



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

COUNCIL MEETING AGENDA

**TUESDAY 6 AUGUST 2024
at 1pm**

**Council Chamber
Liardet Street, New Plymouth**

Chairperson:

Mayor Neil Holdom

Members:

Cr Tony	Bedford
Cr Sam	Bennett
Cr Max	Brough
Cr Gordon	Brown
Cr David	Bublitz
Cr Murray	Chong
Cr Amanda	Clinton-Gohdes
Cr Harry	Duynhoven
Cr Bali	Haque
Cr Te Waka	McLeod
Cr Aneka Carlson	Matthews
Cr Dinnie	Moeahu
Cr Marie	Pearce
Cr Bryan	Vickery

Purpose of Local Government

The reports contained in this agenda address the requirements of the Local Government Act 2002 in relation to decision making. Unless otherwise stated, the recommended option outlined in each report meets the purpose of local government and:

- Promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.
 - Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of Council, or transfer the ownership or control of a strategic asset to or from Council.
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OPENING KARAKIA

Tutawa Mai

Tūtawa mai i runga	I summon from above
Tūtawa mai i raro	I summon from below
Tūtawa mai i roto	I summon from within
Tūtawa mai i waho	I summon from the outside environment
Kia tau ai	to calm and settle
Te mauri tū	the vital inner essence
Te mauri ora	the wellbeing of everyone
Ki te katoa	Be joined,
Haumi e, hui e, tāiki e!	together united!



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

Health and Safety Message / Te Whaiora me te Marutau

In the event of an emergency, please follow the instructions of Council staff.

Please exit through the main entrance.

Once you reach the footpath please turn right and walk towards Pukekura Park, congregating outside the Spark building. Please do not block the footpath for other users.

Staff will guide you to an alternative route if necessary.

If there is an earthquake – drop, cover and hold where possible. Please be mindful of the glass overhead.

Please remain where you are until further instruction is given.

APOLOGIES / NGĀ MATANGARO

None advised

Elected Members Declaration of Interests (ECM9017076)

as at 22 July 2024

(please advise the Governance Team of any amendments)

Mayor and Councillors

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Tony Bedford	Taranaki Electricity Trust Waitara Services and Citizens Club Hurricanes Schools Council Family Trust Taranaki Electricity Trust Hurricanes Alumni Tony and Wainui Bedford Family Trust Methanex Community Advisory Panel Waitara Spatial Plan	Trustee Member Life Member Member Member Council appointee

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Sam Bennett	Speaking Made Easy Full Circle Bespoke Life Events Heart of Brooklands New Plymouth Operatic Society Celebrants Aotearoa (CANZ) Celebrants Aotearoa (Taranaki) Residential Property Owner APJ and DM Bennett and PJ Bennett Star Gym Yarrow Stadium Joint Committee Age Concern Justice of the Peace for New Zealand Institute of Directors Taranaki Age Concern Taranaki New Plymouth Club	Ownership of company and contract with NPDC Ownership of Company Ownership of Company Sponsorship Manager Member Member and Committee Family Trust Council representative Council representative Board member Ministerial duties and Nominated Person Oranga Tamariki Member Chairperson Member
Gordon Brown	Taranaki Chamber of Commerce New Plymouth Bowls Club Writing Services Ltd	Contracting work Member Director

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Max Brough	Aluminium Imports (NZ) Ltd Edging Systems (NZ) Ltd Waste Minimisation (NZ) Ltd Knight Ridge Orchard Ltd Fitzroy Kiosk Ltd Max Brough Family Trust Residential properties TRC Solid Waste Working Party TRC Policy and Planning Committee	Director Director Director Director Director Alternate Council appointee Alternate Council appointee
David Bublitz	New Plymouth Boys' High School New Plymouth Golf Club Residential Property owner Bublitz Family Trust YMCA Taranaki Sport Taranaki	Employee Member Board member
Anneka Carlson	Residential property owner Sutton Road Animal Sanctuary Charitable Trust	

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Murray Chong	ZenVest Adviser Services Ltd Residential Home and Business Port Areas of Mutual Interest (PAMI) TRC Solid Waste Working Party	Council appointee Council appointee
Amanda Clinton-Gohdes	Institute of Directors Residential Property Owner Radar Trust District Licensing Committee Taranaki Biodiversity Trust (Wild for Taranaki)	Member Deputy Chairperson Board member (Council appointee)
Harry Duynhoven	NZ Civil Aviation Authority Habitat for Humanity, Taranaki NZ Federation of Motoring Clubs Automobile Association (Taranaki) Council NZ Motor Trade Assn Guild Residential Property Air Quality Asia (NGO based in New York) Private trustee TRC Regional Transport Committee Taranaki Disabilities Information Centre Trust Patron	Member Chairperson Member Executive Member Member Beneficiary Secretary of Board Independent trustee (two private trusts for impaired individuals) Council appointee Life member (Several local voluntary organisations)

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Te Waka McLeod	Puna Hau Ltd Residential property interests	
Neil Holdom	New Plymouth Mountain Bike Club Lifestyle Block Owner (Smallholding) TRC Civil Defence Emergency Management Committee WOMAD NZ (Board Member) LGNZ National Council LGNZ Rural & Provincial LGNZ Transport Steering Group	Member Council appointee Council appointee Member Chair Chair
Bali Haque	Residential Property Toi Foundation Trustee Taranaki Regional Council Policy and Planning Committee	Ministerial Appointment Council appointee

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Dinnie Moeahu	Institute of Directors Te Kotahitanga o Te Atiawa Te Korowai o Ngaruahine Te Kahui o Taranaki Ngāti te Whiti Ngati Moeahu Ngati Manuhiakai Whatu Ora Taranaki Consumer Council Hillary Institution/ Edmund Hillary Foundation Puketapu Hapū Te Maruata Roopu Whakahaere Te Aroha Connections	Member Affiliate Affiliate Affiliate Affiliate Affiliate Affiliate Board member Directorship Hapū appointed Trustee National Board Member Ownership of Company
Marie Pearce	Rural Property Owner Wakefield Family Trust Inglewood First Trust Inglewood Mini Golf Trust Inglewood District Health Trust Taranaki Arts Festival Trust	Council appointee

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Bryan Vickery	Bryan Vickery Media Taranaki Chamber of Commerce Friends of Pukekura Park Heritage Taranaki	Council Adviser Council Adviser

Community Boards Declaration of Interests (ECM9017076)

as at 22 July 2024

(please advise the Governance Team of any amendments)

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Mike Baker	Family Residence Waitara Bowling Club FENZ Operational Support New Plymouth City West Fire Brigade	Committee Member, Bar Manager OS Fire Fighter
Jono Burrows	Burrows Lawn Mowing Family Residence Inglewood Bowling Club	
Graham Chard	New Plymouth and Districts Returned & Services Association NPRSA Support Trust NPRSA Poppy Trust Okato Community Trust Chardz Holdingz Ltd Chardz Investmentz Ltd Taranaki Iwi Trust	President Chairman, Trustee Chairman, Trustee Vice Chairman, Trustee Managing Director Director Affiliate

Paul Lobb	Asset Plus NZ King Salmon Sanford Solexin Industries Ltd Residential Properties Oakura Boardriders Club Kaitake Ranges Conservation Trust NZ Plant Protection Society	Consultant Life member Member Member
Trevor Dodunski	Nil declared	
Christine Fabish	Dudley District Hall Society Hudson Essex Terraplane Club Family residence Inglewood First Trust	Member Member
Teresa Goodin	Lumen Gallery Teresa Goodin	
Neville Hagenson	Nil declared	
Teresa Hayston		

Renee Hohaia	R & Co Skin and Beauty – Ōākura	Owner
Nick Jones	Indemic Limited Indemic Ventures Limited Rewild Limited Bangers and Mash Limited	Director Director Director / Employee Director
Sarah Lucas	Be Natural Soap Ltd Royal Society for Forest and Bird (until September 2024) East End Surf Lifesaving Club The Collaboration, design store and gallery Riding Programme (Inglewood Primary School) Alpine Club Residential Property Community Boards Executive Committee	Director Employee Chair

Jonathan Marshall	Private Wealth (Asia Pacific) Ltd – Investments Business 229 Brokers Ltd – Fire and General Insurance Veritus Financial Planning Ltd – Financial Advice Business 229 Financial Services – Financial Advice Jakin & Boaz Properties Ltd – Property Investments Sovereign Perpetual Investments Ltd – Investments The Crossroads Foundation Charitable Trust – Charity Kapa Solutions Ltd Naki Labour Hire NZ Labour Hire The New Plymouth Pistol Club Inc New Zealand Antique Arms Association The New Zealand Black Powder Shooters Federation Inc Residential Property Owner	Director Director / Employee Director Director / Employee Director Director Director / Employee Employee Employee Employee
Tyla Nickson	Stats NZ	Employee
Jane Parker-Bishop	The Finance Lady Ltd Sport Taranaki Residential Property	Employee

Joe Rauner	ANZCO Foods (Eltham)	Employee
Murray Seamark	MW & CJ Seamark Family Trust Tongaporutu Hall Society Inc Family residence	
Adrian Sole	Red Rabbit Coffee Co Ltd Red Rabbit Group Ltd Squirt Products Taranaki Health Foundation MA & AE Sole Trust Residential Property	Director Director Director
Kim Sowman	Waitara East School Residential Property Investment Property (Waitara) Bell Block Community Facebook Page	Employee Administrator
Tane Webster	Reality Check Radio	Contractor

CONFLICTS OF INTEREST / NGĀ ARA KŌNATUNATU

1. People who fill positions of authority must undertake their duties free from real or perceived bias. Elected members must maintain a clear separation between their personal interests and their duties as an elected member. Failure to do so could invalidate a Council decision and leave the elected member open to prosecution and ouster from office.
2. An elected member is entitled to interact with the Council as a private citizen. However, they cannot use their position as an elected member to gain an advantage not available to the general public.
3. Elected and appointed members will:
 - Declare any interest whether pecuniary or non-pecuniary at a meeting where the interest is relevant to an item on that agenda.
 - Exclude themselves from any informal discussions with elected members relating to a matter they have an interest in.
 - Seek guidance from the Chief Executive if they are unclear of the extent of any interest.
 - Seek guidance or exemption from the Office of the Auditor General if necessary.

ADDRESSING THE MEETING

Requests for public forum and deputations need to be made at least one day prior to the meeting. The Chairperson has authority to approve or decline public comments and deputations in line with the standing order requirements.

PUBLIC FORUM / ĀTEA Ā-WĀNANGA

Public Forums enable members of the public to bring matters to the attention of the committee which are not contained on the meeting agenda. The matters must relate to the meeting's terms of reference. Speakers can speak for up to 5 minutes, with no more than two speakers on behalf of one organisation.

- None advised

DEPUTATIONS / MANUHIRI

Deputations enable a person, group or organisation to speak to the meeting on matters contained on the agenda. An individual speaker can speak for up to 10 minutes. Where there are multiple speakers for one organisation, a total time limit of 15 minutes, for the entire deputation, applies.

