targeted rate, and 20% through general rates, while the Makino Aquatic Centre is 80-85% funded through uniform targeted rates and 15-20% through user fees and charges (admission, hireage, classes).

MDC also supports Taituarā's request that the Commission consider how development levies fit within this funding tool framework.

Council makes use of a range of local government funding tools and manages cost pressures through the use of shared service agreements, consolidated purchasing, and joint

procurements. Even with these tools, the reliance on rates as the primary source of funding for local government is considered to be unsustainable in the long-term. Inflation, increasing interest rates and rising delivery costs for infrastructure projects are all contributing to affordability concerns.

***Decisions sought:***

1. MDC recommends that the first recommendation under “Establish affordable and sustainable funding” be amended to acknowledge that it is not always affordable or appropriate for user charges to fully fund network infrastructure. Suggested wording is as follows:

Funding pathways: When determining the most appropriate funding tools for infrastructure, consideration must be given to asset type and affordability – with priority given to ~~Funding tools are matched to asset type—user-pays for network infrastructure, commercial self-funding for economic-development assets, and tax funding for social infrastructure.—to keep the overall capital envelope affordable.~~ User-pricing principles are applied across all network sectors so user charges fully fund investment where appropriate, guide efficient use of networks, and distribute the benefits of network provision.

2. That the Commission consider how development levies fit within this funding tool framework.

**Transport System Reform**

MDC agrees that the current system of road funding is financially unsustainable. MDC agrees with Taituarā’s submission that any shift in land transport funding from tax to user charges creates ‘winners and losers’ and therefore *“recommendations around user pays need to be tempered with some discussion pointing out the need to identify both a transition path and plan for addressing the social policy implications of a shift from tax to user charges.”*

MDC emphasises the need for transparency around proposed funding at project outset. MDC did not support the tolling proposed for Te Ahu a Turanga Manawatū-Tararua Highway. Reasons for our opposition included the retrospective nature of the proposed tolls (tolling did not form part of the original business case), as well as the potential impact of the proposed tolling on the condition of the alternative route (Saddle Road).

While MDC supports in principle the tolling of future new State Highways, this support is contingent on the following:

1. The tolling forms part of the business case at the outset of the project.
2. The toll imposed does not create a financial burden for those communities served by the road. MDC recommends that the toll charge should be in line with existing tolls in the northern part of New Zealand, that is, no more than \$2.10 - \$2.60 for light vehicles and \$5.20 - \$5.60 per trip for heavy vehicles (3,500kg and over).
3. Councils are provided with a portion of the toll revenue to cover the maintenance of those local roads that are alternative routes to the toll road, including those that were originally State Highways.

4. That once toll revenue has covered the cost of the road, that any future revenue be invested by NZTA into other key transportation projects within the region from which it was collected.

When making decisions around the possible tolling of new roads the New Zealand Transport Agency (NZTA) care needs to be taken to ensure that the cost of the toll to road users is not such that toll road becomes unattractive to users. Such considerations are highly relevant to the Manawātū Freight Ring Road project. If tolling makes the new route unattractive, heavy freight will continue to utilise alternative routes which are not been designed to accommodate the increase traffic volumes or weight of vehicles. The increased cost to maintain road pavement and repair degradation on alternative routes is ultimately borne by ratepayers.

***Decisions sought:***

3. That the draft Plan be amended to acknowledge that any shift in land transport funding from tax to user charges creates ‘winners and losers,’ and therefore any funding recommendation must identify both a transition path and plan for addressing the social policy implications of this change.
4. That the Commission require that the proposed funding for new roading be made transparent by requiring this to be disclosed as part of the project business case, not imposed retrospectively.

**Clear the way for infrastructure**

Spatial Planning

MDC supports Taituarā’s call for the completion of the statutory and policy framework for climate adaptation, alongside the discussion of land-use planning and spatial planning.

***Decision sought:***

5. That the Commission supports Taituarā’s recommendation that the recommendations in the infrastructure chapter of the draft Plan be amended to include more discussion of needs, business cases, land-use planning and spatial planning.

**Start with Maintenance**

Asset Management and Investment Planning

MDC agrees with the statement contained in the submission by Taituarā that *“Central government should place itself under the same requirements that it places on others when it comes to asset management and investment planning.”*

***Decision sought:***

6. That the Commission support the suggestion by Taituarā that Section 52 of the Public Service Act 2020 be strengthened to more directly refer to asset management.

**Right-size new investment**

Risk Management

MDC agrees with Taituarā’s recommendation that the insurance of assets be included in its recommendation regarding risk management.

MDC’s Long-term Plan 2024-34 forecasted insurance costs to increase by 32% in year 1 of the LTP, based on advice from our insurance provider. Insurance claims from damages associated

with extreme weather are likely to rise as the incidence of these events increases in the future. Given the rising cost of insurance, Council made the decision as part of the Long-term Plan 2024-34 to build a self-insurance reserve to reduce reliance on external insurance providers.

***Decision sought:***

7. That the Commission include the insurance of assets in its recommendation regarding risk management.

## **National Infrastructure Pipeline Infrastructure initiatives**

MDC supports the intention of the draft Plan to endorse nationally important infrastructure projects through the Infrastructure Priorities Programme (IPP). We understand that those proposals listed in the draft Plan are those that received endorsement during the first IPP round.

MDC agrees with the submission by Te Utanganui Central New Zealand Distribution Hub that while the draft National Infrastructure Plan sets a strong direction, it is currently light on freight and logistics - areas critical to New Zealand's future prosperity and resilience.

MDC strongly supports the following three proposals within the Manawatū-Whanganui Region that have received endorsement by the Commission:

- The Manawatū Regional Freight Ring Road (Palmerston North City Council)
- Accommodation, Messing and Dining Modernisation Linton Project (New Zealand Defence Force)
- Ōhakea Infrastructure Programme Remaining Tranches (New Zealand Defence Force).

The Ring Road project is essential to enabling Te Utanganui, the Central New Zealand Distribution Hub. Te Utanganui includes KiwiRail's Regional Freight Hub, Te Ahu a Turanga Manawatū Tararua Highway, the Palmerston North Integrated Transport Initiative – Regional Freight Ring Road, and the Ōtaki to north of Levin expressway. Collectively, these projects will connect central New Zealand to the capital, and enable the movement of goods, people, and defence capability.<sup>1</sup> Te Utanganui is expected to generate employment and to encourage more distribution companies to the region, further boosting employment and economic growth. These investments are also expected to result in increased freight movements and to alter commuter patterns between Feilding and Palmerston North.

As outlined in the submission by Te Utanganui, Central New Zealand Distribution Hub, the Ring Road is essential for addressing congestion and safety challenges caused by high freight volumes in the region, and enhancing connectivity across the lower North Island. Expected growth in freight movements as a result of Te Utanganui will place increased pressure on MDC's local roading network.

MDC wishes to emphasise the infrastructure linkages between the Linton and Ōhakea Defence projects and the Manawatū Regional Freight Ring Road (the "Ring Road"). As noted in the submission by Te Utanganui Central New Zealand Distribution Hub, the Ring Road will directly

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<sup>1</sup> (Te Utanganui, 2025)

benefit the Defence Force projects at Linton and Ōhakea by improving access and enhancing connectivity.

We understand that the IPP endorsement for the Ring Road only covers Stage 1 at this point and that the proposal is still in the scoping and problem solving stage. The scoping and design of the Ring Road needs to recognise the maintenance pressure that will be placed on it as a result of:

- commuter traffic to Palmerston North from Whanganui, Woodville, Feilding, Levin etc.;
- freight distribution from the wet industries of Feilding and the North East Industrial Area in Palmerston North to the proposed KiwiRail Distribution Hub; and
- growth and development as a result of Defence Force expansion at Linton and Ōhakea.

MDC endorses the request by Te Utanganui Central New Zealand Distribution Hub that the Commission consider prioritising KiwiRail's Central North Island Freight Hub in the next tranche of proposals included in the Infrastructure Priorities Programme. As outlined in their submission, this hub is a critical part of the Te Utanganui network and aligns with the Plan's goals for efficient, low-emissions freight infrastructure.

***Decisions sought:***

8. That the draft Plan retain the following three proposals as IPP endorsed proposals:
  - The Manawatū Regional Freight Ring Road (Palmerston North City Council)
  - Accommodation, Messing and Dining Modernisation Linton Project (New Zealand Defence Force)
  - Ōhakea Infrastructure Programme Remaining Tranches (New Zealand Defence Force).
9. That the IPP endorsement for the Manawatū Regional Freight Ring proposal is extended through to construction.
10. That the KiwiRail's Central North Island Freight Hub be included in the next tranche of proposals included in the Infrastructure Priorities Programme.

**Royal New Zealand Air Force (RNZAF) Base Ōhakea Infrastructure Programme (remaining tranches)**

MDC supports the Royal New Zealand Air Force (RNZAF) Base Ōhakea Infrastructure Programme, particularly in recognition of the contribution that this development will make to economic development by attracting new families to the Manawatū District. MDC has been working in partnership with NZTA and RNZAF to manage impacts on roading, wastewater reticulation and treatment that result from this expansion.

**Expanding Fibre Broadband Coverage**

Approximately 60% of the Manawatū District has high speed fibre. A large section of our rural areas still relies on wireless internet. Equitable access to high-speed broadband is essential for full participation in modern society. Limited connectivity undermines access to remote learning, telehealth and online health services, employment, and government services. It constrains economic development, particularly for small businesses, remote workers, and rural industries such as agriculture. Without reliable broadband, communities face greater risk

of social isolation and are excluded from vital information and civic engagement. Ensuring universal digital access is therefore critical to reducing inequality and enabling social and economic inclusion across New Zealand.

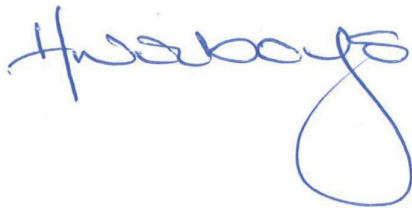
MDC generally supports the roll-out of Ultra-Fast broadband (fibre) by Chorus Limited. Our support is out of recognition that this increased broadband coverage will benefit rural-residential areas in the Manawātū District that currently do not have access. However, central government support for this proposal should not come at the expense of other Wireless Internet Service Providers (WISPs) and the contribution that they make to a digitally inclusive New Zealand. For example, Inspire Net has rolled out fibre in parts of Feilding cheaper and faster than Chorus were able to do.

Thank you again for the opportunity to submit on this draft Plan. This submission does not contain any private or confidential information.

Yours sincerely

Helen Worboys, JP

**Mayor**

A handwritten signature in blue ink, appearing to read 'H. Worboys', with a large loop at the end.

## References

Te Utanganui. (2025, July 22). *Manawatu projects play a central part in New Zealand's future infrastructure strategy*. Retrieved from Te Utanganui:  
<https://www.teutanganui.co.nz/updates/manawatu-projects-play-a-central-part-in-te-utanganui-strategy>

6 August 2025

Ruth Fairhall  
Acting Secretary for Transport  
Ministry of Transport  
PO Box 3175  
Wellington 6140

Emailed to: LTIBconsultation@transport.govt.nz

Dear Ms Fairhall

**Feedback on the Ministry of Transport's Long-term Insights Briefing titled "Moving people in 2055"**

The Manawātū District Council (MDC) thanks the Ministry of Transport (MoT) for the opportunity to provide feedback on its Long-term Insights Briefing (LTIB) titled "Moving people in 2055." MDC commends the Ministry on thinking ahead and considering the potential implications of population pressures and technological changes to the transport system.

This letter provides some general feedback on those matters that the Ministry has sought feedback, as well as raising some other matters that we urge MoT to consider in future iterations of its National Transport Model ('Monty').

**About the Manawātū District**

The Manawātū District covers an area of 256,300 hectares and stretches from Rangiwahia in the north, to Himatangi Beach and Palmerston North City in the south. The western boundary of the District follows the Rangitikei River and the eastern boundary is the Ruahine Ranges. An estimated 33,700 people live in our District (March 2024), with 52% of our residents living in Feilding.

The Manawātū District is uniquely placed in its central location as the gateway to four other regions: Hawke's Bay, Wairarapa, Rangitikei and Horowhenua. This central location gives the District strategic economic advantages. With easy access to four seaports, seven airports and major Defence Force bases, it is an accessible and centralised cargo, transport, and business hub for the lower North Island and the country.

Primary industry (agriculture and forestry) comprises our biggest economic sector, making up nearly 18% of District GDP. Manufacturing and Defence (primarily the Royal New Zealand Airforce Base Ōhakea) also contributes strongly to the local economy. The Linton Military Camp is New Zealand's largest army base, with over 2,000 personnel, many of whom live in the Manawātū District. RNZAF Base Ōhakea has 1,200 personnel, many of whom are required to live within 20 minutes of the base for short notice deployment in times of emergency. This includes Squadron 5, the P8 Airborne Surveillance and Maritime Patrol, and Squadron 3 the



helicopter division. Many of these personnel live in the Manawatū District and require direct and reliable roading routes to get to base within this timeframe.

MDC's roading network includes 1,373km of roads, of which approximately 1,002km (73%) is sealed and 369km (27%) is unsealed. The district's total traffic volume has increased by 22% between 2018 and 2022, with rural road traffic increasing by 23%, and urban road traffic 16%. Furthermore, traffic demand associated with forestry activities on the network is predicted to continue at peak levels until 2029.

### **Key Drivers and Trends Influencing Land-based Transport over the next 30 years**

When looking at how people are transported around the Manawatū District, the 2023 census data suggests that 75.5% of people use a vehicle as their main means of travel to work, and 0.4% travel on public transport. The 2023 census data also suggests that the main travel mode to education is by vehicle (58.4%) with 14% travelling by school bus and 1.5% by other public transport.

#### Transport disadvantaged

MDC agrees with MoT that certain groups and communities are transport disadvantaged compared to others. The Manawatū District Council advocated for many years for the establishment of a rural bus services for our rural villages who did not have access to public transport services. Rural Bus Manawatū was launched in November 2024 as an on-demand public transport service. However, this services currently relies on on-going support from local government for its financial sustainability.

#### Population projections

We understand that Monty considers future population based on the medium population growth projections from Statistics New Zealand. Statistics New Zealand traditionally underestimates population growth for the Manawatū District.

New housing growth targets currently being consulted on as part of the *'Going for Housing Growth'* programme as part of the Resource Management Reforms requires Tier 1 and 2 Councils to enable 30 years of feasible housing capacity in their district plans using 'high' household growth projections + 20%. MDC seeks clarification as to why councils are required to use 'high' population projections + 20% for their growth planning when the MoT's growth planning is based on 'medium' population projections.

For reasons of consistency, MDC advocates for a nationally consistent approach with respect to population projections that must be used for future growth planning by all central and local government agencies.

### **Other Factors Influencing the Transport System**

Based on the information contained in the discussion document, we consider 'Monty' to be an overly simplified tool for predicting future travel demand patterns. In addition to population growth forecasts from Statistics New Zealand, consideration needs to be given to other drivers influencing travel demand and travel, including investment in transport infrastructure as a driver of economic growth and development.

MDC has identified the following factors that are expected to influence transport patterns and network use that are currently not factored into MoT's modelling:

- Legislative reform and national direction

- Roothing and other transport projects that have been endorsed by government through the Infrastructure Priorities Programme (IPP)
- Increasing cost for local authorities to maintain the roading network at current levels of service

#### Legislative reform and national direction

Current national direction and legislative reform is focussed on ‘going for growth.’ The Local Government (Systems Improvements) Amendment Bill proposes to amend the purpose of local government to provide ‘good quality local infrastructure’ to ‘support local economic growth and development.’ Recent discussion documents released by central government indicate, from 2026 or 2027, the replacement RMA planning system will have a stronger focus on urban growth and the provision of infrastructure to support it.

The combined effect of this legislative change and new national direction is expected to be an acceleration of housing support and increased domestic and international investment.

While this discussion document considers how technology could re-shape travel behaviour, it does not account for how legislative reforms (e.g. fast-tracked development or intensification policies) might affect transport demand or spatial structure.

#### Planned Roothing and other Transport Projects

This Long-term Insights Briefing does not consider those roading and other transport-related projects that have been endorsed by government through the Infrastructure Priorities Programme. Monty simulates transport network performance based on a “business-as-usual” growth scenario.

The LTIB acknowledges two key limitations with the current modelling, being that:

- *the model does not forecast or integrate land-use or infrastructure investments such as new roads, urban redevelopment or housing development; and*
- *freight scaling is simplified: it scales linearly with population growth, without reflecting changes from major logistics or roading infrastructure investment.*

MDC considers these to be serious limitations in forecasting future land transport trends in the Manawatū-Whanganui Region in particular, given the amount of planned investment in our Region and the expected implications for freight volumes, land development, and commuter patterns. We anticipate that industrial growth in the Manawatū-Whanganui Region will be at a higher rate than population growth, based on location and our focus on logistics.

The New Zealand Infrastructure Commission has endorsed, as part of the draft National Infrastructure Plan, the following infrastructure projects within the Manawatū-Whanganui Region:

- The Manawatū Regional Freight Ring Road (Palmerston North City Council)
- Accommodation, Messing and Dining Modernisation Linton Project (New Zealand Defence Force)
- Ōhakea Infrastructure Programme Remaining Tranches (New Zealand Defence Force).

The Manawatū Regional Freight Ring Road project is essential to enabling Te Utanganui, the Central New Zealand Distribution Hub. Te Utanganui includes KiwiRail’s Regional Freight Hub,

Te Ahu a Turanga Manawatū Tararua Highway, the Palmerston North Integrated Transport Initiative – Regional Freight Ring Road, and the Ōtaki to north of Levin expressway. Collectively, these projects will connect central New Zealand to the capital, and enable the movement of goods, people, and defence capability.<sup>1</sup> Te Utanganui is expected to generate employment and to encourage more distribution companies to the region, further boosting employment and economic growth. These investments are also expected to result in increased freight movements and to alter commuter patterns between Feilding and Palmerston North.