- None advised

PREVIOUS COUNCIL MINUTES / NGĀ MENETI O MUA

Recommendation:

That the minutes of the following meeting of the Council, and the proceedings of the said meeting, as circulated, be taken as read and confirmed as a true and correct record:

Council	18 June 2024
Council (Extraordinary)	4 July 2024

COMMITTEE MINUTES

Recommendation

That the minutes of the following meetings, as circulated be received and:

- a) **Decisions made under delegated authority by the committees be incorporated in the minutes of this meeting of the Council.**

Strategy and Operations Committee	25 June 2024
Kaitake Community Board (Extraordinary)	26 June 2024
Inglewood Community Board (Extraordinary)	26 June 2024
Council Controlled Organisations Committee	26 June 2024
Inglewood Community Board	3 July 2024
Puketapu-Bell Block Community Board	3 July 2024
Clifton Community Board	4 July 2024
Waitara Community Board	5 July 2024
Kaitake Community Board	8 July 2024
Community Development Committee	10 July 2024
CE Performance Review Committee	17 July 2024
Te Huinga Taumatua	23 July 2024
Strategic Projects Committee	24 July 2024
Finance, Audit and Risk Committee	30 July 2024

END

REPORTS

- 1 Additional Dwellings Report
 - 2 EV Charging Station and Delegation
 - 3 Freedom Camping Bylaw
 - 4 Insurance Framework
 - 5 Emergency Preparedness Report
 - 6 Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Act
 - 7 Notice of Motion
 - 8 Exclusion of the Public from the Remainder of the Meeting
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ADDITIONAL DWELLINGS REPORT AND PROPOSED NEXT STEPS

MATTER / TE WHĀINGA

1. The matter for consideration is receipt of the Minor Dwellings Options Analysis Report, and whether to approve funding to support a pilot project of up to 12 months' duration to promote and deliver an enhanced service for residential property owners interested in building an additional dwelling.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report Council:

- a) **Receives the Minor Dwellings Options Analysis Report.**
- b) **Approves funding of up to \$150,000 from the Housing Reserve to implement and deliver a pilot project for up to 12 months' duration.**

STRATEGY AND OPERATIONS COMMITTEE RECOMMENDATION

2. The Strategy and Operations Committee endorsed the officer's recommendation

COMMUNITY DEVELOPMENT COMMITTEE RECOMMENDATION

3. The Community Development Committee endorsed the officer's recommendation.

TE HUINGA TAUMATUA RECOMMENDATION

4. Te Huinga Taumatua endorsed the officer's recommendation.

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of some importance.
Options	<p>This report identifies and assesses the following reasonably practicable options for addressing the matter:</p> <ol style="list-style-type: none"> 1. Continue with existing service for property owners wishing to build additional dwellings on residential property. 2. Approve up to \$80,000 from the housing reserve to implement and deliver a pilot project for up to 12 months. 3. Approve up to \$150,000 from the housing reserve to implement and deliver a pilot project for up to 12 months.
Affected persons	The persons who are affected by or interested in this matter are New Plymouth District ratepayers and residents.
Recommendation	This report recommends option three for addressing the matter.
Long-Term Plan / Annual Plan Implications	No
Significant Policy and Plan Inconsistencies	No

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

5. In June 2023 Council approved investigation of options to increase the number of "minor dwellings" (defined as being up to 80m² dwellings ancillary to the primary dwelling on site) on suitable land. The Minor Dwellings Options Analysis Report, commissioned from Egmont Dixon Limited, was received in March 2024 and is attached as Appendix 1.
6. The report investigates the feasibility of NPDC incentivising - either through direct or indirect funding - an increase in one- or two-bedroom affordable rental homes of up to 80m² being added to private residential properties. It should be noted the approach recommended by Council officers is different to the incentive options analysed in Egmont Dixon's report.

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7. The report concludes that, under current rules, the option to build additional dwellings exists if properties meet Proposed District Plan – Appeals Version rules and effects standards. Input to the report from Council officers has informed the recommendations that support improving Council’s provision of information and guidance for property owners. In addition, it is considered beneficial to canvas public interest, collect data and further consider risks and unintended consequences before confirming if implementation of incentives will generate increases to minor dwellings within the District.
 8. Council officers propose implementing a 12-month pilot project to proactively inform property owners throughout New Plymouth District about what is needed for building additional dwellings and to implement an enhanced service to support and guide those interested in exploring a minor dwelling. A case-management approach would be taken to support people to navigate rules, identify the steps needed for their situation and identify barriers to be overcome ahead of time.
 9. Throughout the project, work would continue to collect data, test assumptions, assess demand, and assess how risks and unintended consequences may be mitigated if Council incentivised the building of additional dwellings.
 10. Teams across Council have provided input and would continue to collaborate on the suggested initiative, including Community and Economic Development, Planning and Consents, District Planning and Growth, Climate Change, Policy, Finance, and Property.

BACKGROUND / WHAKAPAPA

11. On 19 May 2021 Council resolved to create a Housing Reserve using the unallocated general rates surplus for the 2020/21 year. The Housing Reserve totalled \$752,000. The purpose of this reserve was to help with the housing crisis. Currently \$552,000 of the original reserve is yet to be committed to particular initiatives.
 12. The Future Development Strategy for Ngāmotu New Plymouth 2024-2054 projects New Plymouth District’s population growing from 89,000 to almost 99,000 by 2034 and to more than 110,000 by 2054. Approximately 368 additional dwellings per year for the next 30 years would be required to meet such growth.
 13. The Taranaki Housing Strategy, Toi Foundation research and the Taranaki Housing Register identify one or two-bedroom affordable rentals as the greatest need in the region.
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14. The Minor Dwellings Options Analysis Report presents four alternatives to incentivise property owners to add additional rental dwellings to their properties. Two example financial models are included for each, for dwellings of different sizes and of different quality. The financial models include the cost of capital, and each would require some level of funding by Council.
 15. The report notes from Council's mapping of NPDC residential infill areas that there are 1,348 identified additional dwellings 'reasonably expected to be realised' under the Operative District Plan and 3,324 within the Proposed District Plan – Appeals Version. Since the report was finalised the District Planning and Growth team have rerun the residential infill model through the Future Development Strategy process, and this has confirmed that 3,375 infill dwellings are reasonably expected to be realised¹ under the PDP.
 16. The report also notes an unintended consequence of incentivising the building of additional dwellings may be those dwellings being built where higher density housing such as town houses could be built. In other words, the minor dwellings could impact a more comprehensive redevelopment of a site which provides for additional residential units.
 17. As an outcome of the Future Development Strategy, Council officers will be progressing an omnibus plan change, programmed to commence in 2025 to finetune the PDP by addressing duplication, inefficiencies and pinch points that are creating challenges for the provision of housing and development. Provisions to be considered include those intended to provide onsite amenity such as the 'outlook space' effects standards. Privacy is an amenity expected of a rental property, so relaxing outlook rules may result in limiting the use of some additional dwellings to occupation by family members of those in the main dwelling. This would still remove the need for those people to seek other rental properties which would have a positive effect on housing availability overall.

¹ Councils are required to supply sufficient development capacity to meet demand. To be counted as residential development capacity under the NPS-UD 2020, land must be 'plan enabled', 'infrastructure ready', 'feasible' and 'reasonably expected to be realised'. The 'reasonably expected to be realised' provision recognises that not all commercially feasible land will be realised, for many reasons, including landowner preferences. There can be an array of 'plan-enabled', 'infrastructure ready' and 'commercially feasible land', but only some of that is 'reasonably expected to be realised'. Using the 'reasonably expected to be realised' measure provides a conservative and realistic supply assessment using a model provided by the Ministry for the Environment and avoids an undersupply of development capacity.

Additional dwelling incentives

18. The incentive alternatives detailed in the report assume additional dwellings are built on stable, relatively flat sites with resource consent, engineering works, and complex service connection not considered in the modelling. Inglewood and Waitara are identified as likely having a greater number of such sites than New Plymouth, where those near the city centre have largely been developed already. If offering incentives to build, Council may need to consider less "easy" residential sites and the associated cost these bring.
 19. There is an existing rates remission provided for under Policy 7 of the Uniform Annual General Charge (UAGC) (rating units which are used for residential purposes and which include separately inhabited part occupied by a dependent member of the family of the owner of the rating unit). In addition to this, the report identifies incentives could include waiving consenting fees or development contributions, purchasing and providing a number of consented housing designs, or financing loans to property owners. Financial commitment from Council, and Council's potential role as a lender, would need to be considered once likely demand from property owners is known and further modelling could be assessed.
 20. Egmont Dixon's report mentions that Council is legally not able to act as a financial institution. Since the report was written, the Government has exempt local authority voluntary targeted rate schemes from the Credit Contracts and Consumer Finance Act 2003, which will enable Council to establish a new voluntary targeted rate scheme. This scheme can provide finance to homeowners to undertake a range of household sustainability initiatives and then repay through their rates over several years. Council Officers have initiated a process to establish a new scheme, however a new scheme is unlikely to be operational until sometime in 2025. There will be several policy choices to make through the development process, and there is a need to be fair to both those receiving the service and to other ratepayers.
 21. Under the Development and Financial Contributions Policy recently adopted through the Long-Term Plan, a minor dwelling is treated as a residential unit, measured as a 'housing unit equivalent' (HUE), and generates a development contribution charge in proportion to the number of bedrooms. A minor residential unit would incur a smaller development contribution than a large multi-bedroom dwelling would. The policy sets out an assessment process which requires information to be provided by the applicant and an agreement between Council and developers or landowners in respect of the assessment against a standard HUE. LTP deliberations record that the Council accepted the policy and instructed officers to work with the Ngamotu Growth Advisory Panel and the Strategy and Operations Committee within the next two months to prepare a new development contributions policy with a view to new charges being in place within six months.
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22. The report assumes financial constraint is a barrier preventing development of properties. Information gathered through the proposed pilot project would help identify whether financial incentives council could offer would make a difference to proceeding with building.
 23. The report identifies that building additional minor dwellings may not produce an attractive return on investment for property owners while cost of borrowing is high. Building may appeal to people who have the working capital, the ability to service debt or wish to provide living space for family members. The proposed pilot project would help test these assumptions.

Marketing and Enhanced Service Pilot Project

24. Property owners interested in adding minor dwellings to their existing property currently access information and support from NPDC. This information is not specifically tailored to additional minor dwellings. Anecdotal information suggests some property owners find information provided by Council technical and difficult to understand, and processes difficult to navigate and frustrating, with some having invested funds in their project only to find it is not possible.
 25. An enhanced service with improved information tailored to additional minor dwellings for planning, building and associated processes (such as applications for vehicle crossings and connections to reticulation) could respond to these concerns. This would be facilitated through co-ordinated, easy to understand, up-front guidance from all relevant Council Officers. While not all building projects would be approved, the process would be easier, data would be collected and options to incentivise additional minor dwellings will be assessed.
 26. Through the proposed pilot project, further work could be done to identify other barriers and constraints such as a lack of awareness of property owners that they can add minor dwellings, or lack of interest because of preference to retain outdoor space on their property.
 27. Funding for an enhanced service would cover marketing and also enable operational resource to be increased at short notice if demand for service proved to be high. Enhanced service would be supported by dedicated web pages and proactive marketing to property owners, with opportunities to attend information sessions in person, and an option to have one to one initial conversations with council officers.
 28. Those wishing to proceed with building an additional dwelling would be provided with an individualised case management service to guide them and support liaising between relevant NPDC departments.
 29. For this project, success would be measured by the number of property owners and prospective property owners assisted, number of those who proceed or intend to proceed with building, and identification of barriers to building additional dwellings and practicable measures to resolve those.
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30. Council has identified that an increase in additional minor dwellings may help supply one-two-bedroom dwellings for rent. If Council wishes to support an increase in the number of additional dwellings in the district, taking action to test assumptions as to why more property owners have not built additional minor dwellings could help determine whether promotion and service tailored specifically to additional dwellings may contribute enough support. If such support is not enough, considering whether to proceed with incentives such as provision of Multiproof designs or other incentives to build additional dwellings, as outlined in the Egmont Dixon report, may be useful.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

31. A compact urban form is supported in respect of climate change. Intensification of land use through an increase in dwellings added to existing residential properties may reduce the need to develop greenfield land, which could have an overall positive environmental impact through reducing emissions associated with development, transportation and infrastructure investment and operations.
32. On the other hand, intensification could place extra pressure on existing stormwater, water, transport and sewerage systems either requiring additional investment of emissions to upgrade or increasing adaptation requirements. People adding dwellings pay Council fees to help mitigate this (by way of development contributions), and it is already possible within existing rules to place or build additional dwellings on residential properties.
33. Stormwater Flooding is anticipated to become an increased risk in future due to climate change, and is a key consideration for the placement and design of buildings. It is a key challenge for residential intensification because the primary building has often been sited in the best location and on-site alternatives are often within overland flowpaths. Stormwater flooding is relevant to both the resilience of people within buildings as well as potential impacts on Council's stormwater management.
34. Providing a case management approach would increase the opportunity for NPDC to encourage sustainable, resilient building and energy efficiency through its Sustainable Outreach and Design advisory service.

REFORM IMPLICATIONS

35. Based on the government's coalition agreement, the Building Act and the Resource Management Act may be amended to make it easier to build dwellings of up to 60m². The timeframe for this is unclear. This should be considered when making decisions regarding council's role in facilitating an increase in additional dwellings.
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36. Housing developments have implications for the demand for three waters infrastructure. This report does not specifically propose any housing development or have any implications relating to current reform.

NEXT STEPS / HĪKOI I MURI MAI

37. To enhance service and assist property owners interested in building additional dwellings, it is recommended that Council approve up to \$150,000 to carry out this work.
38. Following approval, next steps and an indicative timeframe would be:

Prepare service enhancements, web content, and promotion	Aug - Oct 2024
Promote and implement enhanced service	Oct – Nov 2024
Collate data and report back at 6 months	Feb - Mar 2025
Collate data, report back, and assess continuation of service at 12 months	Oct – Nov 2025

39. With the support of information gathered through the pilot project, work will continue on assessing the alternatives presented in the Egmont Dixon report for financially incentivising additional dwellings.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

40. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of some importance because the matter proposed is an improvement to information and enhancement of service provision for property owners regarding an activity they can already carry out.

OPTIONS / KŌWHIRINGA

Option 1

Continue with existing service for property owners wishing to build dwellings on residential property.

41. Existing service provision includes:
- a) Website with information regarding the building consent process
 - b) Duty Building Officer (technical) available at customer service front counter 8am-5pm, 5 days a week, for emails/phone calls/counter enquiries.
 - c) Dedicated email address for the New Plymouth Building Consent Authority technical team to organise meeting with relevant parties for complicated projects.

Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi

42. There are no financial and resourcing implications for continuing the existing service.

Risk Analysis / Tātaritanga o Ngā Mōrearea

43. No risks have been identified beyond a missed opportunity to encourage building of additional dwellings if Council wishes to do so.

Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori

44. This option would not address the need the community has identified for an increase in supply of one-two-bedroom dwellings as a means of supplying affordable housing options.

Statutory Responsibilities / Ngā Haepapa ā-ture

45. Council has various statutory responsibilities in relation to housing in the district. Some of these have been outlined in the report. This option makes no addition to those statutory responsibilities but supports the purpose of local government in the Local Government Act 2002.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

46. This option maintains existing service and is consistent with Council's policies and plans.

Participation by Māori / Te Urunga o Ngāi Māori

47. This option continues the status quo which may exclude the community, including Māori, from better understanding their options for additional minor dwellings. Māori are undertaking significant work related to housing, and alignment of shared priorities and complementary initiatives will result in the best outcomes for the whole community.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

48. Anecdotal information suggests some property owners find information provided by council technical and difficult to understand, and processes difficult to navigate. Feedback received via the Long-Term Plan Submission process suggests community views support NPDC undertaking activity to support the building of new housing stock.
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Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

49. The advantage of this option is that no further resourcing is needed if continuing with existing service provision.
50. The disadvantage is that without deliberate marketing and enhanced service, a targeted approach to supporting property owners who want to build additional dwellings is not provided. Testing interest and capacity of property owners to add dwellings to their properties and testing of the assumptions in Egmont Dixon's report can't be done within existing service constraints.

Option 2**Approve up to \$80,000 from the housing reserve to implement and deliver a pilot project for up to 12 months.**

51. The focus of this option would be marketing to property owners, providing information tailored to the needs of property owners interested in building additional minor dwellings, and an enhanced service, for example;
 - a) Web pages dedicated to additional minor dwellings
 - b) Outreach to property owners across the district
 - c) A series of in-person information sessions for groups of homeowners in New Plymouth, Waitara and Inglewood
 - d) Improved information for provision by duty building officers at NPDC front counter.

Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi

52. For the purposes of this report and option, the financial and resourcing implication is up to \$80,000 from the Housing Reserve. This would leave \$472,000 in the Housing Reserve. Any unused funds would remain in the Reserve. It has no further implications on Annual Plans or the Long-Term Plan 2024-2034. There will also be other resourcing implications that will be managed within existing budgets, such as management, recruitment (if needed), etc.
 53. This work could identify initiatives and opportunities that will have financial implications, but these will be considered when necessary.
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Risk Analysis / Tātaritanga o Ngā Mōrearea

54. There is a risk of this option that some people in the community do not agree with NPDC playing a role in promoting to property owners the opportunity to build additional minor dwellings as a way of increasing housing stock. As this option allocates only a portion of an existing reserve to promote and improve information, it is considered a low risk.
55. There is a legal risk that providing clearer information could be perceived as providing advice. This can be mitigated by making it clear that NPDC is providing information and guidance through a process, not legal or financial advice, and such professional advice should be sought by property owners.
56. There is a risk that people in neighbouring properties may not support potential adverse effects on amenity which could arise from low-budget buildings next-door. This could result in increased monitoring and compliance costs as complaints are investigated. This risk could be mitigated by ensuring that minor dwellings are appropriately located and designed.

Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori

57. This option, and opportunities it could lead to, contributes to all the community outcomes through:
 - a) Potential delivery of quality housing;
 - b) Benefiting the community through promoting healthy, sustainable housing options;
 - c) Benefiting iwi through delivery of information sessions specific to their needs if wished
58. Contributing to prosperity through economic activity related to building of additional dwellings and increasing available housing.

Statutory Responsibilities / Ngā Haepapa ā-ture

59. Council has various statutory responsibilities in relation to housing in the district. Some of these have been outlined in the report. This option is proposing an enhanced service pilot project in the delivery of those statutory responsibilities while also contributing to the purpose of local government in the Local Government Act 2002.
-

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

60. This option is consistent with policies and plans of Council including the Long-Term Plan 2024-2034. While there may be amendments to policies and plans necessary depending on future decisions of Council, there are none resulting from this report.

Participation by Māori / Te Urunga o Ngāi Māori

61. If this option is approved, it is important that Māori are involved in the project. This option could lend itself to supporting multigenerational living which would be of particular interest. Māori are undertaking significant work related to housing, and alignment of shared priorities and complementary initiatives will result in the best outcomes for the whole community.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

62. Community views and preferences appear to support this option through deputations, submissions and anecdotal evidence, including support for NPDC to contribute to increasing housing stock evident through the recent Long Term Plan submissions.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

63. The advantages of this option are that it will enable NPDC to;
- a) improve information, build on existing service to tailor it more to the needs of property owners and potentially help increase housing stock in the district.
 - b) enable council officers to assess demand and unintended consequences, and whether incentivising property owners to build additional minor dwellings is recommended.
64. The disadvantage of this option is that encouraging building of additional minor dwellings may result in cases of missed opportunity for higher density residential development on the same land.

Option 3**Approve up to \$150,000 from the housing reserve to implement and deliver a pilot project for up to 12 months.**

65. The focus of this option would be marketing to property owners, providing information tailored to the needs of property owners interested in building additional minor dwellings, and an enhanced service with staff providing individual case management to support and guide homeowners, for example;
-

-
- a) Web pages dedicated to additional minor dwellings
 - b) Outreach to property owners across the district
 - c) A series of in-person information sessions for groups of property owners in New Plymouth, Waitara and Inglewood
 - d) Bookable meetings to discuss individual cases and plan next steps
 - e) Improved information for provision by duty building officers at NPDC front counter.
 - f) Individual case management to guide property owners and support liaising between relevant NPDC departments

Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi

- 66. For the purposes of this report and option, the financial and resourcing implications is up to \$150,000 from the Housing Reserve. This would leave \$402,000 in the Housing Reserve. Any unused funds would remain in the Reserve. It has no further implications on Annual Plans or the Long-Term Plan 2024-2034. There will also be other resourcing implications that will be managed within existing budgets, such as management, recruitment (if needed), etc.
- 67. This work could identify initiatives and opportunities that will have financial implications, but these will be considered when necessary.

Risk Analysis / Tātaritanga o Ngā Mōrearea

- 68. There is a risk of this option that some people in the community do not agree with NPDC playing a role in promoting to property owners the opportunity to build additional minor dwellings as a way of increasing housing stock. As this option allocates only a portion of an existing reserve to promote and improve information, it is considered a low risk.
 - 69. There is a risk that providing information and taking a case management approach could be perceived as providing legal advice. This can be mitigated by making it clear that NPDC is providing information and guidance through a process, not legal or financial advice, and such professional advice should be sought by property owners.
 - 70. There is a risk that people in neighbouring properties may not support potential adverse effects on amenity which could arise from low-budget buildings next-door. This could result in increased monitoring and compliance costs as complaints are investigated. This risk could be mitigated by ensuring that minor dwellings are appropriately located and designed.
-

Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori

71. This option, and opportunities it could lead to, contributes to all the community outcomes through:
- a) Potential delivery of quality housing;
 - b) Benefiting the community through promoting healthy, sustainable housing options;
 - c) Benefiting iwi through delivery of information sessions specific to their needs if wished
 - d) Contributing to prosperity through economic activity related to building of additional minor dwellings and increasing available housing.

Statutory Responsibilities / Ngā Haepapa ā-ture

72. Council has various statutory responsibilities in relation to housing in the district. Some of these have been outlined in the report. This option is proposing an enhanced service pilot project in the delivery of those statutory responsibilities while also contributing to the purpose of local government in the Local Government Act 2002.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

73. This option is consistent with policies and plans of Council including the Long-Term Plan 2024-2034. While there may be amendments to policies and plans necessary depending on future decisions of Council, there are none resulting from this report.

Participation by Māori / Te Urunga o Ngāi Māori

74. If this option is approved, it is important that Māori are involved in the project. This option could lend itself to supporting multigenerational living which would be of particular interest. Māori are undertaking significant work related to housing, and alignment of shared priorities and complementary initiatives will result in the best outcomes for the whole community.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

75. Community views and preferences support this option through the evidence provided via deputations, submissions and anecdotal evidence, including support for NPDC to contribute to increasing housing stock evident through the recent Long-Term Plan submissions.
-

76. Community views and preferences provided through deputations and submissions from the recent Long-Term Plan process gives evidence there is support for NPDC to contribute to increasing housing stock. This option is likely to contribute towards the increase in housing stock for the New Plymouth District.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

77. The advantages of this option are that it will enable NPDC to;
- a) significantly enhance service to property owners interested in building additional minor dwellings and potentially help increase housing stock in the district
 - b) have flexibility to increase resource quickly if demand for the enhanced service is high.
 - c) enable council officers to better assess demand and unintended consequences, and whether incentivising property owners to build additional dwellings is recommended.
78. The disadvantage of this option is that encouraging building of additional minor dwellings may result in cases of missed opportunity for higher density residential development on the same land.

Recommended Option

This report recommends option three, approve up to \$150,000 from the housing reserve to implement and deliver a pilot project for up to 12 months, for addressing the matter.

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Minor Dwellings Options Analysis Report, Egmont Dixon (ECM9264396)

Report Details

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Approved By:	Damien Clark (Manager Community & Economic Development)
Ward/Community:	District Wide
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-----End of Report-----



EGMONT
DIXON

MINOR DWELLINGS

Options Analysis Report

New Plymouth District Council

January 2024

DOCUMENT CONTROL

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LIMITATIONS + DISCLAIMER

In the preparation of this report, New Plymouth District Council (NPDC) has provided information planning, financial data from an elected member and legal advice on the councils’ ability to lend.

No responsibility is accepted by Egmont Dixon Limited and Flint Planning Limited for the accuracy of information provided by third parties.

This report is for use by the client only and should not be used or relied upon by any other person or entity or for any other purpose. It has been prepared based on the client’s expressed requirements and proposed use of the site. All financial data are estimates only and require validation upon confirmation of options.



1. BACKGROUND

The rental market in New Zealand has seen significant changes in the last few years with an increase in rental prices and a low supply of available rentals. Across the motu, the supply, or the number of properties available to rent in May 2023 was down 19 per cent from May 2022, while demand was up 35%⁽¹⁾.

The New Plymouth district has not been immune to the increase in the weekly rental rate and lack of adequate rental supply which has put significant pressure on renters wanting to find an affordable option to live in. The Taranaki region had the highest year-on-year median weekly rent rise. The median weekly rental price there had steadily risen since November 2022⁽¹⁾ and continues to rise to this day.

The latest reports by tenancy.govt.nz have indicated that the average 3-bedroom house in New Plymouth sits at an average of \$650 a week, 2 bedrooms at \$450 and single bedroom at \$370 per week. This makes affordability an issue for prospective tenants.

With a rental housing shortage, high cost of building and consenting restrictions, the New Plymouth District Council (NPDC) have expressed interest in enabling options for minor dwellings (up to 80m²) to be built on private residential land by providing cost effective and easier pathways to consent build options that will entice/incentivise the public to build on their own residential sections which already have a primary residence located on the lot.

If a cost-effective model can be found which entices property owners to build minor dwellings on their own land, NPDC hopes to increase rental supply and create options to help ease the pressure on the rental demand in the region.

The scope of the financial modelling is based on New Plymouth and has not been extended to satellite towns.

1 - <https://www.trademe.co.nz/c/property-industry/news/May-Rental-Price-Index-2023>

2. SCOPE OF THIS ANALYSIS

From our initial discussions with NPDC and a thorough scoping process, Egmont Dixon (ED) have confirmed via the council staff that NPDC wish to explore options to further enable minor dwellings (up to 80m²) to be built on private residential land which already has a primary residence located on the parcel.

The council has requested that as part of this scope, ED is to review the current Proposed District Plan – Appeals Version (PDP-AV) and provide advice on whether the PDP-AV is permissible to establish it enables minor dwellings as proposed and, to review the PDP-AV and provide advice as to and identify what provisions could require review potentially hamper them from being built. This review seeks to provide recommendations on more permissive pathways to enable minor dwellings to be built with less planning restrictions and or resource consenting requirements.

NPDC would like to understand the financial construction costs of establishing a minor dwelling. We have considered 2 types of dwellings in this options analysis. These being:

1. Single Bedroom.
2. Two Bedrooms.

As part of the financial study, we have explored options for NPDC to reduce the overall costs to whoever wished to establish a minor dwelling. We have provided advice on:

1. Direct council contribution by grant.
2. Indirect council contribution by waiving consenting fees.
3. Council (or other) as a lending facility of up to half the construction costs.
4. Council partnering with contractors to produce a MultiProof design.