Increasing cost for local authorities to maintain the roading network at current levels of service

MDC's Infrastructure Strategy 2024 evaluates the current condition and performance of the local roading network in the Manawatū District. This Strategy states that while the road network currently performs at an acceptable level, "it is evident that the condition of the roading network is beginning to deteriorate." The reasons stated for deterioration of the network include inflationary pressures, under-investment in maintenance and renewals, impacts on road pavement from ongoing forestry harvest, growth in freight movements and increasing traffic volumes due to population growth.

MDC's infrastructure strategy also notes that the Manawatū roading network is highly susceptible to severe weather events and other natural hazards.

Increased investment in road maintenance and renewal is necessary to combat further pavement deterioration and to increase network resilience to natural hazards. However, the current model of funding local land transport via (declining) New Zealand Transport Agency (NZTA) subsidies and rates is unsustainable. This is particularly concerning given the current directive from central government to local authorities to prioritise spending on core services, while keeping rates low. MDC expects that unless central government and MoT are able to establish new funding tools for land transport infrastructure or boost current levels of subsidies to local government, councils will be forced to make deliberate decisions to reduce roading levels of service.

At the national level, the LTIB acknowledges that pricing influences behaviour in the transport system. However, there is no analysis of the long-term adequacy of funding of the road transport network. Given the model's assumption of increasing electrification and possible decline in petrol-based revenue, there is a missed opportunity to address how the transport revenue base might erode—a key issue in funding road maintenance and development sustainably.

The LTIB addresses declining levels of service in the roading network through the lens of congestion, travel time delays, and the effects of population growth, urban sprawl, and network saturation. However, it does not explicitly discuss physical deterioration of the roading network, or the sustainability of funding for maintaining roads at current levels of service.

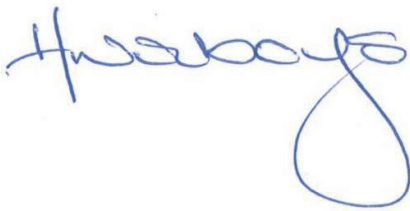
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<sup>1</sup> (Te Utanganui, 2025)

## Recommendations

1. That the Ministry of Transport amend their National Transport Model by replacing the Statistics New Zealand 'medium' population projections with the 'high' population projections to better align with the forecasting that local authorities are required to use when doing their growth planning.
2. That the next iteration of 'Monty' include consideration of those other factors that MDC considers to be absent from the currently modelling, namely:
  - Legislative reform and national direction
  - Roothing and other transport projects, including those that have been endorsed by government through the Infrastructure Priorities Programme (IPP)
  - Increasing cost for local authorities to maintain the roading network at current levels of service
3. That the Ministry of Transport work with Central Government to explore ways of making the funding of land transport affordable and sustainable, including in relation to public transport for the transport disadvantaged, and maintenance and renewal of local roading infrastructure.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Helen Worboys', with a large loop at the end.

Helen Worboys, JP  
**Mayor**

## References

Te Utanganui. (2025, July 22). *Manawatu projects play a central part in New Zealand's future infrastructure strategy*. Retrieved from Te Utanganui:  
<https://www.teutanganui.co.nz/updates/manawatu-projects-play-a-central-part-in-te-utanganui-strategy>

15 August 2025

Committee Secretariat  
Governance and Administration Committee  
Parliament Buildings  
Wellington

Dear Members of the Governance and Administration Committee

**Submission on behalf of the Manawātū District Council to the Online Casino Gambling Bill**

The Manawātū District Council (MDC) thanks the Governance and Administration Committee for the opportunity to submit on the Online Casino Gambling Bill (“the Bill”). While MDC understands that it does not have any role or responsibilities under this Bill, it is still of interest given the social impacts of gambling. In addition, MDC made a commitment in response to submissions received on the 2024 review of its Gambling Venues Policy to advocate to central government for the adoption of a more sustainable, ethical, and transparent community funding system.

MDC generally supports the Bill. In particular, we support the establishment of a licensing regime for online casino gambling out of recognition that regulation will help to minimise gambling harm. MDC also supports the subsequent amendment to the Gambling (Problem Gambling Levy) Regulations 2025 that will require licenced operators of online gambling to pay the problem gambling levy at a rate of 1.24%. We note that this is the same problem gambling levy rate applies to gaming machine operators.

**MDC’s Gambling Venues Policy**

MDC has a responsibility under the Gambling Act 2003 and the Racing Industry Act 2020 to have a policy in relation to Class 4 gambling venues and TAB New Zealand venues. MDC’s Gambling Venues Policy includes controls on where new Class 4 gambling venues and TABs may locate, and imposes limits (via consents) on the number of gaming machines that may operate at each venue. Council adopted its current Gambling Venues Policy on 21 November 2024. Objectives of this Policy include:

- To ensure that the local community may continue to access funding from the proceeds of Class 4 gaming in the District;
- To have regard to the social impact of gambling within the Manawātū District, including the cumulative effects of additional opportunities for gambling; and
- To minimise harm from gambling, including problem gambling.

When reviewing its Gambling Venues Policy, MDC works with the community to ensure that appropriate controls are put in place to manage gambling venues in a way that balances the costs (in terms of problem gambling and social harm) with the benefits (the grant money distributed by those societies who own and operate the gaming machines to community groups, services, charities and sports groups in the Manawātū District).

MDC recognises that the responsibilities of local authorities only extends as far as the regulation of gaming machines and TABs and does not include online casinos. However, MDC is concerned about the cumulative social impact of all forms of gambling.

Figure 1 below is taken from MDC’s *Assessment of the Social Impact of Gambling 2024* that was a supporting document for the Gambling Venue Policy Review. This figure shows that 46% of clients seeking intervention services for problem gambling in the 2020 financial year identified “non-casino gaming machine gambling” as their primary gambling mode. However, 13% of clients (1,341 people across New Zealand) listed “other” as their primary gambling mode. Of this, 941 clients stated that overseas gambling was their primary problem gambling mode, the majority of which is likely to be online gambling.

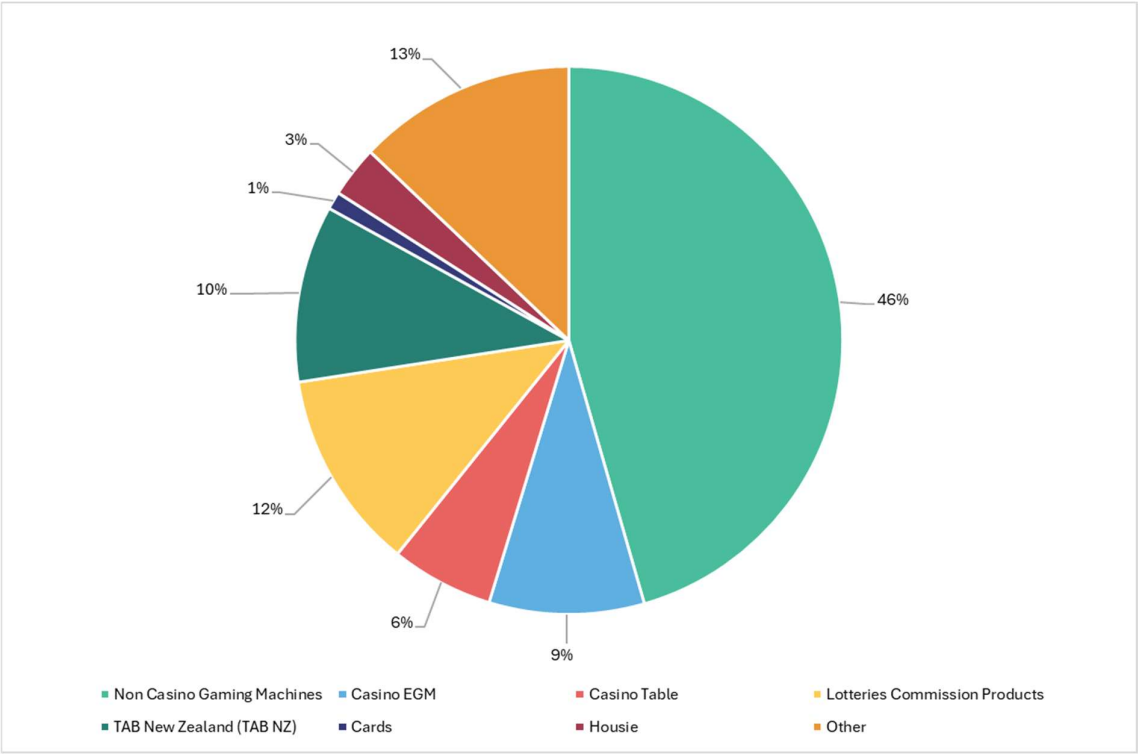


Figure 1: Gambling Interventions by Gambling Type

Feedback from the Manawatū community during our Policy review included concerns about online gambling that essentially happens “behind closed doors” and is therefore more difficult to recognise and support problem gamblers.

**Distribution of Gambling Proceeds**

MDC understands that the Department of Internal Affairs sets minimum allocation requirements for the proceeds from Class 4 gaming machines. Approximately 23% of proceeds is spent on fixed costs including government duties, levies and licensing fees. Of the remaining proceeds, Societies are required to allocate a minimum of 40% of gross proceeds (excl. GST) to authorised purposes (i.e. community grants). TAB New Zealand’s betting profits are distributed to the racing codes and for sports (NSOs/Sport NZ).

MDC understands that the Bill does not include any requirement for licensed online casinos to distribute any proceeds back into the community. There is therefore no benefit to communities from online casino gambling, only social harm.

***Decision Sought:***

1. That the Committee consider amending the Bill to include a requirement that licensed online casino operators distribute a portion of their net proceeds to authorised purposes, mirroring the requirements that apply to Corporate Societies under the *Gambling (Class 4 Net Proceeds) Regulations 2004*.

**Community Funding Systems**

MDC consulted on its draft Gambling Venues Policy from 22 August to 23 September 2024. It was clear through submissions received on the draft policy that many non-profit organisations rely on grants from corporate societies for their financial sustainability and that this funding benefits the community.

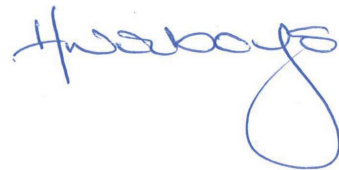
However, MDC also agreed with the submission from the Problem Gambling Foundation that the current community funding system is unethical and inequitable. As noted in the Problem Gambling Foundation's submission, there is a very strong redistributive effect from more deprived communities to less deprived communities when examining the origin of gambling machine proceeds and the destination of class 4 grants.

In the long-term, MDC would like to see the Government exploring alternative means of funding community grants and sporting organisations so as to reduce the reliance on the proceeds of gambling.

***Decision sought:***

2. That the Committee urge the government to investigate alternative community funding systems to reduce the reliance on the proceeds of gambling.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Helen Worboys', with a large loop at the end.

Helen Worboys, JP  
**Mayor**

15 August 2025

Going for Housing Growth Consultation  
Ministry of Housing and Urban Development  
P O Box 82  
Wellington 6140

Lodged via: [gfhg@hud.govt.nz](mailto:gfhg@hud.govt.nz)

### **Submission from the Manawātū District Council on ‘Going for Housing Growth’**

The Manawātū District Council (MDC) thanks the Ministry of Housing and Urban Development and the Ministry for the Environment for the opportunity to make a submission on the ‘Going for Housing Growth’ discussion document.

Answers to the 37 questions asked in the discussion document are provided in the attached table, but MDC also wishes to make the following general comments.

#### ***Context: The Manawātū District***

The Manawātū District has a population of approximately 33,700 people and covers nearly 2,600 square kilometres. Our largest town, Feilding, has population of 17,500, with a compact, central, business area containing around 600 businesses.

It is estimated the Manawātū District will require capacity for an additional 4,345 houses over the next 30 years to meet housing capacity targets under the National Policy Statement on Urban Development (NPS-UD). The Manawātū District has zoned land, and deferred zoning (i.e. ‘future residential’ zoning), capacity for more than 7,500 houses in our urban areas alone.

New commercial premises construction within the District follows no predictable pattern in respect to timing, scale or demands on infrastructure. However, Manawātū District retains sizeable areas of vacant business land to the south and east of Feilding and our recently adopted Growth Framework makes provision for more land to be rezoned for business use.

MDC does not consider the Manawātū District to have a shortage of zoned and developable land, but we remain mindful of the ongoing need to ensure the District continues to have sufficient developable land available to meet future growth.

#### ***The need for better local government funding and financing tools***

A significant portion of MDC annual expenditure is spent on infrastructure. Of the of \$83.74 million of expenditure proposed for the 2025/2026 year, 77% will be spent on infrastructure (roading, wastewater, water supply, solid waste management, stormwater, and community facilities).



MDC agrees the availability of infrastructure is key to making land ‘development ready.’ However, funding additional new infrastructure continues to be a significant challenge for most New Zealand councils under existing local government funding and financing settings. MDC is therefore concerned councils are being required to fund and provide more infrastructure than is needed. This usually means councils must take on more debt.

Government attempts to create a ‘well functioning land market’ by creating a surplus of development-ready land seem overly reliant on expensive and inefficient deployment of council debt-funded infrastructure. With very few means to recover the costs of surplus infrastructure capacity, the costs of inefficiently deploying infrastructure falls on ratepayers.

In 2019 the New Zealand Productivity Commission noted a number of councils across New Zealand were close to their debt limits while local government debt (and servicing costs) as a whole had increased steadily and significantly since 2005. A Q4 2024 PWC ‘Treasury Advisory’ showed local government debt has grown even more significantly since 2019.

Work conducted on local government infrastructure settings in 2024 by the Department of Internal Affairs highlighted the growing gap between the costs to local government of providing growth infrastructure and what councils can recover from developers. That work noted councils proposed to undertake \$19.5 billion in planned capital expenditure to serve growth, but the amount anticipated to be recovered from developers was \$8.5 billion (leaving a \$11 billion shortfall to be funded from other sources).

Funding and financial tools which are not so reliant on up-front debt funding, or which significantly lower the cost of debt, are required. MDC therefore requests the following proposals be deferred until better, more financially sustainable, local government infrastructure funding and financing tools are in place:

- Proposals which entail councils having to spend more to create a sizeable surplus of infrastructure capacity which exceeds that required to meet growth demands.
- Proposals which prohibit councils’ from managing the risks and costs of infrastructure overspend, and inefficient infrastructure use, though restricting unplanned, ‘leapfrog,’ developments.

### ***Support for continued use of the NPS-UD tiered approach***

MDC supports a continuation of the NPS-UD three-tier approach to determining which requirements apply to which councils.

Many of the issues ‘Going for Housing Growth’ seeks to address are specific to Tier 1 councils, or past behaviours of one of two large high-growth councils. Most of these issues (and the solutions proposed) are not present or relevant to smaller local authorities such as the Manawātū District.

### ***Support for 30-year spatial plans***

MDC supports the concept of spatial planning. Giving such plans more statutory influence should lead to better urban outcomes, including better coordination of strategic infrastructure with land development.

However, MDC considers requiring spatial plans to look ahead more than 30 years to be unrealistic for the following reasons:

- The longer the timeframe, the greater the inaccuracy of assumptions and the more errors compound.
- It is exceedingly difficult to bind future councils, governments, or the private sector to vaguely specified and costed projects that may not be built for decades into the future.
- A 50-year time horizon is inconsistent with the 30-year infrastructure planning horizon already incorporated into infrastructure strategies prepared under the Local Government Act 2002.

MDC requests:

- The maximum time horizon for spatial plans be set at 30 years.
- A mechanism be incorporated into spatial planning processes to reduce the risk of central government agencies pulling out of commitments to infrastructure which is key to unlocking the development potential of an area.

MDC also requests careful and detailed consideration be given to the process for developing spatial plans, governance arrangements, community consultation requirements, iwi participation, objection rights, and cost-sharing arrangements. A failure to address these matters with efficient solutions risks undermining the effectiveness of spatial planning.

Although MDC supports regional-level spatial planning, we consider robust, workable, and enduring spatial plans must be prepared through a process which provides district councils with formal representation and meaningful participation. Such representation and participation should be at both elected member and officer levels. This recognises the bulk of the knowledge and expertise about each districts' community needs, local land use issues (and opportunities), settlement patterns and infrastructure lie with the relevant district council.

### ***Housing Targets***

MDC requests that the 'Housing Targets' be renamed as 'Housing *Capacity* Targets' to accurately reflect what councils can control. Councils have no ability to force other parties to build homes, only ensure sufficient land is zoned.

Until better local government funding and financing tools are in place, MDC does not support:

- Actual or implied requirements for councils to provide 20 percent more infrastructure than is required to meet growth. For MDC, such a requirement would be the equivalent of having infrastructure sufficient to support our largest growth area sitting unused. This imposes significant costs on ratepayers.
- Proposals to limit councils' ability to restrict 'out-of-sequence' developments. Such developments risk the creation of inefficient urban forms which frustrate more optimal future land use patterns. Unless developers are prepared to pay the actual costs of infrastructure, such development also places an additional burden on councils and distorts price signals necessary to ensure developers make economically efficient locational choices.

### ***Support for a streamlined rezoning process***

MDC supports a streamlined, agile rezoning process being available to all councils. Such a process would enable all councils to be more responsive to unanticipated demand for

additional housing or business capacity. However, the use of such a process should only be enabled where:

- land has previously been identified for growth as part of a process which included an opportunity for public input, and
- natural hazards have been identified and suitably avoided (or mitigated) before construction begins, and
- sufficient infrastructure capacity is available (or funding for it is available).

### ***30 year business land capacity assessment requirements***

MDC supports the objective of councils planning sufficient capacity for 30 years of business growth but would not support a mandatory requirement for Tier 3 councils having to model whether sufficient business land capacity exists. For smaller local authorities, commercial developments are both infrequent and variable in type and size. This makes accurate modelling difficult.

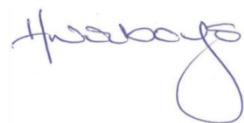
The costs of building and running a model, or bringing in expertise to model business capacity, are also proportionately much larger for small Tier 3 councils than for large Tier 1 councils.

### ***Support for mixed-use zoning***

MDC supports the concept of mixed-use zoning around town centres, public transport hubs and key urban transport spines. MDC already has mixed-use zoning in place around the Feilding town centre and has, through submissions on a recently notified plan change, noted local support for this approach.

Thank you again for the opportunity to provide feedback on the Going for Housing Growth discussion document.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'H. Worboys', with a large loop at the end.

Helen Worboys, JP  
**Mayor**

# MDC Comments on Discussion Document Package 1: Infrastructure and Development

2.1 Proposed National Policy Statement – Infrastructure		
Question raised in the discussion document		MDC View / Decision Requested
1	What does the new resource management system need to do to enable good housing and urban development outcomes?	<p><b><u>Councils are not all the same, the broader environment matters, efficiency is key to responsiveness.</u></b></p> <p>The new resource management system needs to recognise:</p> <ol style="list-style-type: none"> <li>1. Councils are not all the same in terms of scale, resources, and the issues they face in their cities or districts. Some communities are of large scale and are growing rapidly, some are static, and others are faced with managing issues associated with a loss of population.</li> <li>2. Housing and urban development outcomes do not sit in isolation but within a complex web of interacting systems including those associated with the natural environment (and this can present both opportunities and risks).</li> <li>3. Good housing outcomes are not solely about the affordability of housing but also housing of sufficient quality to maintain or improve human physical and mental health.</li> <li>4. The need for integrated, efficient, and cohesive approaches to infrastructure planning and provision. This must consider infrastructure capital and operating costs over the long term and who ultimately pays (i.e. we should be adopting approaches which encourage the provision of quality infrastructure for best possible ‘whole-of-life’ price).</li> <li>5. The need to enable a diversity of housing types which meet the changing needs and characteristics of an increasingly diverse and aging population.</li> <li>6. There will be justifiable occasions where a local authority needs to depart from, or create a different zone to, one or more of the proposed ‘standardised’ zones.</li> </ol>

		<p>The new resource management system also needs to have a more efficient mechanism to enable swift rezoning of land when required. Current rezoning processes can be time consuming and litigious, meaning that a housing market may already be through the boom part of a market cycle before additional land is rezoned.</p>
2	<p>How should spatial planning requirements be designed to promote good housing and urban outcomes in the new resource management system?</p>	<p><b><u>Regional and sub-regional spatial plans (as appropriate)</u></b></p> <p>MDC agrees with the concept of spatial plans being able to be developed at a regional-level, or a sub-regional-level (where urban development and housing demand is limited to parts of a region).</p> <p>Sub-regional plans should show (and provide for) specified strategic infrastructure where it links to other centres in a region, or links one region to another. No town sits in total isolation of others.</p> <p>Key infrastructure to be included in spatial plans must include community / social infrastructure such as schools, hospitals, and key council-provided infrastructure which have (or will have) a significant spatial footprint or play a key community-building role.</p> <p><b><u>Links to other local government plans &amp; plans of government agencies</u></b></p> <p>To be effective, spatial plans need to influence and link to both RMA regional plans and district plans, and local authority plans prepared under other legislation. Key linkages include those to regional land transport plans (under the Land Transport Management Act 2003) and the infrastructure and funding and financing policies prepared under the Local Government 2002. The former is important in terms of identifying funding priorities for future land transport and public transport (and getting government commitment to them) at the regional level, while the latter are important to guiding the provision (and funding) of local government infrastructure.</p> <p>There also needs to be a stronger mechanism to obtain buy-in and commitment from non-local-government parties who contribute projects or infrastructure critical to shaping thriving communities. Such parties should include central government agencies (e.g. Ministry of Education, Kainga Ora, Ministry of Health, NZTA). A strong or binding commitment is necessary to build investor and developer confidence in building new urban areas, and to ensure quality urban growth is not frustrated by parties pulling out of projects after council-led work has already commenced.</p> <p><b><u>Minimum requirements for spatial plans, which should not be onerous</u></b></p> <p>Requirements for spatial plans should set out certain minimum content. However, to ensure spatial plans do not become overly burdensome for smaller councils with limited resources and to avoid creating ‘paralysis by analysis,’ the list of mandatory content should be short.</p> <p>This suggested list of minimum content should include:</p> <ol style="list-style-type: none"> <li>1. Describing the level of demand for housing and business land that is required out to 30 years.</li> </ol>

		<ol style="list-style-type: none"> <li>2. Identifying where growth is appropriate or anticipated, at which densities to meet identified demand (for larger centres only), and how growth may be staged.</li> <li>3. Identifying areas where growth is not appropriate (e.g. due to the presence of hazards or sensitive areas)</li> <li>4. Identifying and protecting key infrastructure corridors and sites (including for social and community infrastructure such as schools) and who will provide the infrastructure.</li> </ol> <p>This list of mandatory content could be designed to complement the requirements for infrastructure strategy content already set out in the Local Government Act 2002.</p> <p>If desired, a slightly longer or more detailed list of requirements could be set for Tier 1 and 2 councils. This could include showing rapid / mass transport routes and areas for higher density housing defined by the 'walkable catchment' approach.</p> <p><b><u>MDC does not support the inclusion of detailed financial information such as infrastructure costings</u></b></p> <p>MDC does not support the inclusion of highly detailed infrastructure costings beyond describing which party is associated with the infrastructure shown in the spatial plan. Our reasons are as follows:</p> <ol style="list-style-type: none"> <li>1. Technology and the cost of infrastructure can change significantly over time.</li> <li>2. The plans of private infrastructure providers may be commercially sensitive.</li> <li>3. Most private and government infrastructure providers are unlikely to have plans spanning 50 years.</li> <li>4. Council infrastructure costings and assumptions are already contained in the long-term plans; infrastructure strategies and development contributions policies prepared under the Local Government Act 2002 (which should give effect to the spatial plan).</li> </ol>
3	Do you support the proposed high-level design of the housing growth targets? Why or why not?	<p><b><u>Manawātū District Council suggests changes to housing <i>capacity</i> target proposals</u></b></p> <p>MDC generally supports the concept of having 30-year targets as to how much land should be available for housing development. MDC also supports the growth targets not being mandatory for Tier 3 Councils.</p> <p>However, MDC also suggests the following changes be made to the concept of housing capacity targets:</p> <ol style="list-style-type: none"> <li>1. The targets be referred to as housing <i>capacity</i> targets (least it be misconstrued that councils have more control over private investment decisions and how many houses builders build than they have).</li> <li>2. Councils have (subject to appropriate justification) the freedom to select the growth scenario which best matches the circumstances of their district or city. Many local authorities do not experience high levels of</li> </ol>

		<p>growth. The mandatory use of a high growth scenario only imposes unnecessary infrastructure costs on communities which are not fast growing.</p> <p>3. Similar to point 2 above, and for the same reasons, the 20% infrastructure contingency requirement should be omitted (or reduced) for slower growing councils which have a lower demand for new land to be opened up for development.</p> <p>MDC also has concerns about the use of the terms '<i>feasible</i>' and '<i>realistic</i>' which do not appear to be defined. Without objective measurement, interpretations will vary according to opinion and individual circumstances. What is feasible for one developer will not necessarily be feasible for another.</p> <p>Given the huge number of variables that go into assessing housing capacity already (e.g. area of zoned land; how much is vacant; how much is too steep to enable economic development; how much is set aside for reserve; how much is set aside for infrastructure; allowable density and lots sizes; how much land is subdivided but not yet built on; how much will infrastructure cost; what type of housing typology is being assumed) it is exceedingly difficult to see how anything than a rudimentary assessment of what <u>may</u> be feasible can undertaken.</p>
4	How can the new resource management system better enable a streamlined release of land previously identified as suitable for urban development or a greater intensity of development?	<p><b><u>A streamlined rezoning process where rezoning is to standardised zone once conditions are met</u></b></p> <p>A streamlined rezoning process could be enabled where land suitable for housing development is first identified in the spatial plan and given a 'future urban development' classification.</p> <p>If the spatial plan process included consultation and shows the subject land as 'future urban,' then the land could be rezoned without the need for 'RMA Schedule 1' type process once a Council is able to confirm:</p> <ol style="list-style-type: none"> <li>1. Trigger criteria demonstrating necessity for rezoning has been met (e.g. a set percentage of available land has been taken up, or available development capacity has fallen below NPS-UD targets).</li> <li>2. Land subject to Treaty Settlements or Treaty Claims is identified and the relevant entities consulted on their preferences regarding its zoning.</li> <li>3. Suitable natural hazard risk avoidance or mitigation measures have either been put in place, or a binding commitment as to any works required to manage risks has been agreed.</li> <li>4. 'Enabling infrastructure' has been completed by the council (or a developer, where carried out part of a development agreement) and infrastructure providers have confirmed there is sufficient network and headworks capacity to serve the new development.</li> <li>5. Sites of ecological or cultural significance have been identified and appropriate protection mechanisms (e.g. setting them aside as reserves) agreed.</li> <li>6. Non-council infrastructure providers have confirmed they have capacity and are able to service the new development areas.</li> </ol>

		<p>A public notice of the rezoning would be sent out once it is confirmed.</p> <p>An RMA Schedule 1 type process could still be used where one or more of the above conditions are not able to be met (to provide an opportunity for further design and public input).</p>
5	<p>Do you agree with the proposed methodology for how housing growth targets are calculated and applied across councils? Are there other methods that might be more appropriate for determining Housing Growth Targets?</p>	<p><b><u>MDC concerns over proposed methodology for housing growth targets</u></b></p> <p>MDC supports the concept of planning to ensure there is sufficient land capacity to meet expected demand for housing out to 30 years based on household growth projections.</p> <p>MDC would not support a single standardised methodology applying to all councils.</p> <p>Councils should be able to choose growth projections which best match their actual circumstances. Greater recognition also needs to be given to circumstances where a sizeable proportion of a local authority's growth occurs in rural areas (e.g. for Manawātū, 45% of new housing is in rural areas).</p> <p>MDC also has concerns that a 20% contingency for growth or capacity targets could lead to expectations that the Council must provide infrastructure immediately for a larger area (or higher density) than may actually be developed.</p> <p>It is noted that for smaller councils, a 20% contingency will not necessarily be effective in reducing land prices as assumed, particularly in circumstances where the number of local developers operating is small and available land is land-banked by only one, or only a few owners, who are then in a position control the supply of land onto the market.</p>
6	<p>Are there other methods that might be more appropriate for determining housing growth targets.</p>	<p><b><u>Slower growing Tier 2 and 3 councils should be allowed to use a lower growth scenario &amp; smaller contingency</u></b></p> <p>The housing targets proposed are generally appropriate for Tier 1 and faster growing Tier 2 and 3 Councils, although MDC has concerns regarding the 20% contingency or over-supply requirement when it comes to funding and financing infrastructure.</p> <p>A different approach could be taken to slower growing Tier 2 and 3 councils (e.g. those below a 1% annual population growth rate) which better recognises lower pressures to supply additional land. Slower growth Tier 2 and 3 councils could be allowed to use a methodology based on:</p> <ul style="list-style-type: none"> <li>• Applying what experience has found to be the most realistic household growth projection for the local authority.</li> <li>• Subtracting the proportion that the local authority typically sees as being built in rural or lifestyle locations from the total amount of housing required to be provided.</li> <li>• Applying a 10% 'top up' to the urban figure to provide a margin for error, to account for housing built on speculation and ensure a modest over-supply for competitive market purposes.</li> </ul>



		To limit the potential for land banking, there could be standard requirement for multiple greenfield development areas, in different locations, to be zoned for development at any one time.
7	How should feasibility be defined in the new system?	<p><b><u>MDC considers a ‘feasibility test’ to be impractical for anything but short-term planning.</u></b></p> <p>MDC first requests that clarity be given as to which tiers of councils are expected to model feasibility.</p>
8	If the design of feasibility is based on profitability, should feasibility modelling be able to allow for changing costs or prices or both?	<p>Assuming the metric proposed is related to economic feasibility, then feasibility could be defined with reference to the projected sale price achieved on a per unit (lot or house basis) matching or exceeding the sum of all input costs plus a profit margin (set a reasonable rate of return).</p> <p>However, MDC considers use of a ‘feasibility’ test to be impractical to use across the longer time periods envisaged in the NPS-UD because:</p> <ul style="list-style-type: none"> <li>• Market dynamics and cycles are constantly changing – such that it becomes increasingly difficult to accurately predict what developments will be feasible for much more than a few years at a time.</li> <li>• Changes to legislation and national direction aimed at enabling more diverse developments have made predicting what types of development may be proposed for a given site, and at which density, more difficult (e.g. what type or density of development is a council supposed to test development feasibility against in a mixed-use zone?). Feasibility modelling across all possible scenarios and in all likely development areas will be complex, slow, expensive, and become out-of-date relatively quickly.</li> <li>• As previously outlined, given the huge number of variables that already go into assessing existing housing capacity already it is exceedingly difficult to see how anything than a rudimentary assessment of what <u>may</u> be feasible can undertaken.</li> </ul> <p>If feasibility modelling is going to be mandatory then councils will need to consider changing houses prices and costs as housing market, as markets for labour and materials are rarely static. However, the fact that costs and prices constantly change makes anything but short-term feasibility assessments of very limited usefulness.</p>
9	Do you agree with the proposal to replace the current ‘reasonably expected to be realised’ test with a higher-level requirement for capacity to be ‘realistic’?	<p><b><u>Changing the wording is unlikely to make much difference without an objective measurement</u></b></p> <p>Changing the wording is unlikely to have a significant effect as, without definitions which incorporate objective measures. Both ‘<i>reasonably expected to be realised</i>’ and ‘<i>realistic</i>’ have a significant degree of subjectivity.</p> <p>Whichever term is adopted, there needs to be some sort of objective measure. Such measures could include reference to 10 years of trends, such as those looking at the number and type of units built, their location and how many new residential lots on created over the same timeframe.</p> <p>However, it is impractical for councils to use anything but a rudimentary model (or assessment) of what is likely to be realistic given the large number of variables that would need to be considered for a robust assessment.</p>

10	What aspects of capacity assessments would benefit from greater prescription and consistency?	<p><b><u>MDC does not support increased levels of prescription for housing capacity modelling.</u></b></p> <p>MDC considers attempts add to additional prescription would increase the risk of capacity modelling assumptions becoming inaccurate as there is a greater chance they will not reflect the reality of local development patterns and local market demand.</p> <p>As previously stated, given the huge number of variables that would need to go into building accurate housing capacity assessments already (e.g. area of zoned land; how much is vacant; how much is too steep to enable economic development; how much land is to set aside for reserves; how much will need to be set aside for infrastructure; allowable density and lots sizes; how much land is subdivided but not yet built on; what type of housing typology is being assumed; what apartment sizes are to be assumed and over how many floors) it is exceedingly difficult to see how anything than a rudimentary assessment can be undertaken.</p> <p>Increased levels of prescription also raise questions such as:</p> <ul style="list-style-type: none"> <li>• What housing yield per hectare should be assumed to be 'standard' in a residential zone (when consents may allow more than a permitted activity), or for areas intended to have multi-level apartments?</li> <li>• What is the assumed residential unit yield for areas with a mixed-use zoning? (and what proportion of non-residential floor space is to be assumed)?</li> <li>• What assumptions are to be made about the demolition of the existing housing stock, or the conversion of existing large buildings, to create multiple residential units?</li> </ul> <p>A one-size-fits-all approach to answering these questions is unlikely to reflect local market conditions.</p> <p>Greater prescription may also lead to councils taking a myopic view of compliance with the prescriptive criteria rather than come up with innovative solutions better suited to local circumstances.</p>
11	Should councils be able to use the growth projection they consider to be most likely for assessing whether there is sufficient infrastructure-ready capacity?	<p><b><u>MDC supports councils being able to use a reputable projection which best reflects their community</u></b></p> <p>Councils should be able to choose the growth projection that best matches their circumstances and most probable future growth rate.</p> <p>Some councils consistently undershoot high (or even medium) Statistics New Zealand projections, while others find it more useful to have projections provided by reputable company other than Statistics New Zealand.</p>
12	How can we balance the need to set minimum levels of quality for demonstrating infrastructure capacity with the flexibility required to ensure they are implementable by all applicable councils?	<p><b><u>MDC supports taking an evidence-based approach</u></b></p> <p>MDC considers having good information about the capacity and state of infrastructure is important to good asset management planning and stewardship.</p>