We have investigated NPDC supporting design and build contractors into a "MultiProof" design to make the overall consenting process much quicker. This proposed method will give the NPDC control over the look and quality of the minor dwellings and be able to expedite the building process.

3. EXECUTIVE SUMMARY

- Under the current rules the option to build minor dwellings already exists therefore anyone wishing to build is open to this option if their property meets the PDP-AV rules and effects standards to enable them to build.
- At the time of writing, it is unclear how many resource consents the new PDP-AV rules are generating for dwellings up to 80m² that are ancillary to the primary dwelling onsite. This is because there is an insufficient volume of consenting data (on 'test cases') to draw any reasonable conclusions on.
- A dwelling of up to 80m² that is ancillary to the primary dwelling onsite is not clearly defined in the PDP-AV. Under the PDP-A a dwelling of up to 80m² in areas that is ancillary to the primary dwelling is defined as both a 'minor residential unit' and a 'residential unit'. In the residential zones, these units are listed as permitted activities and are generally enabled (subject to meeting all relevant effects standards).
- Earthworks cut/fill heights and outlook area effects standards have been identified as being likely triggers for resource consent in the residential zones in the PDP-AV. Although, as noted above more consenting data is required to determine whether this is the case.
- If consenting data confirms that the earthworks and outlook area effects standards above are trigger many resource consents, it is recommended that NPDC consider a new definition for a dwelling of up to 80m² that is ancillary to the primary dwelling onsite. This would allow a specific outlook and earthworks rules to assist in reducing resource consent triggers which will help reduce overall development cost.
- The National led government has indicated that they would like to enable construction of more granny flats (up to 60m²). At this point in time, it is unclear how they intend to do this.
- If specific effects standards (Outlook area and earthworks cut/fill height) are completely removed for a dwelling of up to 80m² that is ancillary to the primary dwelling there are expected to be several unintended consequences.
- There are many housing suppliers in the region, each with cost effective options that are compliant with the current building code standards.
- Each costing model produced is cost sensitive and does not include the cost of capital. If the cost of capital was included, yield rates would potentially make building a minor dwelling unfeasible.
- If NPDC wishes to increase the supply of minor dwellings, then an option to incentivise builds may need to be explored.
- If incentives are used, the recovery of any capital incentives will likely be low.

4. PLANNING ASSESSMENT



The scope of work for assessment, is to consider the PDP-AV requirements for establishing a second dwelling of up to 80m2 on an existing property. It is important to note that the PDP-AV does not include a defined term that perfectly aligns with a second dwelling onsite of this size.

The term 'minor residential unit' is used in the PDP-AV. It is defined as "a self-contained residential unit that is ancillary to the principal residential unit and is held in common ownership with the principal residential unit on the same site. This is a term within the National Planning Standards that cannot be modified. The term 'minor residential unit' appears to be most applicable for Rural Lifestyle and Rural Production Zones in the PDP-AV, where there is a specific consent pathway for a second dwelling which is ancillary to the primary dwelling onsite.

However, within the residential zones of the PDP-AV, with up to two dwellings (of any size) being permitted in the General Residential Zone, and up to three dwellings (of any size) being permitted in the Medium Density Residential Zone the term 'minor residential unit' would appear to be redundant for the sole purpose of building multiple houses on one record of title.

The reader of this report therefore needs to be aware that the PDP-AV, in the residential zones the 80m2 dwelling to be explored can be considered as a 'minor residential unit' and a 'residential unit' which are defined. To differentiate reference to a second dwelling up to 80m2 in area (as defined by our scope), the term 'small ancillary dwelling' shall be used within this planning assessment.

The reason that it is important to distinguish whether a dwelling is a 'minor residential unit', or a 'residential unit' relates to future subdivision potential. The PDP-AV does not allow subdivision of 'minor residential units' onto their own record of title. This is confirmed by the definition of minor residential units, needing to be "ancillary to the principal residential unit, and is held in common ownership with the principal residential unit on the same site".

Rule SUB-R7 for subdivision to create an allotment around existing development and approved development also specifically excludes minor residential units in the definition of 'approved development'.

The reasons for this are that small ancillary dwelling units are typically positioned around an existing dwelling onsite, whereby site layout is often constrained i.e. existing dwelling in centre of the site, a small ancillary dwelling then established near the front corner of the property. Subdivision of this constrained built form will create new cadastral boundaries and will more than likely affect future development of the overall property, potentially leading to poor on-site amenity and design outcomes. In the long term, it is expected that this will also impact establishment of higher densities of housing if the District Plan seeks this outcome.

However, it is possible that a small second dwelling unit (i.e. 60-80m2) that is not ancillary to a principal dwelling on the same site onsite could also be established as a 'residential unit', whereby further subdivision is then not precluded as noted above in SUB-S7. The use of dwellings also changes over time, at some point the small dwelling may be ancillary to the principal unit for example if a family member is using it. But in the future this use may change, whereby a completely unrelated group of people reside in the dwelling. At this point in time, it is unclear how NPDC intend to determine what is a 'minor residential unit' and what is a small 'residential unit' not ancillary to the other unit for the purposes of considering subdivision in the Medium Density Residential and General Residential Zones. From my perspective it would relate to the property owners intended use and the label they place on the proposed building.

It is acknowledged that multi-generational living on one property is sort after for a number of local families whereby two dwellings are established, and subdivision is not required. Although, given the equity that a new record of title can create, it is expected that the majority people who build two dwellings on one property would also choose to subdivide a second dwelling onto its own Lot if possible.

NPDC's Legislated Role in Providing Development Capacity

Under the National Policy Statement 2020 (NPS-UD), NPDC as a Tier 2 territorial authority are legally required to assess housing demand for the district. The NPS-UD requires that NPDC provides sufficient development capacity for the district to



meet demand over a 30-year period. The recent New Plymouth District Plan review that is ongoing has been drafted (including up-zoning of land) to give effect to this objective with technical advisory from Property Economics. Up-zoning means changing urban zoning to provide for more residential density. Under the PDP-AV, residential growth will be provided through a combination of suburban infill, undeveloped PDP zoned residential land, Structure Plan Development Areas and Future Urban Zone land. There is also substantial scope for residential living in New Plymouth City Centre, Waitara and Inglewood town centres.

The five PDP-AV Structure Plan Development Areas will provide for residential development in the short to medium term. The Future Urban Zones will provide for long-term growth. Infill and undeveloped residential land will still provide some of the long-term growth supply.

Review of New District Plan (PDP-AV) Performance to Date

NPDC publicly notified the Proposed District Plan (PDP) on 23 September 2019. An independent commissioner panel subsequently considered submissions and evidence on these proposed provisions which result in the commissioners making a recommendation to NPDC Councillors for approval, with the Proposed District Plan – Decision Version (PDP-DV) publicly notified on 2 May 2023.

This PDP-DV is now subject to Environment Court Appeal and at the time of drafting this technical reporting NPDC is progressing mediation to resolve 23 appeals that were lodged with the Environment Court. The appeals do not relate to the definition of minor residential unit, so in this regard the definition is treated as deemed operative.

With the rules in the PDP-DV having legal effect (i.e. becoming a trigger for resource consent) in May 2023, in discussions with NPDC's Planning Consent team, there is an insufficient volume of consenting data (on 'test cases') to draw any reasonable conclusions on how many small ancillary dwelling units have triggered the requirement for resource consent.

It has been observed that the current PDP-AV rules for minor residential units on smaller Rural Production Zone properties, are currently triggering a number of resource consents. Whereby, these developments were typically permitted under the Operative District Plan 2005 (ODP) if the minor residential unit is no more than 25m from the existing primary residential unit and is no more than 75% of the size of the primary dwelling.

What is permitted under the PDP-AV rules and effects standards and does not require any resource consent to establish a small ancillary dwelling?

The following rules and effects standards are identified as the key controls in the PDP-AV that managing construction of a small ancillary dwelling within the three residential zones and for a minor residential unit in the two rural zones. These are as follows:

Medium Density Residential Zone (Minimum Lot size of vacant sections is 300m²)

- *Residential Density, MRZ-R4:* Up to three residential units (No reference to minor residential units) per site in compliance with all Medium Density Residential Zone effects standards. For the purposes of [MRZ-R4](#) (1)(b) a residential [building](#) is defined as a [residential unit](#), a [minor residential unit](#) or a [sleep out](#).
- *Outdoor Living Space, MRZ-S6:* The minimum outdoor living space per minor residential unit is 10m², where the outdoor living is at ground level, has dimensions no less than 3m, has a gradient of less than 1:20, is directly accessible from any habitable room or kitchen and is free of buildings, parking spaces, manoeuvring areas and dedicated utility spaces.
- *Minimum Outlook Space, MRZ-S7:* A 6m (depth) x 4m (width) outlook space is required from the principal living room of a dwelling, and a 3m x 3m outlook space from the principal bedroom. Outlook spaces may be within the site, over a public street or other public open space or private accessway, right of way, access Lot or driveway



servicing a rear Lot. Outlook spaces must be clear of and unobstructed by buildings and shall not extend over an outlook space or outdoor living space required by another dwelling.

- *Earthworks, Rule EW-R10:* earthworks for building activities where the building is authorised by a building consent, the earthworks are not for the purpose of constructing a driveway, right of way or accessway, the total earthworks area does not exceed 150% of the area of the building activity.
- *Earthworks, Rule EW-S2:* Cut height rules: 0.5m vertical cut/fill height within 1.5m of the front boundary or 1.5m vertical cut/fill height within 1m of the side boundary. EW-S3 (site reinstatement), EW-S4 (Control of silt and sediment) and EW-S5 (Discovery of sensitive material) can be easily complied with.
- *Sites and Areas of Significance to Māori (SASM-R14 and SASM-R16) and archaeological site (HH-R27 and HH-R29) rules:* Erection or relocation of a structure and associated earthworks within the extent of a scheduled site of significance to Māori.

General Residential Zone (minimum subdivision lot size 400m², Ōākura is 600m²)

- *Residential Density, GRZ-R4:* Up to two residential units (Would include either two residential units or one residential unit and one minor residential units) per site in compliance with all General Residential Zone effects standards.
- *Outdoor Living Space, GRZ-S5:* The minimum outdoor living space per minor residential unit is 30m², where the outdoor living is at ground level, has dimensions no less than 3m, has a gradient of less than 1:20, is directly accessible from any habitable room or kitchen and is free of buildings, parking spaces, manoeuvring areas and dedicated utility spaces.
- *Minimum Outlook Space, GRZ-S6:* A 6m (depth) x 4m (width) outlook space is required from the principal living room of a dwelling, and a 3m x 3m outlook space from the principal bedroom. Outlook spaces may be within the site, over a public street or other public open space or private accessway, right of way, access Lot or driveway servicing a rear Lot. Outlook spaces must be clear of and unobstructed by buildings and shall not extend over an outlook space or outdoor living space required by another dwelling.
- *Earthworks, Rule EW-R10:* earthworks for building activities where the building is authorised by a building consent, the earthworks are not for the purpose of constructing a driveway, right of way or accessway, the total earthworks area does not exceed 150% of the area of the building activity.
- *Earthworks, Rule EW-S2:* Cut height rules: 0.5m vertical cut/fill height within 1.5m of the front boundary or 1.5m vertical cut/fill height within 1m of the side boundary. EW-S3 (site reinstatement), EW-S4 (Control of silt and sediment) and EW-S5 (Discovery of sensitive material) can be easily complied with.
- *SASM (SASM-R14 and SASM-R16) and archaeological site (HH-R27 and HH-R29) rules:* Erection or relocation of a structure and associated earthworks within the extent of a scheduled site of significance to Māori.

Low Density Residential Zone (minimum subdivision lot size 750m² – Often no reticulated sewer)

- *Residential Density, LRZ-R4:* Up to one residential unit (Note: this rule does not apply to minor residential units) per site in compliance with all Low-Density Residential Zone effects standards. Any proposed minor residential unit triggers land use consent under LRZ-R13.
- *Outdoor Living Space, LRZ-S5:* The minimum outdoor living space per minor residential unit is 50m², where the outdoor living is at ground level, has dimensions no less than 3m, has a gradient of less than 1:20, is directly accessible from any habitable room or kitchen and is free of buildings, parking spaces, manoeuvring areas and dedicated utility spaces.