		<p>MDC supports retention of an evidence-based, but flexible, approach to assessing the quality and capacity of infrastructure for Tier 3 councils. Balance could be achieved by setting more sophisticated requirements for Tier 1 and 2 Councils (to reflect their greater in-house expertise and financial capacity) than for Tier 3 councils.</p> <p>Evidence for Tier 3 councils could consist of comparing known design capacity specifications for key assets with measurements of capacity uptake (e.g. number of household equivalents connected to a water network or the number of traffic movements on arterial roads). Information taken from infrastructure strategies, long-term plans, and annual plans could be used as means of tracking council actions (e.g. upgrade programmes) to meet current and projected capacity needs.</p>
13	<p>What level of detail should be required when assessing whether capacity is infrastructure-ready? For instance, should this be limited to plant equipment (e.g. treatment plants, pumping stations) and trunk mains/key roads, or should it also include local pipes and roads?</p>	<p><b><u>MDC's preference is to assess the capacity of headworks and trunk infrastructure / key roads</u></b></p> <p>MDC considers that the appropriate level of assessment for infrastructure capacity assessments should be a combination of headworks, trunk mains and roads above collector road status. In our experience, these are the facilities that most often require upgrades to capacity to be made when large new developments start to be built out. It should also be noted that developers have tended to be responsible for providing the 'in-subdivision' infrastructure for their developments - such that these assets are not part of council's asset management registers until they are vested.</p> <p>MDCs general approach to ensuring sufficient infrastructure capacity exists for new developments usually involves commissioning reports to understand what the current infrastructure constraints are, how development may impact on those constraints, and what infrastructure is needed to overcome the constraints. The infrastructure provided must then comply with MDCs engineering standards (which are based on recognised and professional best practice standards).</p>
14	<p>Do you agree with the proposed requirement for council planning decisions to be responsive to price efficiency indicators?</p>	<p><b><u>Price efficiency indicators could be a consideration, but should not be a primary driver of planning decisions</u></b></p> <p>Price efficiency indicators could be one of the matters a Tier 1 or Tier 2 council considers when considering the rezoning or release of land for development, but it should not be a principal driver.</p> <p>Scarcity of zoned land (and therefore development opportunities) has been demonstrated to be one the factors which influences land prices (or house prices) on the urban fringe. However, it is not the only factor. Market demand, interest rates (which effects willingness and ability to pay) the total supply of houses on the market at a given point, land banking behaviours, migration patterns, availability of infrastructure, construction costs, location relative to beaches or high-profile school zones, and proximity to amenities are also factors which impact on house prices. Past government work on price-efficiency indicators has tended to under-estimate the role of these matters in price setting and over-emphasise the role of zoning. The assumption is often made that developers set the market price using a 'cost-plus' approach, starting with land prices, whereas the reality is that the price is set by the market and developers work backwards to see if the market price makes development worthwhile.</p>

		<p>Making councils ensure there is a constant, sufficiently-sized, pool of zoned land to meet foreseeable growth needs will be a simpler and more realistic means of deciding when land needs to be released than trying to tie the release of land to price-signals (which are likely to fluctuate faster than councils can rezone land).</p>
15	<p>Do you agree that councils should be required to provide enough development capacity for business land to meet 30 years of demand?</p>	<p><b><u>30 Years of business land capacity should be an objective, but not subject to standardised modelling.</u></b></p> <p>MDC considers that the requirement to plan for 30 years of business land capacity should be an objective, but the detail on how this is to be assessed should be left to individual councils to determine.</p> <p>Planning for 30 years of growth as part of each plan update should ensure there will be sufficient land for business growth, including unexpected developments. However, how that growth plays out is different from council to council. As such, a 'one-size-fits-all' capacity model is unlikely to be helpful. Smaller councils in particular find business uptake of land to be sporadic, and the size of new buildings to be unpredictable. The increased use of mixed-use zoning will also pose questions for mid-to-large sized councils as to how that zoning should be counted in residential capacity assessments or business capacity assessments (or both).</p>
16	<p>Are mechanisms needed in the new resource management system to ensure councils are responsive to unanticipated or out-of-sequence developments? If so, how should these be designed?</p>	<p><b><u>Out-of-sequence developments should only be enabled where the costs of infrastructure are met</u></b></p> <p>The solution to accommodating unanticipated but significant growth lies less in the ability for councils to plan for all possible growth eventualities (which is inefficient and would increase uncertainty), but in how infrastructure availability and other issues can be resolved when unanticipated growth proposals arise.</p> <p>Out-of-sequence developments should be made to comply with the framework set out in the relevant spatial plan (otherwise there is no point in having such a plan), but this may still not resolve issues of infrastructure provision.</p> <p>Where growth is outside of an area already planned for growth, the onus needs to be on the developer to pay for or provide the infrastructure. Developers paying for the infrastructure reflects the true costs of their locational decisions and should incentivise development in locations where infrastructure provision will be more cost-effective and efficient.</p>
17	<p>How should any responsiveness requirements in the new system incorporate the direction for 'growth to pay for growth'?</p>	<p><b><u>Enabling private plan changes where infrastructure is available or funded</u></b></p> <p>MDC would support provisions which enable private plan changes that could significantly increase housing capacity if:</p> <ul style="list-style-type: none"> <li>• The necessary infrastructure was already in place, or</li> <li>• The relevant council has sufficient debt headroom to debt-fund the infrastructure and recover 100% of the capital costs of growth, or</li> </ul>

		<ul style="list-style-type: none"> <li>• The developer has committed to providing or funding the necessary infrastructure (including having ring-fenced money for the purpose), or</li> <li>• A SPV under the infrastructure Funding and Financing Act 2020 has committed to funding the provision of the necessary infrastructure.</li> </ul> <p>Appropriate additional protections may also be required to cover higher-risk developments where there is a greater possibility of developers going into liquidation or defaulting on loans (leaving councils and communities to pick up the costs). Such protections could include things such as providing first-ranked security over, or a charge over, land which could then be sold to recover costs if needed.</p>
18	Do you agree with the proposal that the new resource management system is clear that councils are not able to include a policy, objective or rule that sets an urban limit or a rural-urban boundary line in their planning documents for the purposes of urban containment? If not, how should the system best give effect to Cabinet direction to not have rural-urban boundary lines in plans?	<p><b><u>MDC supports limitation on ‘hard’ rural-urban boundaries, but with exceptions</u></b></p> <p>MDC supports provisions to limit the ability for councils to have urban containment provisions, but only on the proviso that the provisions do not prohibit the ability of councils to restrict development:</p> <ul style="list-style-type: none"> <li>• On land subject to significant natural hazard risks</li> <li>• In areas of high ecological and/or cultural value or significance</li> <li>• In outstanding natural landscapes</li> </ul> <p>It is noted that most councils do not have a specific set of provisions that specify a hard rural-urban boundary line which explicitly prohibits urban rezoning outside the urban area. However, for some local authorities, restrictions on land uses under the provisions of the NPS-HPL result in a similar effect.</p>
19	Do you agree that the future resource management system should prohibit any provisions in spatial or regulatory plans that would prevent leapfrogging? If not, why not?	<p><b><u>MDC does not support a blanket ban on council’s ability to restrict leapfrog developments.</u></b></p> <p>MDC does not support a blanket prohibition on controls to prevent leapfrogging. Leapfrogging has the potential to result in the inefficient use of infrastructure and additional costs which may be beyond the capacity of infrastructure providers. Poorly designed leapfrog development can also undermine the efficiency and yield of future urban developments between the existing urban area and the proposed leapfrog development area.</p> <p>Leapfrogging should only be enabled where:</p> <ul style="list-style-type: none"> <li>• The developer is prepared to meet the full cost of the infrastructure required to service a development or a SPV (under the Infrastructure Funding and Financing Act 2020) is confirmed as being committed to funding the necessary infrastructure, and</li> <li>• The new development is designed in such as to not preclude other developments in the area or undermine the provision of horizontal infrastructure required to facilitate future development between the existing urban fringe and the leapfrog development.</li> </ul>

20	What role could spatial planning play in better enabling urban expansion?	<p><b><u>Spatial planning could identify strategic opportunities and as act an integrator and protector of key land uses</u></b></p> <p>MDC considers spatial planning could:</p> <ul style="list-style-type: none"> <li>• Better manage and integrate urban and environmental issues and opportunities which cross local authority boundaries.</li> <li>• Help identify areas which are suitable for urban expansion, and those areas where urban expansion should not take place (because of the presence of natural hazards, unsuitable terrain for building, sensitive ecological areas, or areas which are of high cultural significance).</li> <li>• Identify key growth areas (greenfield and intensification) where infrastructure corridors or sites need to be reserved or protected, or where additional / upgraded infrastructure will need to be provided.</li> <li>• Serve as a communication tool for the community, developers, and infrastructure providers to help manage expectations (e.g. as to growth paths and densities), provide confidence for investment, and inform developer and infrastructure providers' own plans.</li> <li>• Serve as a central input for council Long-term plans, infrastructure strategies, and other plans, strategies, and policies to guide decisions on what infrastructure may need to be provided, to what level of service, where and when.</li> </ul>
21	Do you agree with the proposed definitions for the two categories of 'key public transport corridors'? If not, why not?	<p><b><u>MDC supports the two definitions proposed</u></b></p> <p>MDC supports the concept of having two categories of 'key public transport corridors' as this better reflects the situation in New Zealand where most cities and large towns do not have the benefit of commuter rail networks.</p> <p>Alignment to the <i>One Network Framework</i> appears logical as it is widely used to help identify and classify roading hierarchies. Guidance associated with that framework also provides details of matters such as design of, and the frequency of public transport services (which can help clarify which transport modes and routes qualify as 'spine corridors' and 'primary corridors').</p>
22	Do you agree with the intensification provisions applying to each category? If not, what should the requirements be?	<p><b><u>Intensification provisions for Tier 1 councils should be a default, but with flexibility for departures</u></b></p> <p>MDC supports the categories proposed applying to Tier 1 Councils as a default setting. However, Tier 1 councils should retain the ability to depart from such a default setting where justified (such as where terrain, natural hazards or some other practical limitation makes higher density housing impractical or undesirable in a given location).</p>
23	Do you agree with councils being responsible for determining which corridors	<p><b><u>MDC supports councils determining the corridors</u></b></p>

	meet the definition of each of these categories?	MDC supports Tier 1 councils being responsible for determining which corridors meet the definitions. Local councils have a better ability to understand local circumstances and are more accountable and responsive to local needs, issues, and aspirations.
24	Do you support Option 1, Option 2 or something else? Why?	<p><b><u>MDC supports Option 1 but with modifications to better recognise barriers to movement</u></b></p> <p>MDC supports on the concept of walkable catchments. Option 1 is the more realistic of the two, based on research conducted in Western Australia in 2003 which found 85% of people walking to stations did so from within a 1200m radius. However, balanced against that, consideration needs to be given to New Zealand's smaller city sizes, more limited public transport options outside Auckland and Wellington, topography, climate, and aging population. In respect to the last of these, decision-makers need to be conscious that a higher proportion of the population will not be as physically active as they are today.</p> <p>Whichever option the government selects, it needs to make allowance for walking catchments being restricted by barriers to movement. These include things such as steep or unsuitable topography, rivers, wetlands, motorways, and railways which prohibit people from taking a direct walking route to city centres, stations, and public transport transit corridors.</p>
25	What are the key barriers to the delivery of four-to-six storey developments at present?	<p><b><u>Limited market demand, topography, building costs and lack of a skilled workforce are barriers</u></b></p> <p>MDC does not have any developments of this scale. This demonstrates the key barrier, a lack of sufficient market demand in most areas of local authorities outside of Auckland and Wellington.</p> <p>District plan zoning rules are rarely the main or only barrier to developments of this scale. Other barriers MDC is aware of include:</p> <ul style="list-style-type: none"> <li>• Topography – which has geotechnical, earthworks and engineering implications which can make costs prohibitive relative to sale prices.</li> <li>• The cost of building relative to sale price once buildings get above 'walk-up' heights (e.g. having to incorporate lifts and more expensive structural elements).</li> <li>• Size and availability of a construction workforce with the necessary skills for more complex builds. The lack of a sizeable skilled workforce can have cost and time implications (i.e. delays in construction may mean a developer misses the window to achieve optimal sale prices and/or incurs additional holding costs).</li> <li>• In some instances, older three-waters infrastructure not being built with the capacity to accommodate the residential density that 4-6 stories would enable.</li> </ul>

26	For areas where councils are currently required to enable at least six storeys, should this be increased to more than six storeys? If so, what should it be increased to? Would this have a material impact on what is built?	<p><b><u>MDC has no view on this question</u></b></p> <p>MDC is of the view that this question is best answered by Tier 1 councils who will have more experience as to the practicable implications of taller buildings.</p>
27	For areas where councils are currently required to enable at least six storeys, what would be the costs and risks (if any) of requiring councils to enable more than six storeys?	<p><b><u>MDC considers this question is best answered by Tier 1 Councils</u></b></p> <p>MDC is of the view that this question is best answered by Tier 1 councils who will have more experience as to the practicable implications of taller buildings. However, it is noted that higher densities could impact on the infrastructure capacity required to serve higher density developments. These may result in councils having to replace or upgrade existing infrastructure.</p>
28	Is offsetting for the loss of capacity in directed intensification areas required in the new resource management system?	<p><b><u>Offsetting will ne necessary where capacity targets cannot otherwise be met</u></b></p> <p>Offsetting a loss of development capacity should only be required where a council would not otherwise have fallen short of its housing capacity targets were it not for the loss of capacity associated with local planning controls (such as those intended to protect character areas or heritage sites).</p>
29	If offsetting is required, how should an equivalent area be determined?	<p><b><u>Offsetting should be determined by reference to capacity in the same general area, not by land area</u></b></p> <p>Offsetting need not be the substitute of one land area by another but should concentrate on creating the equivalent development <i>capacity</i>. Residential land is not fungible in many New Zealand Teir 1 and 2 cities.</p> <p>Although this is not an issue for Manawatū District, MDC is aware that some councils have physical constraints (e.g. steep terrain or being situated on the coast or on an isthmus) which mean an equivalently sized area of land cannot be located within the same market catchment. Instead, upzoning of smaller area of existing (but lower capacity) land may be necessary.</p>
30	Is an equivalent to the NPS-UD's policy 3(d) (as originally scoped) needed in the new resource management system? If so, are any changes needed to the policy to make it easier to implement?	<p><b><u>MDC has no view on the necessity to retain NPC-UD Policy 3(d)</u></b></p> <p>MDC notes that that policy 3(d) only relates to Tier 1 councils and therefore will leave detailed comment to those councils. However, the words '<i>adjacent</i>' and '<i>commensurate</i>' appear to imply a degree of subjectivity that is hard to measure and prove compliance against in an objective way.</p>
31	What controls need to be put in place to allow residential, commercial and community activities to take place in	<p><b><u>Management of effects which impact on peoples' physical or mental health.</u></b></p>



	proximity to each other without significant negative externalities?	<p>The controls which are needed are those which manage adverse effects on people's physical and mental health. In respect to the latter, this should include controlling effects which impact people's enjoyment of space and their urban living environment (i.e. help manage the 'pleasantness' of an area).</p> <p>MDC considers the following subject matter for controls to be appropriate:</p> <ul style="list-style-type: none"> <li>• Noise and vibration (which could include hours of operation)</li> <li>• Glare and light spill</li> <li>• Dust, odour and fumes</li> <li>• Access to daylight</li> <li>• Accessibility</li> <li>• Waste management and disposal</li> <li>• Screening of blank walls and storage areas.</li> <li>• Controls on the disposal of wastewater, stormwater, and runoff (the latter being to prevent properties flooding their neighbours).</li> </ul>
32	What areas should be required to use zones that enable a wide mix of uses?	<p><b><u>Areas surrounding town centres, suburban centres, public transport hubs and mass transit routes.</u></b></p> <p>MDC considers the Mixed-Use Zone (as described in the National Planning Standards) to be a useful zone which enables a wide range of uses. The locations where MDC considers mixed-use zoning to be of benefit are:</p> <ul style="list-style-type: none"> <li>• Around the fringes of city centres, town centres and industrial zones (as a form of transitional zone or buffer).</li> <li>• Around key public transport hubs or mass transit routes which have/ are intended to have regular stops.</li> <li>• Small town centres or suburban centres which are not large enough to support (or be able to distinguish) a clear dominance of commercial activities over residential development.</li> </ul>
33	Which rules under the current system do you consider would either not meet the definition of an externality or have a disproportionate impact on development feasibility?	<p><b><u>Rules relating to Interior layouts, on-section planting, and colours not visible from outside a property</u></b></p> <p>MDC notes that definition of an externality is not provided in the discussion document. MDC therefore assumes the definition relates to a cost or disbenefit that is caused by one party but incurred or received by another (typically without compensation).</p> <p>MDC considers that matters <u>which would not</u> constitute a negative externality could include:</p> <ul style="list-style-type: none"> <li>• The interior layout and décor of buildings</li> </ul>

		<ul style="list-style-type: none"> <li>• The colours of walls, structures or buildings which are not visible at ground level from outside of a property.</li> <li>• Rules which dictate the placement of doors or windows in residential developments, and the size of these.</li> <li>• The placement of sleepouts of sheds where not visible to a neighbour or causing shading effects.</li> <li>• The location and nature of planting on a section or site where this is not necessary for the screening of blank walls, mitigating stormwater runoff or contributing to streetscape.</li> </ul>
34	Do you consider changes should be made to the current approach on how requirements are targeted? If so, what changes do you consider should be made?	<p><b><u>MDC supports the continued use of the 3-Tier council approach</u></b></p> <p>MDC supports the proposed retention of the 3-Tier system, with most the modelling and intensification requirements applying to Tier 1 cities where housing supply, capacity and prices have issues have the greatest impact on New Zealand.</p> <p>Although MDC sees merit in Tier 3 councils being strongly encouraged to plan sufficient housing and business land for 30 years, we would not support a mandatory, one-size-fits-all, modelling of capacity for the reasons set out in answers we have provided to other questions.</p>
35	Do you have any feedback on how the Going for Housing Growth proposals could impact on Māori?	<p><b><u>A reduction in opportunities for Māori input and missed opportunities for Papakāinga</u></b></p> <p>Taken in combination with other changes to national direction, the proposals in Going for Housing Growth seem likely to reduce opportunities for Māori to participate in planning and resource consenting processes though the proposed increased use of:</p> <ul style="list-style-type: none"> <li>• Permitted activities (where no person or group would get to have a say on new developments).</li> <li>• Standardised zones and provisions (with more provisions set at national level, there will be fewer opportunities for iwi or hapu input at the local level).</li> </ul> <p>MDC also notes that reference to papakāinga is absent from the discussion document. Although we understand papakāinga housing is being promoted through a proposed National Policy Statement on Papakāinga, some of the proposals in Going for Housing Growth discussion document could also have recognised and better facilitated urban and rural papakāinga developments. For example, provisions more enabling of papakāinga could have been incorporated into proposals for mixed-use zonings, different housing densities, and alternative infrastructure provision arrangements (where council infrastructure is not otherwise available).</p>
36	Do you have any other feedback on Going for Housing Growth proposals and how they	<p><b><u>Further work on value-capture approaches to pay for infrastructure is encouraged</u></b></p> <p>MDC encourages the government to look further into value-capture mechanisms which can help pay for infrastructure earlier in the development process. Possibilities could include (but are not limited to):</p>

	should be reflected in the new resource management system?	<ul style="list-style-type: none"> <li>• Councils being able to capture a portion of the increased land value when rural land is first rezoned to an urban use, or</li> <li>• Better enabling infrastructure providers to buy and upzone land around key transport hubs (or other major infrastructure assets which are projected to experience high foot traffic count) which can then be sold or leased to help pay for the infrastructure in the area.</li> </ul>
37	Should Tier 1 and 2 councils be required to prepare or review their HBA and FDS in accordance with current NPS-UD requirements ahead of 2027 long-term plans? Why or why not?	<p><b><u>Preparation of HBAs and FDSs are still useful to feed into 2027 LTPs.</u></b></p> <p>Tier 1 and 2 Councils should still prepare their HBA and FDS ahead of their 2027 LTP plans. These documents will still serve as a useful input into the next LTPs, the next round of infrastructure strategies, and spatial plans prepared under RMA-replacement legislation. Delaying the HBA and FDS until after the 2027 means it may be 2030 before the next iteration of HBAs and FDSs are able have an influence on long-term infrastructure planning.</p>



## *Office of the Mayor*

Hon Simon Watts  
Minister for Local Government  
Private Bag 18888  
Parliament Buildings  
Wellington 6160

26 August 2025

Dear Hon Simon Watts

### **Re: Open Letter on Rates Capping**

On behalf of the Manawātū District Council, we write to acknowledge and engage constructively with your Government's proposal to introduce rates capping. While we do not oppose the principle of capping rates, we wish to raise a number of important considerations that we believe should inform the development of any such policy. These are shared in the spirit of partnership and with the aim of supporting effective, sustainable outcomes for our communities.

We also seek clarification on some aspects of the proposed direction, and would welcome the opportunity to engage further to ensure the intended policy settings are practical and avoid unintended consequences—particularly for councils like ours that are working hard to balance community expectations with long-term fiscal responsibility.

### **Application of the rates cap in practice**

MDC understands that Government intends to broadly follow the New South Wales (NSW) Australia model of rates capping. MDC notes that the NSW model is based on a set of principles that are set out in section 8B of the NSW Local Government Act 1993, as follows:

- Responsible and sustainable spending
- Responsible and sustainable infrastructure investment
- Effective financial and asset management
- Intergenerational equity.

MDC supports these principles and recommends that any rates capping established in New Zealand follow similar principles.

MDC seeks clear guidance and methodology for calculating the rates cap. The government's proposal to cap local authority rates should be designed in a way that both protects ratepayers and ensures councils can sustainably fund essential infrastructure and services. A cap calculated simply as a total percentage increase in rates revenue risks misrepresenting the true impact on ratepayers, as rates increases are often partly absorbed by growth (increase in rating units). At the same time, such an approach constrains councils in high-growth areas from raising the revenue required to provide additional infrastructure and services for new developments, thereby effectively penalising communities that are accommodating population and housing growth.

A more balanced and equitable approach would be to calculate the cap on a per-rating-unit basis. This means the rates increase year-on-year would be divided by the number of rating units, thereby ensuring that the cap reflects the actual rates burden experienced by households and businesses, while also recognising the fiscal pressures and opportunities created by growth.

MDC also seeks clarification on what activities of Council would be included in the rates cap and which (if any) would be excluded. For example, would 'core services' be excluded from the rates cap? If so, MDC questions whether regulatory services would be included in the rates cap given that they are not included in the list of core services as defined in clause 7 of the Local Government (Systems Improvements) Amendment Bill.

### **Will spending on three waters be excluded from the rates cap?**

The Manawātū District Council is proceeding with a stand-alone in-house model for water services delivery. One of the benefits of separating three waters from councils' balance sheet was to enable councils to borrow more. If three waters infrastructure investment is captured by the rates cap, this will limit councils' ability to pay back their borrowing. This could have implications in the short-term while Councils transition from rates to water service charges.

### **Matters that Government should consider when setting the rates cap**

MDC strongly believes that any rate cap should link to the Local Government Cost Index (LGCI) developed by Business and Economic Research (BERL) and not the Consumer Price Index (CPI). The LGCI more accurately reflects the typical cost structure faced by councils when delivering services and investing in infrastructure. This is quite different from the CPI which focusses on household spending.

Local Government uses the LGCI to forecast future expenditure as it reflects the real inflation pressures on councils delivering services like water, waste, roads and parks. The LGCI provides an evidence-based tool for explaining cost increases that are largely outside of the council's control, such as supplier prices, wages, or regulatory changes.

### **The rates cap should not apply to depreciation, insurance or interest**

The cost of depreciation, insurance and interest are largely outside of Council's control.

Depreciation costs are related to the valuation of council assets, with higher asset valuations resulting in high depreciation requirements. MDC currently fully depreciates its strategic assets, except that Council only funds 50% of the depreciation of the Makino Aquatic Centre, the Manawatū Community Hub Libraries, medium and low-priority halls, and parks, reserves and sportsgrounds. If Council had to make significant changes to the way it funds the depreciation of its significant assets to keep within a specified rates cap, this would impact on levels of service and the ability of council to deliver on planned projects within forecast funding limits.

Councils are also limited in their ability to influence insurance and interest costs. MDC has already reduced insurance costs to help keep rates affordable through building a self-insurance reserve for minor events when it is preferable to making an external insurance claim. Interest costs are specifically excluded from the LGCI as they are highly variable depending on the schedule of assets insured, and Councils rely on advice from their insurance providers when forecasting these costs. Council's insurance costs were forecast to increase by 32% in year 1 of the LTP. If insurance costs continue to rise and rates caps constrain Councils ability to rate for these increases, MDC would have to explore alternative options, such as reducing the schedule of assets insured, or increase reliance on self-insurance reserves.

Interest rates are influenced by the Official Cash Rate (OCR) which is set by the Reserve Bank of New Zealand and is affected by global economic conditions and uncertainty. Council mitigates the impact of interest rates rises by being a member of the LGFA. However, if interest rates were to increase substantially, MDC would have to reduce capital expenditure and service delivery, impacting on levels of service.

The total rates increase for 2025/26 was 7.56%. Due to growth of 1.57%, the total increase for existing ratepayers was 5.99%. This 5.99% was made up of changes to the base budget (4.18%), 1.08% was new project and initiatives, 0.34% was new central government water levies, and 0.39% was as a result of reclassifying some capital works to be new levels of service rather than growth works.

During our 2025/26 Annual Plan, Council identified the following factors as being the primary contributors to the rates increase (changes to the base budget):

- BERL – higher rates of inflation for three waters than were forecast in the 2024-34 Long-term Plan (initially forecast at 2.8%, revised to 5.6% )
- Interest paid – increased by \$565k to reflect the increase in debt required to fund new capital works
- Cost of gas – increased by \$254k
- Cost of electricity – increased by \$194k.

**Rates caps should exclude recovery from emergency events e.g. cyclone recovery**

The costs associated with repairing infrastructure as a result of emergency events such as Cyclone Gabrielle should be excluded from any rates cap, as this is outside of councils' control. If the cost to repair infrastructure damaged during emergency events is included within a rates cap, this would further delay recovery.

### **Exclude costs imposed on local government by central government**

MDC recommends that any rates cap specifically exclude government-imposed costs, such as the Taumata Arowai and Commerce Commission levies for three waters compliance. Consideration should also be given to government-imposed compliance responsibilities, such as monitoring of earthquake-prone buildings.

### **Declining New Zealand Transport Agency Subsidies are impacting on levels of service**

Consideration also needs to be given to reductions in New Zealand Transport Agency subsidies as this impacts on the local share that councils must fund via rates. If there are further reductions in the NZTA subsidy this could result in deteriorating roading network infrastructure if the rates cap means that Council cannot fund necessary maintenance and renewals.

### **Potential risks and unintended consequences**

The Manawātū District Council wishes to highlight potential risks and unintended consequences with the imposition of rates capping on local government.

Council's struggling to fit their rates within an imposed rates cap will be forced to make budget cuts to anything that is 'non-core,' including grant funding to meet community needs, including:

- councils' priority service contracts;
- community development funding (such as events funding and community grants);
- economic development; and
- any other discretionary spending.

If the omission of "regulatory services" from the definition of "core-services" in clause 7 of the Local Government (Systems Improvements) Amendment Bill is deliberate, and such services are included within the rates cap, there would be pressure on councils to increase revenue via increases to fees and charges. Some fees and charges, such as food-related registration and enforcement fees, are set in regulations, while others are set by council but still subject to cost-recovery and consultation rules. For example, fees for resource consents, building inspections, certificates, animal licensing and dog control must not exceed reasonable cost recovery, that is, Council cannot make a profit. Given that councils are constrained in their ability to further increase fees and charges, any savings in the regulatory space would likely come from cuts to levels of service.

Many of Council's activities, such as building and resource consents, solid waste collection, and Shifts to 100% user fees can have unintended consequences and impact on peoples social and economic wellbeing and may actually run counter to the proposed purpose of local government to *"support local economic growth and development."* Through our Revenue and Financing Policy, MDC has made informed decisions on the funding of activities that balance user fees and other ways of funding, to achieve the best outcomes for communities.

Table 1 below provides some examples of what the true cost to the community would be if, due to rates capping, Council was required to fund 100% of the activity via user fees and charges:

**Table 1:**

<b>Activity</b>	<b>Type of fee</b>	<b>Current 2025/26 fee (\$)</b>	<b>Current funding mix</b>	<b>Cost if this was 100% user fee funded (2025/26 fee in \$)</b>	<b>Total increase (\$ and %)</b>
Makino Aquatic Centre general admission fee	Adult swimmer	5.50	80-85% - Uniform Targeted Rate split between: Feilding Differential Rating area 60%, Outside the Feilding Differential Rating Area 40% 15-20% - User fees and charges (admission, hireage, classes)	28.16	22.66 (412%)
	Preschool child	3.00		15.36	12.36 (412%)
Cemeteries	Plot fee - Adult	1,805	60 - 70% - General Rate (CV) 30 - 40% - User charges (internment, plots)	4,555	2,750 (152.4%)
	Plot fee - Child under 13	930		2,348	1,418 (152.5%)
	Interment fee - Adult	1,252		3,416	2,063 (172.8%)

As table 1 illustrates, without council subsidising activities via rates, many activities and services that the council provides would be unaffordable for most members of the community.

It costs Council \$3,355,180 per annum (2025/26) to operate the Makino Aquatic Centre. The main costs include energy (gas for pool heating and electricity), water treatment chemicals, staff (including lifeguards), depreciation, facility maintenance, and insurance. The Makino Aquatic Centre provides essential services for the Manawatū Community, including swim education, fitness and therapy for the elderly. If Council was unable to use rates to keep entry fees to the Makino Aquatic Centre affordable, the implications for the health and wellbeing of our communities would be significant. Fewer children would have the opportunity to learn to swim, contrary to national efforts to reduce preventable drownings.

The total cost to operate the Manawatū District cemeteries for 2025/26 is \$571,061. This cost includes depreciation, mowing and maintaining the cemetery grounds as well as the actual costs of interments. Given the small number of burials per annum, particularly in our rural cemeteries, if Council was to recover 100% of the actual cost of providing these services through fees and charges, the amounts charged would increase by more than 150%.



The fee that Council would have to charge in 2025/26 if it were required to fund 100% of these services via user fees and charges (Column 5, Table 1) assume that there would be no change in the demand for the service, which realistically would not be the case. This would further add to the unaffordability of Council providing these activities and services for the community.

### **Councils are meeting community need**

Council is being increasingly relied on to fill the void left by central government funding cuts, particularly to community organisations. Demand for council support is increasing exponentially as community organisations have lost their central government funding or had their funding reduced.

The Council allocated \$260,000 (having received grant applications of \$506,000) to community service providers in Year 1 of the 2024-27 Long-term Plan. This funding went to organisations that provide essential health, educational, and crime-prevention services in our District, such as:

- Youth, parenting and anti-bullying programmes
- Mental health wellbeing, including counselling, support for drug addiction, and mentoring for rangatahi
- Health shuttle services
- Advocacy for tenants
- Life guard services

Council's projected operating expenditure for Year 1 of the Long-term Plan was \$78 M, and the priority services contracts therefore formed 0.33% of Council's projected expense. The vast majority of Council's expense is for the provision of core services. Given this low cost, reducing the ability of local authorities to provide for social wellbeing and crime prevention services, through any cap that may apply to 'non-core' services, may have unintended consequences and cause disproportionately negative impacts for our Community. Any reduction in rate payer support for these essential services will put additional pressure on other government and community organisations, and will mean that tax payers have to pay more.

### **Rates as a funding model are unsustainable**

MDC is of the opinion that rates capping will fail to address the primary issue, being that the reliance on rates as the primary source of funding for local government is unsustainable.

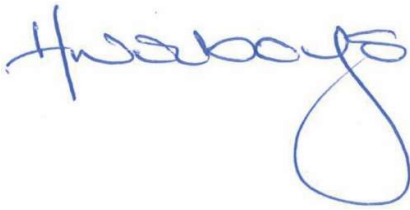
The funding of local government through rates has been reviewed multiple times over the past few decades. These include:

- Shand Report (2007) – Officially the “Report of the Local Government Rates Inquiry”, which deeply examined the fairness and sustainability of rates.
- Productivity Commission's Inquiry into Local Government Funding and Financing (2019) – This was a comprehensive review that again scrutinized the reliance on rates and proposed alternatives.
- The Future for Local Government Review (2022–2023) – This included another review of funding and highlighted that over-reliance on property rates is unsustainable.

Central Government has not implemented the actions for these reviews or provided local government with the necessary funding or funding tools to reduce the current unsustainable reliance on rates. As a share of GDP, rates have remained essentially stagnant at 2% since 1945, whereas the share of central government's tax intake has increased substantially over the same period. MDC advocates for a new funding model that sees local authorities receiving a greater share of tax that genuinely reflects the increased costs that they incur.

MDC also wishes to reiterate previous requests calling for the removal of GST from rates. This change alone would lead to a 15% reduction in rates.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'H. Worboys', with a large, stylized loop at the end.

Helen Worboys  
**Mayor, JP**

25 August 2025

**MDC Submission on Building New Zealand's Long-Term Resilience to Hazards (Submission is on an online form)**

***Question 1: What is your feedback on the issues and opportunities outlined in the briefing? Are there any you think we should explore further or new ones we have missed?***

Manawātū District Council acknowledges the comprehensive scope of the briefing but considers that several critical issues require further exploration and others have been overlooked entirely.

MDC seeks greater clarity on multi-level governance coordination mechanisms. The briefing acknowledges the need for whole-of-society approaches but fails to adequately address the complex coordination challenges between central government, regional councils, and local authorities. Research demonstrates that successful resilience requires sophisticated governance arrangements that go beyond simple hierarchical models. MDC questions how the proposed frameworks will avoid the coordination failures that have historically undermined disaster response effectiveness.

MDC considers that the briefing's treatment of local government capacity constraints requires substantial expansion. While infrastructure deficits are acknowledged at a national level, the document underestimates the institutional capacity challenges facing councils. Research shows councils face "significant barriers to planning for and delivering climate adaptation action" including lack of mandate, technical evidence deficits, and severe resourcing constraints. The Council questions how national frameworks will address these fundamental capacity issues.

The briefing document does not highlight the need for robust frameworks that identify and address differential vulnerability within communities. Research demonstrates that elevated levels of social vulnerability correlate with low levels of community resilience. MDC questions how the briefing's generic approach will address place-specific social dynamics, particularly in rural communities facing unique vulnerabilities including social isolation and dependence on climate-sensitive industries.

Similarly, while community-led solutions are mentioned, the briefing does not highlight the need for robust frameworks for participatory resilience measurement. MDC considers that New Zealand's Community Resilience Indicators Project demonstrates the superior effectiveness of "community-centred approaches to measure community resilience" using participatory methods.

MDC recognises that this Briefing is intended to guide discussion and inform future policy development and seeks clarity on how subsequent policy frameworks and strategies resulting from this briefing will explicitly incorporate and align with existing regional and local hazard and climate impact assessments. This integration is essential to ensure that national resilience efforts build upon, rather than duplicate, established regional knowledge and effectively reflect place-based risks and priorities. The Council encourages the development of clear mechanisms to facilitate coordination and knowledge-sharing between national, regional, and local levels to enhance coherence and enable practical resilience building on the ground.

**Question 2: Do you have any views on the definition of national resilience outlined on page 5 of the briefing?**

MDC supports the broad definition of national resilience provided on page 5 of the draft briefing. We agree that national resilience should be understood as the ability to absorb, adapt to, recover from, and transform through shocks and stresses. The definition's emphasis on being ready before hazards strike, responding effectively when they do, and learning from each event to build stronger systems is highly appropriate.

MDC supports acknowledgement that resilience "does not mean being immune" to hazards but rather managing their impacts and adapting to a changing world to minimize harm. We appreciate that the definition highlights the interconnected nature of our economic, physical, social, and environmental systems, and the crucial role of informed, prepared communities in a resilient nation. This aligns with our local experience that effective resilience-building requires coordination across all sectors and well-prepared citizens at the community level.

**Question 3: Please provide any other feedback you have on the draft briefing.**

MDC considers the briefing's approach to multi-level governance fundamentally inadequate for effective implementation. The document presents an oversimplified view of governance arrangements that fails to address the coordination challenges that have historically undermined disaster response effectiveness in New Zealand.

MDC also questions how the proposed national frameworks will avoid creating unfunded mandates for local government. Research demonstrates that effective resilience requires substantial investment in local institutional capacity, yet the briefing lacks concrete mechanisms for addressing the technical expertise and resource constraints facing smaller councils.