- *Minimum Outlook Space, LRZ-S6: A 6m (depth) x 4m (width) outlook space is required from the principal living room of a dwelling, and a 3m x 3m outlook space from the principal bedroom. Outlook spaces may be within the site, over a public street or other public open space or private accessway, right of way, access Lot or driveway servicing a rear Lot. Outlook spaces must be clear of and unobstructed by buildings and shall not extend over an outlook space or outdoor living space required by another dwelling.*
- *Earthworks, Rule EW-R10: earthworks for building activities where the building is authorised by a building consent, the earthworks are not for the purpose of constructing a driveway, right of way or accessway, the total earthworks area does not exceed 150% of the area of the building activity.*
- *Earthworks, Rule EW-S2: Cut height rules: 0.5m vertical cut/fill height within 1.5m of the front boundary or 1.5m vertical cut/fill height within 1m of the side boundary. EW-S3 (site reinstatement), EW-S4 (Control of silt and sediment) and EW-S5 (Discovery of sensitive material) can be easily complied with.*
- *SASM (SASM-R14 and SASM-R16) and archaeological site (HH-R27 and HH-R29) rules: Erection or relocation of a structure and associated earthworks within the extent of a scheduled site of significance to Māori.*

Rural Lifestyle Zone (minimum subdivision lot size 4,000m²)

- *Residential Density – Small Sites: For sites less than one hectare: one residential unit per site, in compliance with all Rural Lifestyle effects.*
- *Residential Density – Large Sites: For sites of 20 Hectares or more: one residential unit and one minor residential unit per site, provided that the minor residential unit is within 25m of the primary residential unit and shares a driveway access with the primary residential unit in compliance with all Rural Lifestyle effects standards.*
- *Earthworks, Rule EW-R10: earthworks for building activities where the building is authorised by a building consent, the earthworks are not for the purpose of constructing a driveway, right of way or accessway, the total earthworks area does not exceed 150% of the area of the building activity.*
- *Earthworks, Rule EW-S2: Cut height rules: 0.5m vertical cut/fill height within 1.5m of the front boundary or 1.5m vertical cut/fill height within 1m of the side boundary. EW-S3 (site reinstatement), EW-S4 (Control of silt and sediment) and EW-S5 (Discovery of sensitive material) can be easily complied with.*
- *SASM (SASM-R14 and SASM-R16) and archaeological site (HH-R27 and HH-R29) rules: Erection or relocation of a structure and associated earthworks within the extent of a scheduled site of significance to Māori.*

Rural Production Zone (minimum Lot size is 4,000m² whilst maintaining a 20Ha balance)

- *Residential Density – Small Sites: For sites less than 20 hectares: one residential unit per site, in compliance with all Rural Production Zone effects standards.*
- *Residential Density – Large Sites: For sites of 20 Hectares or more: one residential unit and one minor residential unit per site, provided that the minor residential unit is within 25m of the primary residential unit and shares a driveway access with the primary residential unit in compliance with all Rural Production Zone effects standards.*
- *Earthworks, Rule EW-R10: earthworks for building activities where the building is authorised by a building consent, the earthworks are not for the purpose of constructing a driveway, right of way or accessway, the total earthworks area does not exceed 150% of the area of the building activity; and EW-S2, EW-S3 and EW-S5 are complied with.*



- *Earthworks, Effects Standard EW-S2*: cut height rules: 0.5m vertical cut/height within 10m of the front boundary, 1.5m vertical cut/fill within 10m of the side boundary or 1.5m vertical cut/fill height from a side boundary that adjoins a Residential, Commercial and Mixed Use, General Industrial, Open Space and Recreation or Special Purpose (excluding Future Urban Zone) zoned site.
- *SASM (SASM-R14 and R16) and archaeological site (HH-R27 and HH-R29) rules*: Erection or relocation of a structure and associated earthworks within the extent of a scheduled site of significance to Māori.

Note: if timber pile foundations are proposed, this is not defined as earthworks, this is defined as 'Land disturbance' for the construction of piles under EW-R1 which is a permitted activity under rule EW-R1. Otherwise, if a concrete slab foundation is proposed, cut/fill earthworks will be required and rule EW-R10 applies.

Is the PDP-AV permissive enough to enable small ancillary dwellings without resource consent in the residential zones?

The residential density rules and effects standards strike the right balance in that the provisions are permissive and align with the density and amenity character outcomes of each residential zone type. For example, in the Medium Density Residential Zone and the General Residential Zones, a minor residential unit and residential unit is a permitted activity.

With many of the 'easy' flat, well serviced house sites located near the New Plymouth city centre (where the highest demand for housing and generally higher property value exists) now largely developed, minor residential units are more than likely needing to be established on sloping sites with three waters and access servicing challenges. Although, it is acknowledged that there are opportunities for second dwellings to be established in locations such as Inglewood and Waitara where services are available and flatter land still exists.

If concrete slab foundations are to be utilised, then resource consent will likely be triggered on these sloping sites under EW-R10 (due to an exceedance with cut/fill heights in EW-S2). Subsequently, if timber pile foundations are required then these will be permitted, and resource consent will not be triggered for building foundation earthworks. Access to the minor residential unit may remain an issue, although this may be resolved through timber stairs and decking with pile foundations.

The PDP-AV provides controls that seek to provide good levels of on-site amenity within each development site and for adjoining property owners. The ODP was a more outward looking planning framework and had a greater focus on avoiding and mitigating potential adverse effects on adjoining property owner's amenity values.

With space at a premium at the rear of residential sites to position a small ancillary dwelling, it is expected outlook space effects standards requirements are unlikely to be met (particularly the 6m x 4m outlook space requirement) being required in both the Medium Density and General Residential Zones. The outdoor living area effects standards are expected to be more workable with area of outdoor living in context with typical Lot sizes in the zone i.e. Medium Density Residential 10m² (specifically for minor residential units) and General Residential 30m².

Regardless of the residential zone and general district wide rules, earthworks and construction of buildings within the extent of a site of significance to Māori (SASM) and archaeological sites will activate the need for resource consent. These rules and standards are currently subject to appeal and may change, as a result limited analysis has been made on these provisions – other to say that it is a reason for resource consent and will contribute to the cost of constructing a small ancillary dwelling.

What changes to the PDP-AV could be investigated?

The District Plan Review and Proposed District Plan process has been a long-term work program for NPDC that has taken many years to reach the current stage. Whilst suggestions can be made on potential changes to the PDP-AV to further enable construction of small ancillary dwellings, the process to make changes is unlikely to be completed



quickly. In any case, it is recommended that before any further changes to the PDP-AV are progressed, it is recommended that the PDP be given time to “bed in” to review consenting figures which will determine whether there are significant issues that need to be resolved. Focus should be given to the uptake of development in the Medium Density Residential Areas.

Suggested changes to rules and standards:

The provisions that we consider could be relaxed are as follows:

Outlook area effects standards only for small ancillary dwellings.

By nature, these buildings are smaller with one or two bedrooms, they will likely be located on rear yard areas which may have physical constraints to construct. Therefore, the outlook depth requirement of 6m from principal living room and 3m outlook depth requirement from the principal bedroom should be reduced to reflect this. The PDP-AV requiring a small ancillary dwelling to provide the same outdoor living and outlook space as a 280m2+ 4-bedroom two storied dwelling in the General Residential Zone seems unreasonable. As it is expected that the greatest demand for small ancillary dwellings will be in this zone, not the Medium Density Residential Zone. A new definition that clearly identifies a dwelling up to 80m2, ancillary to the primary dwelling onsite is suggested, whereby specific outlook area effects standards can apply. It is suggested that the outlook depth from a principal living room is reduced from 6m to 3m, and that outlook requirement from the principal bedroom is reduced from 3m depth to 1m for a dwelling up to 80m2. A lesser outlook area is considered appropriate in instances where two dwellings onsite are ancillary to each other, whereby outdoor living and outlook areas are often shared spaces. If the second dwelling is to be subdivided onto its own record of title, then the current outlook area should be retained.

It is noted that the outlook area effects standards were not initially supported by the NPDC s42a report author. These effects standards were proposed by Kainga Ora to be included. The outlook area effects standard suggested by Kainga Ora is based on the outlook standard in the Auckland Unitary Plan. The independent commissioners preferred the evidence of Kainga Ora, as a result the outlook effects standards were confirmed in the Decisions Version of the PDP.

Kainga Ora’s rationale for inclusion of the outlook area effects standard is that issues relating to privacy are a function of ‘outlook’ from habitable windows. In the context of intensifying residential urban environments, it was considered essential to efficiently ensure a reasonable standard of visual privacy between habitable rooms of different buildings, on the same or adjacent sites. The Commissioners find that the outlook standard will assist to manage infill in a way that respects the privacy (and amenity) of existing neighbouring units.

Earthworks

More exclusions in the earthworks rules and effects standards to allow for earthworks for concrete slab foundation design. If this construction method is more cost effective, then changes could be made (with suitable checks and balances to ensure site stability and mitigation of visual effects). It is acknowledged that considerable work has been completed by Mana Whenua to identify sites of significance to Māori and archaeological sites, no changes to SASM and archaeological site rules are suggested regarding construction of a small ancillary dwelling.

Some suggested changes may be to allow a greater cut/fill vertical height related to dwelling foundations up to 80m2 that is ancillary to the primary dwelling (providing for concrete slab design) and pedestrian access to the unit. Further Section 32 analysis of options to change these standards would need to be completed to determine the most efficient and effective approach. Complete removal of cut/fill standards for small ancillary dwellings may lead to proposals with significant changes in landform, which may generate adverse visual effects on amenity values and greater potential for instability within and adjoining the development site.



What are the methods in the PDP-AV to provide for more housing in residential zones in New Plymouth?

The NPDC District Plan Team has provided a breakdown of feasible infill capacity that has been supplied by Property Economics for the three residential zones in New Plymouth (as shown in Figure 1). The infill assessment confirms that a total of 1,348 additional dwellings was possible under the ODP. The current PDP-AV would increase this 'Plan enabled' residential density within the three residential zones by 1,976 dwelling units (noting that the Low-Density Residential Zone must show sites that are currently vacant). A total of 3,324 dwelling units are enabled under the PDP-AV, considering latent urban land available for development.

Feasible Infill Capacity for New Plymouth District Council

Property Economics supplied us with these numbers over the years during the PDP process

	Feasible Capacity			
	Operative District Plan*	Draft District Plan*	Kainga Ora Submission - Hearings	Appeals version Proposed District Plan**
General Residential (ResA)	935	1,156	1,141	889
Low Density Residential (ResC)	11	10	10	10
Medium Density Residential (ResB)	402	1,908	3,800	2,425
	1,348	3,074	4,951	3,324

*This data was used for the 2021 HBA
 ** This data has been used in the 2024 HBCA

Figure 1: HBA Infill Capacity Assessment (Source: NPDC District Plan Team)

Mapping of infill areas was undertaken by NPDC using geographic information systems (as shown in Figure 2) for residential areas of New Plymouth District (excluding low-density residential areas). Indicative areas of infill were identified that did not require moving existing dwellings but may need landscaping and removal of sheds.



Figure 2: Example of mapping completed by NPDC to calculate latent developable land (Source: Draft 2024 HBCA)

The draft Housing and Business Development Capacity Assessment 2024 (HBCA) that has been provided by the NPDC District Plan team confirms that to meet the needs of the district for the next 30-years, an additional 11,027 new dwellings are required (equating to 368 dwellings per year). This considers anticipated population in the district to increase to 110,400 over the next 30-years.



Construction of infill and multi-unit developments (which would include minor residential units) is clearly part of the solution to providing housing supply, although, the 3,324 plan enabled dwellings that could be established in the residential zones comprises of 30% of the total number of dwellings required to meet the NPS-UD 30-year housing demand requirement. The HBA also confirms that over the last 5 years, 70% of demand for new dwellings was within the New Plymouth and Bell Block residential areas.

How does the PDP-AV intend to provide a greater number of affordable residential units to the local market?

The PDP-AV intends to deliver residential units to the market through a variety of housing typologies, and different residential densities throughout the district. The methods of achieving this within the current zoning (excluding Future Urban Zone land) are summarised below.

- ❖ Commercial developer housing providers.
- ❖ Residential and rural landowners establishing minor residential units on large back yard areas.

Housing typologies to be provided as follows:

- Centre Zones: High density apartment style housing.
- Mixed-Use Zone (Living Precinct): High to medium density.
- Medium Density Residential Zone: Medium density townhouse developments.
- General Residential Zone: Small scale subdivision creating additional residential units and minor residential units.
- Rural Lifestyle Zone: Primary residential unit and a minor residential unit.
- Rural Production Zone: Primary residential unit and a minor residential unit for farm workers only permitted on 20Ha + properties, small lifestyle properties all require resource consent for a minor residential unit.

The HBCA analysis indicates that most residential units will need to be established in the Centre and Mixed-Use Zones to achieve the 30-year housing demand requirement. It is expected that construction of higher densities in these zones will inevitably result in economies of scale and expected to lead to better affordability.