MDC considers the briefing's approach to community engagement insufficient. While community-led solutions are mentioned, the document lacks robust participatory frameworks for genuine community empowerment. International best practice demonstrates the superior effectiveness of Community-Based Disaster Risk Reduction (CBDRR) models that enable long-term community ownership. MDC seeks clarification on how communities will be empowered to build their resilience to hazards, rather than merely consulted. Research and experience show that participatory approaches to resilience measurement produce more meaningful and actionable outcomes than top-down assessments.

In response to the mention of increase in wildfire risk in the briefing document, MDC signals that widespread radiata pine afforestation can exacerbate wildfire risk by increasing fuel loads and landscape continuity, particularly where large contiguous blocks are established without risk controls. MDC recommends national policy to require wildfire risk management plans for exotic/carbon forests (with FENZ/Scion guidance), to use spatial design to break fuel continuity (species mix, buffers, mosaics, defensible space near settlements and lifelines), and to set stewardship obligations over the full crediting/rotation period (access, fuel-breaks, maintenance). These steps align with New Zealand evidence on afforestation–wildfire interactions and the observed increase in Very High/Extreme fire-weather days.

MDC underscores the need for practical funding mechanisms and policy tools to implement resilience measures. While early investment is cost-effective, upfront costs pose equity and affordability challenges—especially for smaller councils with constrained rating bases. We

support prioritising high-benefit, risk-reducing investments and careful distributional analysis, and recommends dedicated central-government funding streams (e.g., contestable funds or co-funding) to accelerate action in high-risk areas. Recognising the limits of traditional cost-benefit analysis for resilience, MDC seeks enhanced decision frameworks—building on Treasury’s Living Standards Framework and the Natural Hazards Platform—to capture long-term economic, social, and environmental returns and strengthen business cases.

Finally, MDC considers that without addressing these fundamental issues, the briefing's ambitious vision risks becoming another example of policy aspirations divorced from implementation realities. MDC emphasizes that effective resilience cannot be built through national strategy documents alone but requires sustained investment in local institutional capacity, genuine community partnership, and governance frameworks that recognize the complex, place-based nature of disaster risk and response.

27 August 2025

Committee Secretariat  
Governance and Administration Committee  
Parliament Buildings  
WELLINGTON 6143

Dear Sir/Madam

**Submission from the Manawātū District Council on the Local Government (System Improvements) Amendment Bill**

Thank you for the opportunity to make a submission on the Local Government (System Improvements) Amendment Bill.

**Intent of the Bill**

The Manawātū District Council is generally neutral about the Bill's intent, although we feel that it does not address the most significant issues facing local government. Among these are local government's funding model, the continuous reduction in councils' scope of activity, and rising infrastructure costs. MDC supports Taituarā's draft submission that highlighted research from Te Waihanga demonstrating the lack of influence that councils have over infrastructure costs, and the prevalence of external factors (e.g., inflation, labour costs, global supply costs) that are forcing local authorities to increase their expenditure to maintain good-quality infrastructure.

We feel that the Bill takes a broad-brush approach to the local government sector and groups all councils together under a perception of 'underperformance'. One size doesn't fit all, and the current discourse around local government's efficacy and wasteful spending risks undermining our Community's confidence in Council. We are proud of the role we play in the Community and consider that we spend ratepayer money diligently, with careful consideration and consultation, and in the sole pursuit of positive outcomes for our residents.

**The Four Wellbeings and Core Services**

MDC agrees that basic infrastructure and core services should be prioritised along with affordability. We do this well. Councils however are more than utility or infrastructure companies dealing with just pipes, potholes and rubbish collection. From a purely economic perspective, we support Taituarā's view that removing the four wellbeings in favour of a sole focus on economic development risks being counterproductive. 'Quality of place' is vital for attracting new businesses and industries, as well as skilled workers and entrepreneurs. A district or city has to be perceived as a good place to live in order to attract business and talent, and this is even more important to our younger generations.

The Council supports the view that the core services defined in the Bill form the foundation of Council's responsibilities and activities.

However, the Council considers that local government will continue to play an important role in supporting communities to achieve social outcomes. Our Council contributes to the current and future needs of the Community, for example through the provision of priority services contracts. The Council allocated \$260,000 to community service providers in Year 1 of the 2024-34 Long-term Plan. We received grant applications totalling \$506,000, reflecting the growing demand for funding support in the current tightened economic climate. The \$260,000 funding went to organisations that provide essential health and educational services in our District, such as:

- Youth, parenting and anti-bullying programmes
- Mental health wellbeing, including counselling and mentoring for rangatahi
- Health shuttle services
- Advocacy for tenants
- Lifeguard services
- Drug addiction services

Council's projected operating expenditure for Year 1 of the Long-term Plan was \$78 M, and the priority services contracts therefore formed 0.33% of Council's projected expense. The vast majority of Council's expense is for the provision of core services. Given this low cost, reducing the ability of local authorities to provide for social wellbeing (e.g., by classifying this as a non-core service) may have unintended consequences and cause disproportionately negative impacts for our Community.

These types of social services, while not falling under the definition of core services provided in the Bill, nevertheless play a vital role in contributing to economic development. For instance, youth services and programmes help to create meaningful opportunities for rangatahi in both education and employment. This support fosters stronger engagement, reduces anti-social behaviour, and stimulates local economic activity. If these services were to cease, the likely rise in crime would place greater pressure on government spending for law and order, which would run counter to the government's aims.

These outcomes align directly with the government's stated policy objectives, and we caution against any actions that could inadvertently weaken local-level services that are essential in achieving these national goals. We consider that it is too difficult to make a clear distinction between economic and social wellbeing, for the purpose of amplifying one (economic) within the LGA 2002 to the exclusion of the other (social).

More broadly, our members are concerned about the ongoing trend of successive governments centralising local services. New Zealand already has the most centralised system of government in the western world, and this trend continues to intensify. We believe in localism. Our Council actively engages with and supports 16 Community Committees and 8 Marae Committees (each supported by a dedicated Councillor liaison) to ensure decisions are made by and for local communities, rather than imposed from the metropolis of Feilding.

Central government should delegate more to local government, and we consider it essential that our Community retains as much voice as possible in shaping both the levels of service and the priorities of our District.

Regulatory services are notably missing from the list of core services, and we would seek some reassurance that this omission is intentional (e.g., because these activities will be appropriately covered by other Bills). Any future rates peg/cap that is applied to non-core services (which would currently include regulatory services) risks driving inordinate increases to user fees – particularly for regulatory user fees that are not set via regulations. This outcome should be avoided, as it would work against the government's goals of simplifying resource and building consenting, facilitating new developments and housing growth.

## Aspects of the Bill that MDC supports

Section	Clause explanation	Notes
Clause 5 (specifically the public notice amendment)	<p>“public notice” is redefined so that Council can <i>choose</i> between notifying something under the LGA 2002 via:</p> <ul style="list-style-type: none"> <li>• an Internet site</li> <li>• a newspaper</li> </ul> <p>Currently, Council has to do both</p>	<p>While we support this change, we note that most processes in the LGA 2002 don’t require “<b>public notice</b>” (which includes newspaper notification).</p> <p>Many processes instead require information to be made “<b>publicly available</b>”, which does not require newspaper notification.</p> <p>Processes that do require “public notice” include:</p> <ul style="list-style-type: none"> <li>• Reorganisation plans</li> <li>• Trade waste bylaw (notice of intent)</li> <li>• Bylaws (post-adoption)</li> </ul> <p>We support Taituarā’s view that this change should be extended to other key legislation, including:</p> <ul style="list-style-type: none"> <li>• Local Government Act 1974</li> <li>• Impounding Act 1955</li> <li>• Land Drainage Act 1908</li> <li>• LGOIMA 1987</li> <li>• Local Government (Rating) Act 2002</li> <li>• River Boards Act 1908</li> </ul> <p>This would help to fulfil the government’s intent to remove regulatory burdens from local authorities</p>
Clause 9	Removes the requirement to conduct Section 17A reviews	We support this change and note that it will relieve councils of an unnecessary regulatory burden
Clause 19	Clarifies that if a chief executive delegates the power to sign a Certificate of Compliance, then any certificates signed by this delegated per count as ‘conclusive proof’	We support this clarification
Clause 20	Development contributions cannot be charged for work that is not attributable to growth-related costs	We support this clause
Clause 25	Increases the maximum re-appointment period to 5 years (instead of 2 years)	While we fully agree with this change, we support Taituarā’s call for more clarity on transitional provisions, particularly for chief executives currently nearing the end of their first term (would they be able to be considered for a 5-year extension?)

## Definitions

We believe that several key terms in the Bill are not appropriately defined, and support Taituarā’s view that this lack of definition may create greater risks of litigation and challenges to decision-making. Such terms include:

- Local infrastructure, local public services and performance of local regulatory functions
- Cost-effective for households and businesses
- List of core services, including:



- Solid waste – what activities does this cover? The Waste Minimisation Act 2008 for example does not define solid waste, but defines “waste” more generally (e.g., organic, electronic, construction and demolition). Are recycling and food waste initiatives included in this definition?
- Other recreational facilities – this is a broad definition and may create confusion, especially if a future rates peg/cap affects non-core services
- The ‘fostering’ of the two new governance principles – and how this might be validly measured

Given that infrastructure costs form the bulk of a local authorities’ expenditure, and are one of the primary reasons for rates increases, we suggest that there is an inherent tension between the pursuit of both ‘good-quality’ and ‘cost-effective’ infrastructure. These two definitional objectives are in competition with each other, and it implies that local authorities are currently prioritising cost over quality (or vice versa, depending on the narrative and topic). We reject this idea, and as discussed earlier, it’s our belief that rising rates increases are predominantly due to factors outside of the control of local authorities; including additional compliance costs laid on councils by central government.

## **Financial Management**

Clause 18(2) refers to “the community”. We suggest that this should be expanded to include both present and future communities – similarly to how ‘good-quality’ is currently defined in Section 5 of the LGA 2002 (“... *appropriate to present and anticipated future circumstances*”). This would ensure that both financial management and the provision of ‘good-quality infrastructure’ require local authorities to give consideration to current and future residents and ratepayers.

## **New Performance Benchmarks and Metrics**

While we support the inclusion of an exemption clause with regards to reporting against new measures and standards in the next Long-term Plan, there remains a risk of LTP amendments being required – especially if a future rates peg/cap forces councils’ to significantly reduce services (which could conceivably be the only way of resolving the tension between ‘good-quality’ and ‘cost-effective’). We would suggest that more weight is given to transitional provisions, and support Taituarā’s view that local authorities exiting a significant activity due to this Bill’s changes are able to make those without having to undertake the otherwise necessary LTP amendment and auditing.

## **Member’s Access to Information**

Clause 12 requires chief executives to provide members with access to documentation. While we support this in principle, we also support Taituarā’s suggestion that a list of circumstances under which information should not be shared should be articulated in the Bill. While legislation like the Privacy Act will supersede the provision in Clause 12, the lack of specificity in this section of the LGA 2002 may lead to ambiguity, conflict, and more instances of the Minister of Local Government needing to intervene to resolve disputes between members and chief executives.

## **Consultants and Contractors**

We agree with Taituarā’s view that central government should provide guidance or a regulation that lays out a consistent approach to defining consultants and contractors. This would enable local authority reporting to be both meaningful and comparable, and ensure that any debate on the appropriate use of consultants (especially with our Community) is grounded in objective evidence.

## Standing Orders and Code of Conduct

We do not support a national set of Standing Orders. Insufficient justification has been provided, and we do not believe such a change would resolve any specific issue. Each council currently interprets its Standing Orders with varying degrees of rigidity, and this flexibility is appropriate. The most important aspect of a meeting is collaboration and open debate — something this Bill itself promotes through its new governance principles. One way to enable this is by allowing councils, and particularly Chairs, to retain discretion in setting their own Standing Orders and interpreting them in ways that are practical and relevant, provided such actions do not directly contravene Standing Orders provisions or legislation.


MDC is uncertain on the need for a consistent Code of Conduct, but would make the following points:

- The content of the Code of Conduct (and Standing Orders, if retained in the Bill) should be subject to sector-wide consultation, and we would encourage the Secretary for Local Government to work collaboratively with councils during this process. The efficacy of these documents (particularly the Code of Conduct) will depend in no small part on the buy-in of the sector and its members.
- We agree that the current requirement for chief executives to take responsibility for mediation and escalation with disputes among members (and sometimes disputes between the chief executive and members), places chief executives in uncomfortable situations. We would support there being consistent provisions around code of conduct escalations, which don't require chief executives to make these difficult judgements.
- Code of conducts are currently exception based and come from a perspective of deficiency. We would encourage the Secretary for Local Government to take a more balanced approach.

The Manawātū District Council does not wish to be heard in support of this submission.

Please feel free to contact our Governance and Assurance Manager ([Ash.Garstang@mdc.govt.nz](mailto:Ash.Garstang@mdc.govt.nz)) if you have any questions or concerns about this submission.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'H. Worboys', with a large loop at the end.

Helen Worboys  
**Mayor, JP**

26 September 2025

Linda Canton  
Chief Executive  
Local Government Commission

Dear Linda

**Feedback from the Manawātū District Council on the draft Local Government Code of Conduct**

Thank you for the opportunity to provide a submission on the draft Standardised Code of Conduct for Elected Members.

The Manawātū District Council (MDC) acknowledges the intent to strengthen governance standards across the local government sector. We support measures that encourage respectful behaviour, constructive culture, and accountability. However, we are concerned that the draft Code, as written, risks creating unintended consequences, undermining localism, and placing unnecessary cost burdens on councils.

We consider that codes of conduct are most effective when they:

- Provide clarity on aspirational behaviours and positive standards, not just sanctions for breaches
- Are supported by sector-wide consultation, professional development, and training
- Strike a balance between national consistency and local flexibility, recognising that one size does not fit all councils

**Purpose of the Code**

MDC believes the Code should primarily be about defining good governance behaviours and fostering collegiality and respect among elected members. Complaints and investigations should be a secondary function. Rules alone will not change behaviour – a balanced and positive approach is essential.

We recommend:

- Framing expected behaviours aspirationally (e.g., “I can be trusted to act in the community’s interest”), rather than exhaustively listing breaches
- Including examples of positive behaviours and proactive conflict resolution, alongside examples of unacceptable conduct
- Ensuring professional development and induction programmes support the Code’s intent

## Consultation and Localism

The draft Code has been developed centrally. MDC strongly urges the Commission and Secretary for Local Government to consult widely with councils on the final content. Buy-in from the sector is essential if the Code is to be effective.

Local government is not uniform. A one-size-fits-all approach risks undermining the ability of councils to tailor governance to their communities. We urge that the Code retain sufficient flexibility for councils to adapt elements to their local context.

## Complaints Process and Investigations

MDC acknowledges the importance of having clear processes for dealing with breaches. However, we have concerns about aspects of the draft process:

**Chief Executive role:** It is inappropriate for the Chief Executive, as the council's employee, to be directly involved in complaints about elected members. This places the CE in an uncomfortable conflict position. Initial assessments and investigations should be conducted independently of council staff.

**Assessor vs Investigator:** We support splitting the roles of preliminary assessor (triage) and investigator. This avoids conflicts of interest and reduces costs.

**Public complaints:** MDC opposes extending the Code to allow members of the public to lodge complaints. Our experience is that such processes risk being used vexatiously against individual members or the organisation, creating unnecessary cost and distraction. Other avenues already exist for the public to raise concerns (e.g., through the LGOIMA process). We support retaining the current approach, where only elected members or the Chief Executive may lodge complaints under the Code.

If the Local Government Commission decides to allow the public to lodge complaints we strongly recommend requiring complainants to provide their name and contact details, and giving investigators the discretion to dismiss complaints lacking evidence or made in bad faith.

**Member's capacity:** Clauses 17 and 18 of the draft Code are intended to distinguish between conduct in an official capacity (clause 17) and interactions with council staff in a personal capacity (clause 18). While we acknowledge the importance of covering both contexts, the current wording risks being read as inconsistent. We recommend that the Code more clearly explain the distinction, to avoid confusion and ensure consistent application across councils.

**Materiality threshold:** The current threshold of behaviour that "reflects adversely" on another member is too low. Political debate naturally involves disagreement. The threshold should be raised to "unreasonable harm".

**Complaints involving the Mayor:** The draft Code does not provide clarity on how complaints against the Mayor are to be managed. For example, clause 33 provides for referral to the Mayor or Chairperson, but this is unworkable if the Mayor is the subject of the complaint. The Code should specify an alternative pathway, such as referral to the Deputy Mayor, a designated committee Chair, or directly to an independent investigator, to avoid conflicts of interest.

**Appeal rights:** There should be a mechanism for appeal of an investigator’s findings, to ensure fairness and natural justice.

### **Sanctions and Enforcement**

MDC notes that the sanctions available under the current legal framework are limited and often unenforceable. MDC notes that the sanctions available under the current legal framework are limited and often unenforceable. Greater clarity is needed on how breaches are defined (e.g., “minor” versus “major”), what sanctions are available in each case, and whether they are legally enforceable. We recommend:

- Adding “refusal to comply with a sanction” as a separate breach of the Code
- Exploring stronger penalties for serious breaches, noting that additional legislative change may be required
- Avoiding sanctions that undermine long-term relationships (e.g., public removal from meetings), and focusing instead on constructive remedies (e.g., training, mediation, mentoring)
- Providing clear guidance to ensure consistent application of sanctions across councils

### **Policies and Consistency**

The draft Code relies heavily on compliance with local policies (e.g., media, social media, election year policies). Not all councils have these in place, and their content varies. This undermines the purpose of a national Code.