What changes is the new National Led government indicating for small ancillary dwellings (up to 60m²)?

The coalition agreement between the National and NZ First parties proposes amendments to the Building Act and the Resource Management Act to facilitate the construction of granny flats and other small structures up to 60m². The possible changes include requiring only an engineer's report to streamline the process. It is unclear what the timing of this will be.

Given how time consuming it is to review and change a District Plan, it is possible that any such changes may come through as a National Environmental Standard (NES) or as part of the National Policy Statement for Urban Development (NPSUD) which would likely apply to towns and cities with larger population bases within Tier 1 and 2 local authority urban environment. NES and NPS regulations override District Plan rules and standards and can be implemented quickly in a similar way to how the NPS-UD was originally introduced.

5. DEVELOPMENT COSTINGS AND ASSUMPTIONS

The development options and costings are based off our experience with delivering similar projects across Taranaki, however for this report we have based our assumptions off constructing in New Plymouth. We have based our costings as medium specification houses that deliver an acceptable housing outcome – warm dry and affordable, while not producing a specification that would diminish the living conditions for potential renters.



Option 1 is based off a Structurally Insulated Panel (SIP), Offsite Manufactured (OSM) construction technique, which is considered an entry-level, cost-effective house which may not be appropriate for all potential customers.

All options are inclusive of all design, compliance, site works and construction costs and include GST. The costings are based on averages and are dependent on the level of specification, look and feel that the potential client requires. This could mean that the financial considerations could be higher or lower than information provided in the options below.

The options are inclusive of all inputs and site works. This assumes that the sites are flat and do not require excessive architectural, planning, engineering or construction, such as:

1. A resource consent is not required.
2. Liquefaction reporting or remediation to suit.
3. Contamination and soft ground remediation.
4. A bespoke architectural design (assumes a predesigned package from a group house builder).
5. A comprehensive structural/civil design.
6. A site within 30m from the road frontage and council services (sewer, water, telcos and power).
7. An addition of an electrical transformer.
8. No garage.

Examples of the options selected are as follows:

9. Latitude Homes Thames – 60m², 2 Bedroom, \$272,701.
10. Latitude Homes Wairoa – 60m², 2 Bedroom, \$237,556.
11. GJ Gardner Pukeko – 64m², 2 Bedroom, \$251,965.
12. GJ Gardner Tui – 64m², 2 Bedroom, \$240,235.
13. Signature Homes Mynah – 58m², 2 Bedroom, \$231,389.
14. Location Homes 59m² - \$276,270.
15. Location Homes 65m² - \$259,998.
16. House Me 45m² – \$163,000 (includes transport).
17. Manor Builds Alabama 60m² – \$250,000.
18. Versatile Advantage 50m² – \$204,999.
19. Versatile Advantage 65m² – \$225,999.

This gives an average m² rate for building of \$4,022 (inc GST) which is exclusive of earthworks, in ground services and access which have been added in as additional costs. For smaller homes a higher build rate will be used.

We have not included options for tiny homes as these options are difficult to assess for compliance and may not provide the outcome desired for providing sufficient space for a rental.

6. OPTION 1 – INDIRECT COUNCIL CONTRIBUTION

This model assumes that the owner occupier is responsible for covering all costs attributed to the building of a minor dwelling with the council offering a contribution to the costs via rebate on the council related fees, such as developer contributions, building consent fees and resource consent fees if a resource consent applies, which we have assumed will not be.



DEVELOPMENT COST (Inc GST)						
CIVIL COSTS						
Electrical Reticulation	1	lots x	\$ 6,500	per lot	\$ 6,500	incl. GST
Telecommunications	1		\$ 1,800	sum	\$ 1,800	incl. GST
Sewer and Water	1	@	\$ 10,000	sum	\$ 10,000	incl. GST
Soakage Holes	4		\$ 1,500		\$ 6,000	
					\$ -	
					\$ -	
					\$ -	
					\$ -	
					\$ -	
			TOTAL CIVIL COSTS		\$ 24,300	incl. GST
CONSTRUCTION COSTS						
Vertical Build 2 Bdrm	40	m² @	\$ 4,800	per m²	\$ 192,000	
Driveway and Earthworks	1		\$ 20,000		\$ 20,000	
					\$ 212,000	
			CONSTRUCTION COSTS		\$ 212,000	
			TOTAL CONSTRUCTION COST		\$ 236,300	incl. GST
COUNCIL FEES						
Developer Contributions	1	lots x	\$ 11,497	per lot	\$ 11,497	incl. GST
Building Consent	1		\$ 10,000	sum	\$ 10,000	incl. GST
Council Contribution by Rebate	1		-\$ 21,497	sum	-\$ 21,497	incl. GST
			TOTAL COUNCIL FEES		\$ -	incl. GST
PROFESSIONAL FEES						
Civil Engineer	1	lots @	\$ 6,000	per lot	\$ 6,000	incl. GST
Civil Construction Observation	1	lots @	\$ 1,000	per lot	\$ 1,000	incl. GST
Geotech Engineer	1		\$ 6,000	sum	\$ 6,000	incl. GST
Geotech Construction Observation /	1		\$ 1,000	sum	\$ 1,000	incl. GST
Soakage Testing	1		\$ 3,000	sum	\$ 3,000	incl. GST
Topographical surveying	1		\$ 2,500	sum	\$ 2,500	incl. GST
			TOTAL PROFESSIONAL FEES		\$ 19,500	incl. GST
CONTINGENCIES						
Total Construction Costs	10%		\$ 236,300		\$ 23,630	
Professional Fees	10%		\$ 19,500		\$ 1,950	
			TOTAL CONTINGENCIES		\$ 25,580	incl. GST
TOTAL DEVELOPMENT COSTS					\$ 281,380	incl. GST

Supply of services to site
 Supply of services to site
 Supply of services to site
 Basic soakholes - no bespoke system like rainsmart.

Based on average M2 pricing in market (current)
 Extension or new driveway along with site prep to receive new dwelling.

DC's apply
 BC applies
 Indirect council contribution

3 waters design (if required by BC)
 Site observation during construction
 Provide Geotech report for BC
 Site observation during construction
 To confirm storm water design
 For Architectural input.

Contingency added
 Contingency added

Key considerations and comments for each option:

- These options use the "off the plans" model from a group house builder, therefore the build costs are inclusive of the architectural inputs. The civil and geotechnical engineering inputs are additional and accounted for under consultant costs.
- Each option provides a solid solution to minor dwellings as they are at a sufficient spec to provide, warm, dry and liveable options for potential tenants.
- A council contribution applies. If this was undertaken at scale and assumed 100 houses built under the model, then the council would be indirectly contributing \$2.149m.
- The contribution would be via council employees processing the consent applications at nil cost and not receiving a developer contribution.
- Some costs would be recovered over time via an uplift in rates although this cost recovery would be negligible each year.
- Offering a contribution to costs will provide investors with an incentive to build. This incentive may not be sufficient to gain momentum.
- To enable an affordable rental option, council could opt to sign agreement that caps the rental at 80% or market rate for 5 years. This may be difficult to execute due to the council needing to have staff on board to monitor and control the pricing restrictions.



- The market weekly rental is based on a new build, not the market average.
- Yield calculations if capped at 80%, makes the options less desirable for potential developers as the yield (ungeared, assuming no loan required) less than current market term deposit rates (6.1% p/a for 1 year at the time of writing) as outlined below:

Single Bedroom		Two Bedroom	
Total number of homes	1	Total number of homes	1
Consultant Costs	\$ 19,500	Consultant Costs	\$ 19,500
Council Charges & Contributions	\$ -	Council Charges & Contributions	\$ -
Construction Costs	\$ 212,000	Construction Costs	\$ 269,364
Civil Costs	\$ 24,300	Civil Costs	\$ 24,300
Contingency, Risk, Escalation	\$ 25,580	Contingency, Risk, Escalation	\$ 31,316
Project Total	\$ 281,380	Project Total	\$ 344,480
Weekly market rental	\$ 400	Weekly market rental	\$ 550
80% of weekly market rental	\$ 320	80% of weekly market rental	\$ 440
Annual affordable rental income	\$ 16,640	Annual affordable rental income	\$ 22,880
Vacancy		Vacancy	
Annual Opex (total development)	\$ 5,000	Annual Opex (total development)	\$ 5,000
Annual Opex % (total development)	30%	Annual Opex % (total development)	22%
Net Annual Income incl GST	\$ 11,640	Net Annual Income incl GST	\$ 17,880
Total Equity Required	281,380	Total Equity Required	344,480
Yield	4.1%	Yield	5.2%

- If rental is not capped and at 80% of market, then this option would have more appeal to investors.

7. OPTION 3 – DIRECT COUNCIL CONTRIBUTION

This option is similar to the indirect contribution model. All inputs are the same, although the council will make a direct cash contribution to the development. This was indicated to be \$50k by council staff and is the input used for this model. The intent of this model is to provide incentive by the council and is a simple transaction. The model offers little in terms of return, aside from additional rates over time. As a result, the contribution would be largely unrecoverable.

The following model is based on a two-bedroom 62m² minor dwelling:



DEVELOPMENT COST (Inc GST)							
CIVIL COSTS							
Electrical Reticulation	1	lots x	\$ 6,500	per lot	\$ 6,500		incl. GST
Telecommunications	1		\$ 1,800	sum	\$ 1,800		incl. GST
Sewer and Water	1	@	\$ 10,000	sum	\$ 10,000		incl. GST
Soakage Holes	4		\$ 1,500		\$ 6,000		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ 24,300		incl. GST
CONSTRUCTION COSTS							
Vertical Build 2 Bdrm	62	m² @	\$ 4,022	per m²	\$ 249,364		
Driveway and Earthworks	1		\$ 20,000		\$ 20,000		
					\$ 269,364		
					\$ 293,664		incl. GST
COUNCIL FEES							
Developer Contributions	1	lots x	\$ 11,497	per lot	\$ 11,497		incl. GST
Building Consent	1		\$ 10,000	sum	\$ 10,000		incl. GST
Direct Council Contribution	1		-\$ 50,000	sum	-\$ 50,000		incl. GST
					-\$ 28,503		incl. GST
PROFESSIONAL FEES							
Civil Engineer	1	lots @	\$ 6,000	per lot	\$ 6,000		incl. GST
Civil Construction Observation	1	lots @	\$ 1,000	per lot	\$ 1,000		incl. GST
Geotech Engineer	1		\$ 6,000	sum	\$ 6,000		incl. GST
Geotech Construction Observation /	1		\$ 1,000	sum	\$ 1,000		incl. GST
Soakage Testing	1		\$ 3,000	sum	\$ 3,000		incl. GST
Topographical surveying	1		\$ 2,500	sum	\$ 2,500		incl. GST
					\$ 19,500		incl. GST
CONTINGENCIES							
Total Construction Costs	10%		\$ 293,664		\$ 29,366		
Professional Fees	10%		\$ 19,500		\$ 1,950		
					\$ 31,316		incl. GST
TOTAL DEVELOPMENT COSTS					\$ 315,977		incl. GST

The following model is based on a single bedroom 40m² minor dwelling:

DEVELOPMENT COST (Inc GST)							
CIVIL COSTS							
Electrical Reticulation	1	lots x	\$ 6,500	per lot	\$ 6,500		incl. GST
Telecommunications	1		\$ 1,800	sum	\$ 1,800		incl. GST
Sewer and Water	1	@	\$ 10,000	sum	\$ 10,000		incl. GST
Soakage Holes	4		\$ 1,500		\$ 6,000		
					\$ -		
					\$ -		
					\$ -		
					\$ -		
					\$ 24,300		incl. GST
CONSTRUCTION COSTS							
Vertical Build 2 Bdrm	40	m² @	\$ 4,800	per m²	\$ 192,000		
Driveway and Earthworks	1		\$ 20,000		\$ 20,000		
					\$ 212,000		
					\$ 236,300		incl. GST
COUNCIL FEES							
Developer Contributions	1	lots x	\$ 11,497	per lot	\$ 11,497		incl. GST
Building Consent	1		\$ 10,000	sum	\$ 10,000		incl. GST
Direct Council Contribution	1		-\$ 50,000	sum	-\$ 50,000		incl. GST
					-\$ 28,503		incl. GST
PROFESSIONAL FEES							
Civil Engineer	1	lots @	\$ 6,000	per lot	\$ 6,000		incl. GST
Civil Construction Observation	1	lots @	\$ 1,000	per lot	\$ 1,000		incl. GST
Geotech Engineer	1		\$ 6,000	sum	\$ 6,000		incl. GST
Geotech Construction Observation /	1		\$ 1,000	sum	\$ 1,000		incl. GST
Soakage Testing	1		\$ 3,000	sum	\$ 3,000		incl. GST
Topographical surveying	1		\$ 2,500	sum	\$ 2,500		incl. GST
					\$ 19,500		incl. GST
CONTINGENCIES							
Total Construction Costs	10%		\$ 236,300		\$ 23,630		
Professional Fees	10%		\$ 19,500		\$ 1,950		
					\$ 25,580		incl. GST
TOTAL DEVELOPMENT COSTS					\$ 252,877		incl. GST



Key considerations and comments for each option:

- These options use the “off the plans” model from a group house builder, therefore the build costs are inclusive of the architectural inputs, noting that the civil and geotechnical engineering inputs are additional and accounted for under consultant costs.
- Each option provides a solid solution to minor dwellings as they are at a sufficient spec to provide, warm, dry and liveable options for potential tenants.
- A direct council contribution applies. If this was undertaken at scale and assumed 100 houses built under the model, then the council would be directly contributing \$5m.
- The financial contribution is significant and may not be in line with rate payers’ expectations. For example, why would the council contribute to further boosting the asset bases for people who can afford it?
- Some costs would be recovered over time via an uplift in rates. This cost recovery would be negligible each year.
- To enable an affordable rental option, council could opt to sign agreement that caps the rental at 80% or market rate for 5 years. This may be difficult to execute in reality due to the council needing to have staff on board to monitor and control the pricing restrictions.
- Yield calculations if capped at 80%, makes the options less desirable for potential developers as the yield (ungeared, assuming no loan required) less than current market term deposit rates (6.1% p/a for 1 year at the time of writing) as outlined below:

One Bedroom		Two Bedroom	
Total number of homes	1	Total number of homes	1
Consultant Costs	\$ 19,500	Consultant Costs	\$ 19,500
Council Charges	\$ 21,497	Council Charges	\$ 21,497
Council Contributions	-\$ 50,000	Council Contributions	-\$ 50,000
Construction Costs	\$ 212,000	Construction Costs	\$ 269,364
Civil Costs	\$ 24,300	Civil Costs	\$ 24,300
Contingency, Risk, Escalation	\$ 25,580	Contingency, Risk, Escalation	\$ 31,316
Project Total	\$ 252,877	Project Total	\$ 315,977
Weekly market rental	\$ 400	Weekly market rental	\$ 550
80% of weekly market rental	\$ 320	80% of weekly market rental	\$ 440
Annual affordable rental income	\$ 16,640	Annual affordable rental income	\$ 22,880
Vacancy		Vacancy	
Annual Opex (total development)	\$ 5,000	Annual Opex (total development)	\$ 5,000
Annual Opex % (total development)	30%	Annual Opex % (total development)	22%
Net Annual Income incl GST	\$ 11,640	Net Annual Income incl GST	\$ 17,880
Total Equity Required	252,877	Total Equity Required	315,977
Yield	4.6%	Yield	5.7%

- If rental is not capped and at 80% of market, then this option would have more appeal to investors.



8. OPTION 2 – COUNCIL AS A LENDER

An elected member presented a model where the council will act as a lender providing 50% of the development funding. ED has not produced this model and all information and inputs have been provided by the elected member. ED has provided the tabulated information and had the inputs confirmed by the elected member.

For this model, the council will need to act as a financial institution and can draw funds as the development opportunities are taken up by qualifying members. In return, the council will receive 40% of the weekly rent roll.

The rent roll received by the council is set at 40% of the total rent roll. Although the council has contributed to 50% of the costs, we were advised that the split was to be 60% / 40% as the owner occupier was to receive an additional 10% management fees as an enticement.

The gross yield (or profit) before expenses and interest sits at a positive level for both the models below. This yield is highly dependent on the overall development costs. When interest costs are added in along with insurances and other operating costs, this model can produce a negative return easily. Therefore, the model is more likely to work well with owner occupiers that can fund the development without debt.

This model has a limited life as the model proposes a 5-year interest free loan and when the 5-year term is at maturity, the owner of the minor dwelling is proposed to buy the council out at the current capitalisation rate. Rental would also be capped at 80% of the market rate.

When the 5-year term reaches maturity, the council will recover its debt at a capitalisation rate, in this instance set at 6.5%. This rate is variable and is set by various market factors throughout the year. Capitalization rate is calculated by the net operating income and multiplying by the cap rate which gives the value of the asset. This method of calculation is not based on the value of the bricks and mortar asset, it derives the value based on the income it generates and is more typically used in commercial real estate.

The model is highly cost sensitive with any development cost over ~\$170k will return the council a negative compounding interest over the 5-year term which, will drive the council further into debt, before the debt recovery can occur at the end of the 5-year term.

Given the model is highly cost sensitive, a minor dwelling of \$170k will provide limited options for people looking at building on their land. The current options which are present in the market for this type of value are freezer panel construction or tiny homes which could limit the attraction to build.

Rental would be increased 3% year on year to allow for inflation and an increase in rental recovery. With this model, the year-on-year yield is positive however as previously mentioned, yield will become eroded upon adding in interest and operating costs.

There are two options outlined below.

1. The cashflow positive option for the council, below the \$170k development mark
2. The cashflow negative option with a development cost of \$330k.

Note that all items highlighted in orange can be changed to suit the actual costs. We have assumed the costs to allow for a 2 bedroom build of a lower quality and a 2-bedroom medium specification build and offers a \$10k council consenting rebate.



Cashflow Positive

Construction Inputs

Building Cost	\$	135,000.00	Change to suit
Transport Costs (if factory built)	\$	25,000.00	Change to suit
Earthworks and Drainage + Driveways	\$	12,000.00	Change to suit
Building Consent Costs	\$	5,000.00	Change to suit
Council Consenting Rebate	-\$	10,000.00	Change to suit
Contingency	5%	\$ 8,350.00	
Total	\$	175,350.00	
Owner Contribution 50%	\$	87,675.00	
Council Contribution 50%	\$	87,675.00	

Rental Return

Rental	\$	400.00	Change to suit
80% Rental	\$	320.00	
Rental P/A	\$	16,640.00	

Rental Split

Owner/Occupier 60%	\$	9,984.00
Council 40%	\$	6,656.00

Rental with hard ratchet

	Total	Owner	Council
Y1	\$ 16,640.00	\$ 9,984.00	\$ 6,656.00
Y2 + 3%	\$ 17,139.20	\$ 10,283.52	\$ 6,855.68
Y3 + 3%	\$ 17,653.38	\$ 10,592.03	\$ 7,061.35
Y4 + 3%	\$ 18,182.98	\$ 10,909.79	\$ 7,273.19
Y5 + 3%	\$ 18,728.47	\$ 11,237.08	\$ 7,491.39
	\$ 88,344.02	\$ 53,006.41	\$ 35,337.61

Gross Yield

Gross Yield Y1	11.4%
Gross Yield Y2	11.7%
Gross Yield Y3	12.1%
Gross Yield Y4	12.4%
Gross Yield Y5	12.8%

Interest Only Council (Government Rates)

	7.50%	Rental	Surplus
Y1	\$ 6,575.63	\$ 6,656.00	\$ 80.38
Y2 (compounding)	\$ 6,656.00	\$ 6,855.68	\$ 199.68
Y3 (compounding)	\$ 6,775.31	\$ 7,061.35	\$ 286.05
Y4 (compounding)	\$ 6,861.67	\$ 7,273.19	\$ 411.52
Y5 (compounding)	\$ 6,987.15	\$ 7,491.39	\$ 504.24
			\$ 1,481.86

Buy Out Value (At Cap Rate, Y5 of Rental)

6.50%	\$	115,252.10
Gross Return	\$	116,733.96
Council Contribution to consents	-\$	10,000.00
Net Return	\$	106,733.96
ROI		122%



Cashflow Negative

Construction Inputs

Building Cost	\$	250,000.00	Change to suit
Transport Costs (if factory built)	\$	-	Change to suit
Earthworks and Drainage + Driveways	\$	30,000.00	Change to suit
Building Consent Costs	\$	30,000.00	Change to suit
Council Consenting Rebate	-\$	10,000.00	Change to suit
Contingency	10%	\$ 30,000.00	
Total	\$	330,000.00	

Owner Contribution 50%	\$	165,000.00
Council Contribution 50%	\$	165,000.00

Rental Return

Rental	\$	520.00	Change to suit
80% Rental	\$	416.00	
Rental P/A	\$	21,632.00	

Rental Split

Owner/Occupier 60%	\$	12,979.20
Council 40%	\$	8,652.80

Rental with hard ratchet

	Total	Owner	Council
Y1	\$ 21,632.00	\$ 12,979.20	\$ 8,652.80
Y2 + 3%	\$ 22,280.96	\$ 13,368.58	\$ 8,912.38
Y3 + 3%	\$ 22,949.39	\$ 13,769.63	\$ 9,179.76
Y4 + 3%	\$ 23,637.87	\$ 14,182.72	\$ 9,455.15
Y5 + 3%	\$ 24,347.01	\$ 14,608.20	\$ 9,738.80
Total	\$ 114,847.23	\$ 68,908.34	\$ 45,938.89

Gross Yield

Gross Yield Y1	7.9%
Gross Yield Y2	8.1%
Gross Yield Y3	8.3%
Gross Yield Y4	8.6%
Gross Yield Y5	8.9%

Interest Only Council (Government Rates)	7.50%	Rental	Surplus
Y1	\$ 12,375.00	\$ 8,652.80	-\$ 3,722.20
Y2 (compounding)	\$ 16,097.20	\$ 8,912.38	-\$ 7,184.82
Y3 (compounding)	\$ 19,559.82	\$ 9,179.76	-\$ 10,380.06
Y4 (compounding)	\$ 22,755.06	\$ 9,455.15	-\$ 13,299.91
Y5 (compounding)	\$ 25,674.91	\$ 9,738.80	-\$ 15,936.11
			-\$ 50,523.10

Buy Out Value (At Cap Rate, Y5 of Rental)

6.50%	\$	149,827.73
Gross Return	\$	99,304.63
Council Contribution to consents	-\$	10,000.00
Net Return	\$	89,304.63
ROI		-54%



Key considerations and comments for each option:

- Currently the council is not legally able to act as a financial institution. Therefore, this model in the current form is not viable.
- Each option provides a solid solution to minor dwellings as they are at a sufficient spec to provide, warm, dry, and liveable options for potential tenants.
- The higher cost option return is negative and not a viable option to consider.
- The council will need to have legally binding agreements in place enable this model to operate. This includes the ability to recover the debt at the end of the 5-year period.
- Assumes that on completion, the council will recover 40% of the rent roll, regardless of whether the new dwelling is occupied.
- The elected member advised that if the owner is unable to tenant or provide the rental income, that as part of the agreement, the council has first right to tenant using the waiting list that the council currently has.
- The model is highly cost sensitive and would be considered high risk for any investor mainly due to:
 - The council would need to have confidence that whoever they partner with can pay for their portion of the development and the ability to pay for the rent roll in times where the accommodation is not tenanted. This could prove to be difficult as personal circumstances change over time.
 - The yield (or profit) is based on the rental costs divided by the development costs. The two are not mutually exclusive as a higher development cost does not necessarily entitle a higher rental.
 - The council has little control over cost blow outs and overruns without capping the total investment.
 - Over the ~\$170k development costs, the council will be returning a negative cashflow until they can lever the buyout at the 5-year mark. This would mean that interest costs are compounding negatively.
 - The Capitalization Rate can move, either creating higher returns or lower and is subject to changed based on market conditions. A more typical method of bricks and mortar valuation will produce a more reliable figure, and this would need to occur at the year 5 mark, not at the commencement of the agreement, meaning that calculating the councils ROI would be overly risky at the start of the project.
 - Using the cap rate could be a flawed model to use if circumstances change and the house needs to be sold before the 5 years. The council will derive the highest return value at year 5 as this is when the rental will be at the highest. If the house is sold before year 5, a typical form of valuation would be advised.
 - The return on investment is considered high, and the option carries a level of risk that the council may not consider appropriate for several factors outlined above.
- Council would have additional income via rates from an increase in the property value, although this would be a small increase.



- This option would require additional council staff and costs from legal, right through to monitoring the compliance and payments.
- As a funder, the council would need to seek advice to understand their obligations and requirements (if any) to the landowner and any potential tenants. This will be dependent on the funding agreement made.

9. OPTION 4 – MULTIPROOF DESIGN AND INDIRECT CONTRIBUTION

The final model explored is a MultiProof design and indirect council contribution via consent and development contribution rebate. The development cost would be like *OPTION 1 – INDIRECT COUNCIL CONTRIBUTION* therefore we have not repeated this financial data below.

MultiProof is a design which has been assessed by MBIE as compliant to the building code. More specifically, MultiProof is;

A statement by the Ministry of Business, Innovation and Employment (MBIE) that a set of plans and specifications for a building complies with the Building Code.