We recommend that:

- Core behaviours (e.g., confidentiality, distinguishing personal views from council positions, respectful treatment of staff) be written directly into the Code, not left to policy
- If policies are referenced, template policies could be provided to ensure national consistency

### **Te Tiriti o Waitangi**

MDC supports the inclusion of Te Tiriti o Waitangi in the Code. However, we note concerns that the draft wording could expose councils to unintended legal challenge. We recommend clarifying that obligations arise from **statutory requirements** (e.g., LGA 2002, RMA 1991, Land Transport Act 1998), and aligning the Code’s wording with legislative obligations.

### **Other Matters**

- **Undischarged bankruptcy:** The Code should require members to disclose if they are undischarged bankrupts, consistent with Schedule 7, LGA
- **Employer role of Chief Executive:** The Code should clearly state that only the Chief Executive has the legal authority to employ and direct staff (s42 LGA)

- **Defamation protections:** The Code should reflect case law that qualified privilege does not extend to staff, and members must take care when commenting on staff
- **Review cycle:** The Code should be subject to regular review, potentially every three years ahead of the new triennium, to ensure it remains current with legislative changes, emerging technologies, and evolving governance practice.

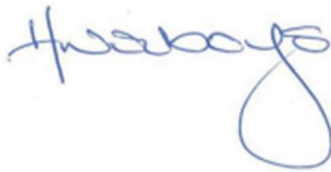
## Conclusion

The Manawatū District Council supports the intent of a national Code of Conduct but urges that it be:

- Framed positively, focusing on aspirational behaviours as well as sanctions
- Supported by training, professional development, and templates
- Implemented with genuine consultation across the sector
- Designed to protect local discretion and avoid centralisation of governance rules

We thank the Commission for the opportunity to provide feedback.

**Signed:**



Helen Worboys  
Mayor, JP  
Manawatū District Council

29 September 2025

Committee Secretariat  
Justice Committee  
Parliament Buildings  
Wellington

Submitted via: [Antisocial Road Use Legislation Amendment Bill - New Zealand Parliament](#)

Dear Members of the Justice Committee

**Submission from the Manawatū District Council on Antisocial Road Use Legislation Amendment Bill**

The Manawatū District Council (MDC) thanks the Justice Committee for the opportunity to provide feedback on the Antisocial Road Use Legislation Amendment Bill ("the Bill"). MDC strongly supports the intent of the Bill to reduce antisocial road use in New Zealand and welcomes the opportunity to contribute local insights. However, MDC does have some concerns regarding how central government will ensure Police resources are allocated appropriately and are sufficient to ensure the changes have a meaningful impact in our community.

**Introduction**

Antisocial road use has become a persistent issue within the Manawatū District. Residents frequently report the disruption it causes, and there is a perception that authorities are unable to adequately manage this behaviour.

According to New Zealand Police Statistics, in the Manawatū District there were 181 reported incidents of unauthorised street and drag racing between July 2024 and July 2025, an increase of 13 on the same period the previous year. These incidents must be considered in light of the fact that the Manawatū District, with a population of approximately 33,700, has limited Police resourcing. The main station is the Feilding Police Station, which has six staff who work set hours and have a prevention and community focus. In addition, Feilding and the surrounding villages are served by a dedicated two-person patrol car that provides 24/7 coverage. While resources are available from the neighbouring city of Palmerston North when required, the travel time involved can mean that offenders have vacated the area before Police arrive. Furthermore, given competing demands, offences of this nature may be deprioritised in order for Police to respond to higher-harm crimes. As a result, residents often express frustration that Police either do not attend or, when they do, are unable to take meaningful action, often due to being outnumbered by antisocial road users. This has led some people to stop reporting incidents altogether, leaving Council as a last point of call out of desperation.

The challenges are particularly acute in rural parts of the District, where police presence is even more limited. Antisocial road users have been known to exploit this by using scanners and social media to monitor police movements, dispersing before officers arrive. There have been instances where members of the public, when attempting to intervene in street racer events, have been advised by street racers to leave rural locations for their own safety. On

one occasion, when police were contacted to address the situation, the caller was informed that Police would not attend due to the sheer number of antisocial road users involved and the limited Police presence available. During another incident reported to Council, elderly residents returning home encountered a large number of vehicles and spectators blocking their driveway while drivers carried out burnouts. When they requested the group to move, the female resident was assaulted and her husband was beaten so severely, that he required hospital treatment. Although Police were called, again they were unable to help due to the number of antisocial road users involved. Incidents like this demonstrate the serious risks faced by residents, particularly on isolated rural roads where skid marks, debris, and damage are often visible but underreported because people assume Police will not respond.

Feilding is also home to Manfeild Park, a nationally recognised motorsport venue that attracts enthusiasts from across New Zealand. While most attendees respect road rules outside the track, there is potential for spillover into the community. At these times Police would need to allocate resources accordingly. A key question is how central government intends to ensure that police resourcing is proportionally allocated in communities hosting significant motorsport activity.

The aforementioned issues mean that residents are now relying on local government to try to resolve or manage antisocial road use through local-level tools, even though these issues are better addressed at the national level. Council regularly receives calls, often on a weekly basis, related to excessive noise, damage to berms, litter, and roading damage caused by antisocial road use. Between 14 April and 17 August 2025, Council received 14 complaints, of which 11 required direct Council action. Expenses associated with complaints and related factors came to an approximate cost of \$12,800 to Council.

Council officers have explored a range of options to manage antisocial road use locally, including the development of a bylaw to support Police. While this remains under consideration, significant challenges have been identified with introducing a bylaw, including, the fact that bylaws can be costly to develop, can be difficult to enforce and often displace the problem rather than resolve it.

Other options reviewed by Council officers include:

- **Amending the Current Traffic and Parking Bylaw.** This option would authorise the New Zealand Police to issue infringement notices to light vehicles (not exceeding 3,500kg) gathering on specified roads during set hours (e.g., 10:00pm – 4:00am daily). Exemptions would apply to vehicles with a genuine reason to be on the road, such as residents or their visitors, emergency services, medical professionals attending emergencies, council staff conducting council business, network operators, or delivery vehicles. However, any amendment of this kind requires Council to have sufficient evidence to reasonably justify the level of restriction imposed. Enforcement is also challenging, as effective monitoring would need to be consistent, which is not feasible, particularly on rural roads or in industrial areas with low traffic volumes. In addition, such restrictions often do not eliminate the issue. Instead, antisocial road users tend to move to other locations, relocating rather than ending the problem.
- **Installation of Speedhumps or Asphalt Concrete (AC) Humps.** AC humps are expensive to install, estimated at approximately \$40,000 per location and involve ongoing maintenance costs. They impact other road users by limiting access for heavy vehicles, creating discomfort for road users, generating additional noise impact for residents,



and slowing emergency response times as vehicles must brake and accelerate over humps. Installation of speedbumps requires over 50 percent of residents on a street to agree. Without sufficient support, Council must undertake a formal consultation process, which consumes valuable council resources. Even if installed, speedhumps may only provide a short-term solution, as there have been instances in neighbouring areas where they have been illegally removed. Furthermore, speedhumps can only be installed in urban areas, while most antisocial road user activity in the District occurs in rural zones. In recent years MDC has not been installing speedhumps due to these challenges, compounded by reduced funding for such measures from NZTA.

- **Installation of High Friction Roding Surfaces.** There is limited research investigating the effectiveness of high friction roding treatments to deter anti-social road users. Other Councils have noted that high friction road surface treatments are considerably more expensive to install than standard road surface treatments and are only effective if antisocial road users repeatedly visit the site. In addition, some members of the street racer community have reported that these surfaces can be more desirable as they produce a better result for those engaging in antisocial road use behaviours.
- **CCTV Cameras:** Council regularly receives calls from residents requesting CCTV cameras. These have been used in other communities to identify and prosecute offenders, showing their effectiveness in supporting enforcement after the fact. However, offenders are known to obscure licence plates or remove cameras once their location is identified. This creates significant additional expense for Councils, not only installing and reinstalling cameras, but also monitoring footage, maintaining the equipment, and ensuring a reliable power supply - either via a fixed connection or with batteries that need to be regularly replaced. While CCTV footage may assist in prosecution, their effectiveness as a deterrent to antisocial road use, especially in rural locations, remains limited.

In a climate in which central government is urging Councils to reduce spending and focus on core services, local authorities are consistently being faced with the challenge of balancing financial responsibility with strong community expectations for action. The tools available to local government to manage antisocial road use are limited and do not align with the back-to-basics approach currently promoted by central government. National legislation provides stronger and more enforceable mechanisms that do not place disproportionate cost and responsibility on Councils.

### **Antisocial Road Use Legislation Amendment Bill Clause Specific Feedback**

#### *New Offence of Frightening or Intimidating Convoy*

MDC supports the creation of a new offence targeting frightening or intimidating convoy behaviour. Convoy-style gatherings have been observed in both urban and rural areas of the District and are highly intimidating for residents. These events are difficult to address under the current law. The new offence will provide Police with stronger tools to intervene, but MDC emphasises that its effectiveness will depend on sufficient Police presence in affected communities.

#### *Expanded Power to Request Driver Information*

Council endorses the clearer rewriting of section 118 into new sections 118, 118A, and 118B. Importantly, the changes expand the powers of enforcement officers by authorising them to

request driver information, not only from the registered persons but also from the hirer of a vehicle, where there are reasonable grounds to believe an offence has been committed under section 36A(1)(a) or (c) or new section 39A. MDC considers this enhancement will strengthen accountability and provides enforcement officers with more effective tools to identify offenders and support enforcement action.

#### *Offence for Failing or Refusing to Provide Information*

MDC is in favour of the changes related to failing or refusing to provide information, as they address a gap frequently exploited by antisocial drivers. Council notes that offenders often obscure or swap licence plates, which undermines identification and makes registered owner accountability essential. While obscuring plates can make it difficult to immediately identify the registered owner, the offence provisions ensure accountability remains enforceable once the vehicle or driver is identified. MDC also considers the reduced maximum fine appropriate, given the stronger deterrence provided through associated impoundment and forfeiture powers.

#### *Consistent 28-day Impoundment Regime*

MDC supports aligning impounding powers to a consistent 28-day regime, including fail-to-stop offences. This simplifies enforcement and strengthens deterrence. However, the effectiveness of this power is dependent on adequate Police resourcing and timely attendance, as in Feilding and surrounding villages, vehicles often disperse before officers arrive. MDC urges central government to ensure rural areas receive sufficient Police funding so that these powers can be meaningfully applied.

#### *Power to Seize and Impound Vehicles Where Information is Withheld*

Council considers the extension of impoundment powers necessary to assist in cases where drivers deliberately avoid identification. This is a common frustration expressed by residents and enforcement partners.

#### *Right of Appeal Against Impoundment*

MDC is supportive of the retention of a right of appeal against impoundment decisions to ensure fairness. However, we emphasise that the appeal process must be accessible for residents in rural areas who may face barriers to lodging appeals promptly due to distance from service centres and connectivity. Approximately 40% of the District relies on wireless internet rather than high-speed fibre, which constrains residents' ability to reliably access online services. This can make time-sensitive processes, such as appeal applications, significantly more difficult.

Transport barriers also need to be recognised. While there is a rural bus service between Feilding and the District's rural communities, services are not fully developed. For many rural residents, accessing Police stations or service centres within statutory appeal time frames may therefore be challenging. Ensuring appeals can be submitted by multiple channels and providing accessible guidance so that residents are aware of the steps required will help to ensure that all residents, regardless of location or digital connectivity, can exercise their right to appeal fairly and effectively.

#### *Relationship between Confiscation and Forfeiture Regimes*

MDC has no objection to these changes. Alignment of penalties provides consistency and clarity. The new regime applies only when the offender is the registered owner of the vehicle,

or otherwise has a legal interest in it, at the time of the offence. This appropriately limits the scope of forfeiture and destruction powers so that vehicles owned solely by innocent third parties such as parents or employers, are not at risk from having vehicles unfairly confiscated.

However, MDC reiterates the importance of ensuring that these safeguards are robust and accessible. Clear processes must be in place for third-party owners to assert their rights, and appeal mechanisms should be straightforward and affordable to prevent unintended penalties on those with no involvement in offending behaviour.

#### *New Mandatory Forfeiture and Destruction Regime*

MDC supports in principle the introduction of a presumption that courts must order forfeiture, or forfeiture and destruction, of vehicles on a first offence. This provides a strong deterrent for behaviours that are deeply frustrating to residents and costly for councils. However, MDC notes that equity considerations must be carefully managed where the vehicle is not owned by the offender but by family or whānau members. Clear operational guidelines and exemptions are needed.

#### *Temporary Closure of Accessible Places*

MDC supports empowering Police with the ability to temporarily close accessible places where antisocial road use is occurring or reasonably expected, particularly as gatherings in rural parts of the District can have substantial local impact. However, to ensure these powers are exercised fairly and effectively, MDC emphasises the importance of partnership with local government. Where roads or accessible places are part of the local roading network, Police should work in coordination with the Road Controlling Authority to ensure that safety, traffic management, alternative routes, and community impacts are properly considered.

MDC further notes that known gathering spots in the District are located on or adjacent to State Highways, which are vital thoroughfares for traffic, freight, and stock movements. Council seeks clarification from central government on how temporary closures will be managed on State Highways, and whether specific protocols will be developed between NZTA, Police, and the Road Controlling Authority to ensure that essential transport flows are not unduly disrupted.

Finally, MDC also highlights that the new closure powers under section 35A of the Policing Act must be understood in light of the Guide to Temporary Traffic Management (TTM) and the Health and Safety at Work Act 2015 (HSWA). Under the HSWA, the contractor undertaking the closure (in this case, the Police) is the Person Conducting a Business or Undertaking (PCBU) and therefore responsible for ensuring the safety of all road users. While the Road Controlling Authority must ensure processes are in place, responsibility for health and safety must not be transferred back to councils.

Finally, MDC recommends that, where time allows, procedural safeguards be introduced alongside the new powers, such as requirements for public notice, minimum lead times for notification in non-urgent circumstances, and transparent criteria for closure decisions. Such safeguards would help ensure that closures are exercised consistently, that the appropriate party is held responsible for safety, and that disruption for rural communities, businesses, and essential services is minimised.

#### *Infringement Offence for Failing to Comply with Closure Directions*

MDC supports the introduction of this infringement offence. A clear penalty for non-compliance is necessary to ensure temporary closure powers are effective. Infringement levels are a proportionate tool that avoids overburdening the courts while still sending a strong deterrent message.

#### *Increased Penalties for Creating Excessive Noise Within or on a Vehicle*

MDC supports the proposed increase in penalties for excessive in-vehicle noise (raising the infringement fee from \$50 to \$300), and the maximum court fine from \$1,000 to \$3,000). Noise complaints are a common issue raised in connection to antisocial road use. Stronger penalties align with the nuisance and disruption these behaviours cause to the community.

#### *Technical and Consequential Amendments*

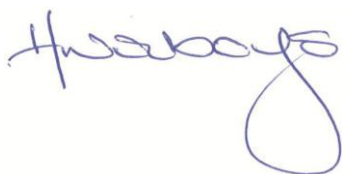
MDC has no objection to these technical amendments.

### **Conclusion**

The Manawātū District Council strongly supports the Antisocial Road Use Legislation Bill as a necessary step to strengthen deterrence and provide Police with improved enforcement tools. Unlike a bylaw - which would be costly to develop, difficult to enforce, and likely displace the problem to other areas - or other local government tools that carry their own limitations, this legislation provides a more direct and nationally consistent mechanism to address antisocial road use. It places enforcement responsibility with Police, who have the powers and reach required to intervene effectively. However, legislation alone will not resolve the challenges our communities face. Legislative changes must be supported with adequate resourcing and effective collaboration. MDC seeks clarity from central government on how Police resourcing will be allocated to ensure the new powers can be enforced effectively, particularly outside standard Police duty hours, in rural districts, and during major motorsport events.

MDC also highlights the importance of clearly defining responsibilities between Police, NZTA and local government. Questions remain as to how operational procedures will be managed in practice, particularly for road closures. Councils must not be left to carry disproportionate responsibility for enforcement or communication where issues are more appropriately managed at the national level. Strong, coordinated procedures will be essential to deliver the intent of the Bill and restore public confidence that antisocial road use can be managed effectively.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Helen Worboys', with a large loop at the end.

Helen Worboys, JP  
**Mayor**

20 October 2025

Commerce Commission  
PO Box 2351  
Wellington 6140

Emailed to: [wai@comcom.govt.nz](mailto:wai@comcom.govt.nz)

Dear members of the Board

**Feedback from the Manawātū District Council on the Economic Regulation of Water Services – Information Disclosure – Draft Decision**

Manawātū District Council (MDC) welcomes the opportunity to provide feedback on the Commerce Commission's Draft Decision package for Information Disclosure (ID) regulation of water services. We acknowledge the importance of transparency and benchmarking in driving improved performance and accountability in the water sector. In principle, we support the introduction of an ID regime that shines a light on how water services are managed and funded, as this can build public trust and enable informed community dialogue.

MDC generally supports a proportional, cost-effective approach to ID that achieves the Commission's objectives, providing this does not impose undue burden on smaller local authorities and their communities. MDC generally supports the submission prepared by Taituarā – Local Government Professionals Aotearoa, and agrees that, wherever possible, the economic regulator and other agencies (such as Taumata Arowai) should coordinate the timing and contents of information requests to minimise duplication and improve efficiencies.

To ensure successful compliance, the Commission must also support the implementation of the new ID requirements through adopting realistic timeframes, and publishing definitions, agreed methodologies, guidance and standard templates. We urge the Commission to release draft templates as early as possible, ideally alongside the final determination to enable us to begin mapping our data to them. MDC considers that written guidance on definitions, methodologies and expectations for each disclosure item is critical. For example, how capital project costs are apportioned across categories to enable uniform interpretation.

In addition to webinars, interactive workshops would be very useful to demonstrate common scenarios and understanding of the templates. MDC notes the reporting timelines are quite tight and would require the Commission to arrange this training as early as possible. MDC also encourages the Commission to establish a user forum or helpdesk to get consistent responses from the Commission's staff.

MDC sees value delaying start date for the implementation of the “additional disclosure” requirements until after the commencement of the 2027-37 Long-term Plan. This will allow time for any necessary upgrades to financial systems, and to set up new processes and systems, to meet the reporting requirements. MDC also advocates for a ‘softer’ or ‘education first’ approach to compliance in the initial years, with a focus on continuous improvement rather than penalising water suppliers who are learning to navigate financial disclosure requirements for the first time.

## **Section 1: Feedback on Draft Regulatory Framework Paper**

MDC generally supports the overarching regulatory framework and decision-making approach the Commission has outlined for water services ID. We agree that the framework should be principles-based, transparent, and enduring, providing clarity on how ID requirements will be set and evolved over time. In particular, we endorse the emphasis on the purpose of ID – to promote transparency and ultimately the long-term benefit of consumers – and on ensuring the regime is proportionate and cost-effective.

Taituarā’s submission highlighted the importance of basing information disclosure on rigorous principles and making the regime as simple and efficient as possible. MDC strongly supports this focus on efficiency and non-duplication.

The Commission’s framework appropriately notes the need to leverage existing information sources, where possible. For example, the Local Government (Water Services) Act 2025 introduces new accountability documents (Water Services Strategy, annual Water Services Budget and Report) which will already require extensive information from councils. We are pleased to see the Commission intends to rely on and align with these documents where possible, rather than duplicate reporting requirements.

### *Clarity of Regulatory Roles*

The framework paper sets out the legal basis for ID and how it fits with the broader economic regulation regime. We support the clear delineation that, initially, ID will apply to council water suppliers (“decision-making local government water service suppliers”) and that other regulatory tools (like price-quality or quality standards) may be considered later.

For MDC, this means our water supply and wastewater services will come under ID regulation, and we acknowledge the Commission’s role in administering the ring-fencing requirements in the new legislative environment. Given that under the Local Water Done Well reforms, councils retain ownership and control of water services, we appreciate that the Commission recognises monopolistic excess profits are less of a concern here; instead, the transparency and performance assurance aspects of regulation take precedence. MDC agrees with Taituarā’s observation that the primary benefit of ID in this context is shining a light on performance.

### *Future Intention to develop ID requirements for Stormwater*

While stormwater is outside the current scope of ID, we note (as did Taituarā) that stormwater shares many natural monopoly characteristics with water and wastewater. We

generally support the Commission's decision-making framework leaving room to integrate stormwater into ID in the future, once enabled by legislation.

However, we note that the introduction of financial disclosures for stormwater will be more complex than for water supply and wastewater services given that stormwater drainage is often provided as part of the roading network, or as part of green spaces (e.g. stormwater detention areas). The development of any future ID requirements for stormwater will need to be carefully considered, developed in consultation with the sector, and be supported by clear methodology and guidance.

***Decision sought:***

- That any future framework for introducing financial disclosure requirements for stormwater be carefully considered and developed in consultation with regulated suppliers.

***Measuring affordability***

MDC recommends that household income data that is necessary for reporting on affordability be held and updated centrally. Household income is not information that is held by local authorities. When forecasting household income for inclusion in our Water Services Delivery Plan (as a means of projecting future affordability), MDC had to develop assumptions around using Statistics New Zealand median household income data for our region, and then forecast using CPI target bands. In the absence of household income information being published centrally, the Commission should provide a clear methodology to project future household income to ensure national consistency.

***Decision sought:***

- That median household income data be held centrally (by Statistics New Zealand?), regularly updated and made available for regulated suppliers free of charge for use in affordability calculations.

**Basic Disclosures**

***Level of disaggregation required for the financial disclosures***

MDC shares the concerns raised in the submission by Taituarā that the level of disaggregation for expenditure and revenue data is greater than what local authorities traditionally report against. We are particularly concerned about the proposal to separate capital expenditure for growth into four categories (capacity upgrade, network expansions, new connections, and other). We consider there to be potential overlap between these categories which may lead to inconsistencies in how they are applied by regulated suppliers.

MDC also agrees with the concerns raised in the Taituarā submission in relation to the network operating expenditure categories 'planned maintenance' 'predictive maintenance' and 'unplanned maintenance' (refer to B1 (d) – (f) – *Operating expenditure – network*). MDC currently only accounts for maintenance activities in terms of 'planned' and 'unplanned.'

There appears to be overlap between 'planned' and 'predictive' maintenance in particular, and the cost of accounting for this could outweigh the value.

***Decisions sought:***

- That the Commission reconsider the proposed level of disaggregation proposed for expenditure and revenue to remove any potential duplication, particularly in relation to capital expenditure for growth.
- That the Commission simplify the network operating expenditure categories by removing 'predictive maintenance' and broadening the scope of what is considered 'planned maintenance.'
- That the Commission provide regulated suppliers with clear definitions and guidance in relation to the proposed ID requirements for actual revenue and other income, to enable consistent reporting.

***Methodology for inflating/deflating cost estimates***

MDC agrees with the recommendation in the submission by Taituarā that *"The Commission should specify an acceptable methodology and methodologies for: cost allocation; inflating and deflating financial data; and (especially) calculating estimated charges as a percentage of household income."* MDC agrees with Taituarā's submission that the inflation factors to be used must be based on the cost of infrastructure provision, such as the Capital Goods Price Index or the Producer's Price Index, as opposed to the Consumer Price Index.

Without a clear methodology and standardisation around which inflation factors to use, there will inconsistency in financial reporting across regulated suppliers, reducing the ability to make comparisons or evaluate performance.

***Decision sought:***

- That the Commission standardise the methodology for inflating/deflating cost estimates and specify which inflation factors should be used (not CPI).

***Asset Management***

The Draft Decision Summary makes it clear that regulated suppliers are required to publish asset management plans (AMPs) for water supply and wastewater services. We understand that these AMPs must be split into three parts and that water supply and wastewater services may be presented together or in separate documents.

While MDC generally supports the proposed contents of each of the three asset management documents, we have concerns regarding efficiency. MDC has traditionally prepared a combined three waters asset management plan. There is already a high level of transparency in the asset management systems used by MDC and other local authorities. Our three waters asset management plan is audited three-yearly by Audit New Zealand as part of the Long-term Plan Project, and informs the development of our 30-year Infrastructure Strategy.



MDC is concerned that the requirement to produce a three-part asset management plan for water supply and wastewater will be less efficient than our current practice. It is also unclear from the documentation provided whether we have to also produce an AMP for stormwater services, even though stormwater is not subject to financial regulation at this time, and if so, what form this should take. As an in-house water services provider, it would likely be most efficient for MDC to produce a single, three-part AMP that includes water supply, wastewater and stormwater.

We also note potential overlap or duplication between the Strategic Asset Management Plan and the Water Services Strategy, particularly in relation to strategic priorities.

***Decisions sought:***

- That the Commission produce guidance documentation and a template for the new Asset Management Plan requirements, to help reduce potential inefficiencies.
- That the Commission clarify the asset management requirements for Stormwater, including whether this information can also be included within the three-part asset management plan we must prepare for drinking water and wastewater services.

**Answers to the questions in Explanatory Paper**

***Financial question 4 – Should certain regulated suppliers only need to report expenditure in high-level categories – growth, levels of service, and renewals?***

MDC would support small/regional suppliers or those newly forming CCOs to only be required to report at the high-level (growth/levels of service/renewals) for the first disclosure year, with a pathway to full sub-category detail by Year 2–3. This aligns with the staged approach signalled by the Commission and reduces transition cost while capability is built.

***Commission-only disclosures - Are there other types of information proposed for public disclosure that you think should be disclosed to the Commission on a Commission-only basis because they are confidential, commercially sensitive or only relevant for compliance monitoring?***

MDC recommends that the following types of information be disclosed to the Commission only:

- Contract pricing and procurement details;
- Detailed location or control system data (for security reasons);
- Individual customer or developer charges

If there are, please say what those types of information should be and explain why these should be disclosed to the Commission only.

**Closing remarks**

This is a public submission and does not contain confidential information. MDC consents to it being published on the Commerce Commission website.

Thanks again for the opportunity to provide feedback.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Shayne Harris', with a stylized flourish at the end.

Shayne Harris  
**Chief Executive**

29 October 2025

Gillian Dudgeon  
Deputy Chief Executive, Delivery Directorate  
Tertiary Education Commission  
Level 10, 44 The Terrace  
Wellington 6011

Copy to: Katrina Sutich, General Manager Tertiary, Ministry of Education

Emailed to: [VETinformation@tec.govt.nz](mailto:VETinformation@tec.govt.nz)

Tēnā koutou

**Submission from the Manawātū District Council on Education and Training (Vocational Education and Training System) Amendment Bill**

The Manawātū District Council (MDC) thanks the Tertiary Education Commission for the opportunity to provide feedback on the Education and Training (Vocational Education and Training System) Amendment Bill.

Our understanding of the Amendment Bill is that it restores a regional polytechnic model with local councils and duties, replacing the fully-centralised Te Pūkenga approach from 1 July 2026. Appointment criteria emphasise councils that reflect regional communities and industries, with added local duties and reporting to Tertiary Education Commission (TEC). We also understand that the Bill will introduce Industry Skills Boards (ISBs) to replace the current Workforce Development Councils.

**Why we have an interest**

While education is not a core function local government function, MDC has an interest in the future configuration of vocational education and training, given its influence on local employment, skills development and regional economic resilience.

**Background**

The Manawātū District has a current population of approximately 33,700 (Stats NZ, June 2024). Just over half of the District's population lives in the main urban centre of Feilding, with the remainder living rurally or in the rural villages. The agricultural, forestry and fishing industry contributes significantly to the Manawātū District economy, accounting for a larger portion of local Gross Domestic Product (GDP) than both the wider Manawātū-Whanganui region and New Zealand overall.

Fibre providing high-speed internet access is currently limited to the main urban areas of the Manawātū District, particularly Feilding and the smaller villages along main transport routes. This coverage accounts for around 60% of the District. Wireless internet reaches most other areas, but connection quality can vary, with speeds often slower and less reliable than fibre.

MDC notes that there are several tertiary and training institutions serving learners and employers in the Manawātū District that may be impacted by these reforms. These include the Universal College of Learning (UCOL) based in Palmerston North, currently operating as part of Te Pūkenga and Private Training Establishments (PTEs) including Land Based Training. While Massey University (Manawātū Campus) may not be directly impacted by the reforms, there could be some indirect impacts, such as in the areas of partnerships, vocational pathways, and bridging from tertiary education to university.

### ***Transitional Risks***

We understand that this Bill may result in changes to the way that these current tertiary and training institutions are governed and funded, and what training is offered. There are operational and governance risks with the transition from Te Pūkenga to new regional polytechnics and from Workforce Development Councils to ISBs. This transition will need to be carefully managed to ensure that service delivery is not compromised during this period.

Given the considerable disruption associated with changing the way that vocational education and training is governed and delivered in New Zealand, MDC recommends that the Government seek bipartisan support for the proposed system.

### ***Decisions sought:***

- That the Government and TEC develop a transition plan for the establishment of regional polytechnics and ISBs and provide transitional support to ensure continuity of service during restructuring; and
- That the Government and TEC work closely with regional stakeholders including local authorities, CEDA, and industry representatives to identify and manage any risks to continuity of training and workforce development.
- That Government seek bipartisan support for the proposed vocational education and training system so as to avoid future disruption that comes with reorganisation and reform.

### **Support for Regionalisation**

MDC generally supports the intent of the Bill to restore regional governance for polytechnics. This support is based on the understanding that the reforms will enable vocational education and training to be more reflective of local and regional education, training and industry workforce needs. However, a more nuanced approach may be needed for some sectors that rely on economies of scale, such as the building industry. Rather than a complete shift from nationalisation to regionalisation of vocational learning, Government and the TEC could explore on a case-by-case basis the metrics of sector-specific national coordination, where this would be beneficial.

The Central Economic Development Agency (CEDA), jointly owned by the Manawātū District Council and Palmerston North City Council, plays a key role in supporting economic growth, workforce development, and investment attraction across the region. CEDA's focus on developing skills and talent to meet the needs of local industries, such as agriculture and food production, manufacturing, and logistics, aligns closely with the intent of this Bill.

The proposed reforms to vocational education present an opportunity to strengthen collaboration between training providers, local government, and agencies like CEDA helping

to ensure that training provision aligns with current and future local workforce needs and supports economic development priorities.

MDC supports in part new section 318 of the Bill that requires sets out the matters to be considered when appointing members of the polytechnic's council. That is, MDC supports the requirement that the membership, as far as reasonably practicable *"...reflect the communities in the region that the polytechnic serves."* It is important that these councils genuinely reflect the diversity, industries, and aspirations of the communities they serve. However, MDC has concerns over the level of control given to the Minister of Education in the appointment of council members. MDC recommends that sections 317 and 318 of the Bill be amended to allow the Minister to recommend people for appointment to the council of a polytechnic, but that the decision-making authority sit solely with council members.

Given our aforementioned concerns about rural internet connectivity, MDC requests that greater consideration be given to how regional polytechnics can be designed and equipped to help bring advanced industry-relevant training to rural communities. MDC is keen to partner with regional polytechnics to explore how to improve digital connectivity and skills training for rural communities, such as through remote learning or mobile training units.

***Decisions sought:***

- That sections 317 and 318 of the Bill be amended so as to remove any decision-making authority from the Minister for the appointment of members to a polytechnic's council.
- That local voice is maintained through genuine community and industry representation in governance;
- That the Government and Tertiary Education Commission (TEC) ensures that regional polytechnics establish formal mechanisms for ongoing collaboration with local authorities, iwi, industry, and economic development agencies such as CEDA; and
- That these partnerships are used to align training priorities and outcomes with local workforce needs and regional economic development strategies; and to help overcome rural connectivity disadvantage.

**Composition of Industry Skills Boards**

MDC has some concerns about the level influence given that the Bill gives the Minister of Education and central agencies over the appointment of ISB members and the structure in which the ISB must operate. While we understand that the intent of the Bill is to strengthen links between industry and the vocational education system, several provisions in the Bill appear to limit the independence of the proposed ISBs. For example, under section 364, ISB members are appointed by the Minister following recommendations from the TEC. In addition, section 362 requires each ISB to operate in accordance with the Order in Council that establishes it, given the Minister significant control over its functions and structure. MDC is concerned that, when considered collectively, these provisions suggest that ISBs may be subject to a high degree of ministerial and TEC direction, potentially constraining their ability to respond independently to industry and regional workforce needs.

MDC is concerned that if these risks are not adequately addressed through safeguards that guarantee genuine industry participation and independence, ISBs could be viewed as a tool

for the government to exert control, rather than ensuring industry leadership. Sections 363 to 365 of the Bill should be amended to remove the authority given to the Minister to appoint members to the industry skills board, thereby providing for genuine industry participation and independence and balanced representation across industries, workforce groups and regions.

***Decisions sought:***

- That sections 363-365 of the Bill be amended to remove the authority given to the Minister to appoint members of the Industry Skills Board.
- That the Bill provide sufficient flexibility to enable ISBs to respond to regional workforce needs and trends, in addition to any strategic guidance issued by the Ministry and the TEC.
- That ISBs be required to maintain regular communication with local authorities and regional economic development agencies such as CEDA, to ensure that national training strategies align with local labour market realities.

**Financial Sustainability and Rural Disadvantage**

While a regionalised approach to vocational education and training is generally preferred to the current centralised approach, MDC questions how government will ensure the financial sustainability of regional institutes.

MDC understands that declining domestic enrolments and structural issues were key drivers for centralisation of regional institutes into Te Pūkenga. MDC also understands that, with the breakup of Te Pūkenga, Treasury officials signalled that polytechnic councils may need to consider selling surplus campus assets to balance the books (though there is no mandated asset sale program). MDC is concerned with the potential for regions to lose education infrastructure if funding shortfalls force asset sales. MDC is concerned that a one-size-fits-all funding model risks undermining smaller campuses that serve dispersed populations, but are critical to local training access.

MDC seeks assurance that the proposed governance, performance frameworks and funding model will ensure ongoing financial sustainability, particularly in regions with smaller, more dispersed populations. MDC suggests that the Government could, with TEC oversight, look to develop a financial sustainability plan for each new institute, particularly where such institutes are located in regions with smaller, more dispersed populations.

The Manawātū District includes significant rural areas where learners already face barriers due to transport, connectivity, and distance. MDC is concerned that if the underlying structural and enrolment issues are not addressed with this shift from centralisation to regionalisation, these reforms could exacerbate rural disadvantage. MDC recommends explicit recognition within the legislation or implementation framework of the need to maintain equitable access to vocational training for rural learners.

***Decisions sought:***

- That principles of regional equity and rural access are imbedded in implementation policy.
- That the Government and TEC ensure sustainable funding for polytechnics, such as through developing a financial sustainability plan for each new institute, regardless of population size.

### **Data and Local Accountability**

The Bill strengthens institutional reporting requirements, but there is limited reference to regional transparency. MDC recommends that regional outcome data (e.g., participation, completion, and employment rates) be made publicly available to enable local government and economic development agencies to plan and evaluate workforce initiatives.

### ***Decisions sought:***

That the Government and the Tertiary Education Commission (TEC):

- Ensure that regional polytechnics and Industry Skills Boards are required to collect and report consistent regional data on learner participation, achievement, and employment outcomes;
- Make this data available to local authorities, economic development agencies such as CEDA, and other regional partners to support evidence-based planning and workforce development; and
- Use this information to strengthen transparency and accountability for how vocational education contributes to economic and social development goals.

MDC supports the overall direction and intent of the Bill to strengthen regional vocational education and ensure it is responsive to local needs. However, we seek reassurance that smaller regional centres and rural districts will not be disadvantaged by funding, governance, or transition arrangements. MDC looks forward to continued collaboration with regional education providers, central agencies, and industry partners to ensure the success of these forms.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Shayne Harris', is written over a faint, larger blue ink signature that is partially obscured.

Shayne Harris  
**Chief Executive**