To be eligible you must have the intention and the ability to build an approved design at least 10 times over two years.

MultiProof speeds up the consenting process. It does not give the right to carry out building work that requires a building consent. You still need to apply for consent each time you want to build².

How MultiProof works:

MultiProof establishes that a design complies with NZ Building Code.

When your building consent application includes a MultiProof the BCA must grant or refuse it within 10 working days instead of the usual 20.

The Building Consent Authority (BCA) confirms and establishes:

- *the design, with any permitted variations, is the same as the design approved in the MultiProof.*
- *the proposed site meets the conditions of the MultiProof.*
- *the site-specific features of the design comply with the Building Code.*
- *the inspections required³.*

MultiProof is beneficial for those who:

- *build or intend to build a number of similar designs.*
- *use standard construction details for a range of similar buildings.*
- *want to save time when applying for a building consent.*
- *need consistency when applying for building consents to different BCAs.*
- *can build the approved design at least 10 times in a two-year period⁴.*



Under this model, the council could send a registration of interest to local builders who would like the opportunity to offer a single- and two-bedroom design that would be put forward to be MultiProofed. To further incentivise uptake, the council could be responsible for covering the costs of the MultiProof design which was indicated by MBIE to be around \$7000 per design, however this cost would be variable based on each design.

The benefits of this option are as follows:

1. MultiProofed designs considerably speed up the consenting process meaning a consent can be uplifted in 10 days from submission and in some cases, sooner.
2. A faster consenting process will enable contractors to be onsite and building speeding up the from start to finish process considerably. A well-planned contractor with good resourcing could build a minor dwelling in 3 months. This means that the consenting to finished product could be completed in less than 4 months from start to finish.
3. In partnering with builders, the council could have some control over the design to ensure that they are suitable for the intended purpose.
4. This option will provide better cost certainty for prospective people wanting to build a minor dwelling. The council could work with builders to cap prices (based on a flat site with no issues) and therefore offer a suite of designs and fixed construction prices.

This option will come with some costs attached. Notably the cost to undertake a MultiProof design. Dependant on the uptake from prospective builders and using the costs indicated by MBIE, 10 MultiProof designs would cost the council an estimated \$70k. Furthermore, each consent and development contribution would be waived which would be an indirect cost to the council. If 100 houses were built, this would equate to an estimated \$2.149m in lost consenting and contributions.

If this was to be selected as a viable option, the council would also need to consider how this is promoted to the wider public to gain support and uptake.

Council staffing would also need to be increased to manage the MultiProofing process and liaising with contractors to ensure that the right housing outcome was generated through the process.

Key considerations and comments for a MultiProof Design:

- Council could opt to own the design and have key delivery partners which offer a fixed price. There would be initial upfront costs to undertake the design and have consented, but the council would control the design outcomes.
- The financial contribution is modest comparative to others and the consenting fee rebate could be removed entirely. Is this being the case, the main selling point would be the ease of building and the contractor offering fixed pricing for the builds.
- Contractors currently offer fixed price for their off the plans builds, therefore the benefit to potential people wanting to build would come down to speed of consenting and construction. Therefore, an additional incentive in consent fees rebate may be required to boost uptake.
- MultiProof designs will enable the building process to be expedited significantly. While Multiproof would remove RFIs from the design, there could still be consents suspended due to site conditions – Stormwater, wastewater, ground conditions in relation to good ground determination, wind speeds, exposure zone, cuts



and batters. Multiproof would not mean every consent is approved within 10 workings days as they can still be suspended.

- Multiproof design would not speed up the building of the building other than a builder being familiar with a design.
- This option is limited to contractors who meet the ROI criteria. Once the ROI is completed and the contractors have been selected, then no further contractors will be able to take part.
- The council can partner with contractors who meet the ROI and develop designs which are appropriate for the outcomes sought.
- MultiProof designs requires to be eligible that the contractor must have the intention and the ability to build an approved design at least 10 times over two years. This may not be achievable.
- The council would need to consider how this is released to the public for update and invest in marketing and/advertising to ensure that the public has visibility on the benefits of the option.
- Further council resources will be required to roll out and manage the MultiProof stage.

2,3 and 4 - <https://www.building.govt.nz/building-code-compliance/product-assurance-and-certification-schemes/multiproof/>

10. UNINTENDED CONSEQUENCES

- Owners using any of the incentives to offset their costs and sell for a profit before the 5 years is up.
- Medium density areas are used for minor dwellings instead of higher density housing such as townhouses.
- The council may have little control over the quality of the units. As there is a housing need, potential tenants may feel obliged to tenant a property which is not at the standard they require.
- The purpose of the planning assessment component of this report is not to analyse construction of a minor residential unit to then subdivide onto its own record of title. To assist the reader the report describes how the PDP-AV would consider this type of proposal.
- Subdivision of a small ancillary dwelling which will create new cadastral boundaries and will more than likely affect future development capacity of the overall property, potentially leading to poor on-site amenity and design outcomes.
- If outlook area effects standards are removed small ancillary dwellings may be positioned hard up against fencing or other existing buildings generating limited outlook, which does not provide a good amenity outcome for the tenant.
- Complete removal of cut/fill standards for minor dwellings may lead to proposals with significant changes in landform, which may generate adverse visual effects on amenity values and greater potential for instability within and adjoining the development site.



11. CONCLUSION AND RECOMMENDATIONS

Under the current rules the option to build minor dwellings already exists therefore anyone wishing to build is open to this option if their property meets the PDP-AV rules and effects standards to enable them to build. The data supplied in this report is suggesting that the cost of building is high which lowers the return on investment. We do not envisage the cost of building to drastically reduce therefore can assume that the return on investment will also remain constant and at a lower level.

All the financial models produced do not include the cost of capital (or interest) for the landlords. If this applies, then the return on their investment lowers even more, making the decision to invest even less appealing.

If NPDC wishes to increase the supply of minor dwellings, then an option to incentivise builds may need to be explored. Whatever the outcome of the incentive, the council will need to acknowledge that the recovery of any incentive will be difficult and therefore should be looking further at non-monetary benefits of enabling more affordable housing in the region. This can be measured as simply as reducing the waiting lists for people looking for affordable rental options.

Building a minor dwelling without resource consent is the most preferable option. Sloping sections which will likely trigger a resource consent to undertake activities such as earthworks. The resource consent process generates time delays and adds additional costs which makes the development opportunity less attractive.

It is recommended that NPDC collect more data on minor residential units, small scale residential units up to 80m² and under, multi-unit development resource consent numbers, before making any changes to the PDP-AV.

If small ancillary dwellings are to be proposed on sloping land with servicing constraints, it is likely that resource consent will be required for non-compliance with the outlook and earthworks effects standards. This will make development of small ancillary dwellings less appealing from both a cost and ease of development perspective.

If consenting data show a considerable number of resource consents are being triggered for small ancillary dwellings; it is recommended that the outlook space, depth requirement of 6m from the principal living room should be reduced for minor dwellings, to 3m (which will align better with the outdoor living effects standards). The 3m outlook depth requirement from the principal bedroom should also be reduced to 1m, to align with the PDP-AV requirement for all other habitable rooms. These changes are specifically recommended to the General Residential and Medium Density Residential Zones.

Changes to the earthworks cut/fill height effects standards related to minor dwelling foundations and pedestrian access for these units should also have specific standards allowing a greater cut/fill height than the generic permitted 1.5m vertical cut/fill height (which applies to all zones) which will recognise that steeper sites are likely to be developed.

Effects standards could also require that the small ancillary dwelling visually screens the earthworks area, this would typically mitigate a range of visual effects on amenity and character. Potential for instability could either be addressed by a report by a suitably qualified engineer or under the Building Act process if suitable controls can be provided.

Again, as discussed above a thorough Section 32 assessment will need to be completed to determine the most appropriate changes to the effect standards in the PDP-AV.

PUBLIC ELECTRIC VEHICLE CHARGING STATIONS – APPROVAL OF VIVIAN STREET CARPARK PROPOSAL AND IMPROVED PROCESS FOR FUTURE ELECTRIC VEHICLE CHARGING STATION LOCATIONS

MATTER / TE WHĀINGA

1. The matter for consideration by Council is to:
 - a) Approve parking restrictions and delegate authority for a lease to enable the installation of public electric vehicle charging stations at the Vivian Street Carpark by WE.EV (part of WEL Networks), and
 - b) Revise the EV Fast Charging Framework and delegations to streamline the process for future proposals.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, Council:

- a) **Notes that Council adopted in principle the EV Fast Charging Framework in March 2023 to set expectations for the utilisation of Council land by private sector electric vehicle (EV) fast charger providers**

Vivian Street carpark proposal

- b) **Notes Council has been approached by WE.EV (part of WEL Networks) about the potential to install six public electric vehicle (EV) fast chargers at the Vivian Street Carpark.**
- c) **Pursuant to the New Plymouth District Council Consolidated Bylaws 2008 Part 13: Traffic, imposes the following parking controls in the New Plymouth District:**
 - i) **Revoke eight class restricted (leaseholder) parking spaces (bay #101 through #108) and create six class restricted (electric vehicle charging) parking spaces (bay #103 through #108) within the Vivian Street Carpark.**
 - ii) **Revoke the parking prohibition on the north side of the Vivian Street on ramp from 50.2m to 120.2m (70.0m) measured in a westerly direction from the prolongation of the west kerb of Carrington Street.**

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- iii) **Create ten restricted (leaseholder only) parking spaces on the north side of the Vivian Street on ramp from 50.2m to 120.2m (70.0m) measured in a westerly direction from the prolongation of the west kerb of Carrington Street.**
 - d) **Approves a lease for WE.EV, for the location of the electric vehicle charging station infrastructure, on the following terms:**
 - i) **The term of the lease will be for 10 years commencing three months from notification issued to leaseholders.**
 - ii) **The annual rental charge be determined in accordance with the revenue that would have been received from those sites as leasehold carparks (as set in the annual Schedule of Fees and Charges, being approximately \$7,500 in 2024/25).**
 - e) **Authorises the Property Manager to approve the final lease terms and conditions and any minor adjustments of the ground lease area.**

Streamlining future proposals

- f) **Note that this proposal, as well as other private sector developments, mean that the EV Fast Charging Framework no longer applies, however further requests are likely to arise for EV fast charging sites from the Government's commitment to installing 10,000 EV fast chargers around the motu by 2030**
 - g) **Amend the EV Fast Charging Framework by:**
 - i) **Revoking clause 2 (and thereby removing the automatic revocation of that Framework) and**
 - ii) **Inserting to clause 11 "Council will not consider sites close to where there are existing public charging stations or feasible and realistic potential public charging station locations on private property."**
 - h) **Delegates authority to the Property Manager to approve any further lease or licence to occupy for electric vehicle charging infrastructure, so long as the following conditions are met:**
 - i) **The relevant parking restrictions have been approved by Council (or any committee or community board with delegated authority to approve parking restrictions)**
 - ii) **The term of the lease is for 10 years or less**
-

- iii) **The rental charge recovers any revenue that would be lost from any metered or leased carparking, and is otherwise on commercial terms and conditions**

STRATEGY AND OPERATIONS COMMITTEE RECOMMENDATION

2. The Strategy and Operations Committee endorsed the officer's recommendation.

SUSTAINABILITY WORKING PARTY RECOMMENDATION

3. The Sustainability Working Party:
- a) Endorsed the officer's recommendation subject to:
 - i) an amendment to clause g) ii) to read:

When Council is considering an application to lease a site close to where there are existing public charging stations or feasible and realistic potential public charging station locations on private property, the council will only consider the application where:

 1. the charger operator/applicant can demonstrate that there is a significantly lower connection costs to the network and/or
 2. the operator will support vehicles / consumers not supported by the existing stations.
 - ii) removal of clauses c) ii) and c) iii
 - b) Recommend
 - i) the current leaseholders be offered eight places in the Downtown Carpark for one year at the rate currently being charged,
 - ii) Council undertake an analysis of cycling infrastructure requirements in the Vivian Street onramp area.
 - c) Recommend that Council review the Parking Strategy to align with the Centre City Strategy, District Wide Emissions Reduction Plan and the Integrated Transport Framework with a view to encouraging emissions reduction and behaviour change in transportation choices (such as by encouraging EV charging stations).

TE HUINGA TAUMATUA RECOMMENDATION

4. Te Huinga Taumatua endorsed the Officer's recommendation.

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of moderate importance
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter: <ol style="list-style-type: none"> 1. Approve the parking restrictions and lease, and Framework and delegation changes 2. Do not approve the parking restrictions and lease, and Framework and delegation changes
Affected persons	The persons who are affected by or interested in this matter are electric vehicle owners (particularly those travelling to New Plymouth), WEL Networks, Ngati Te Whiti, existing car leaseholders and the CBD businesses.
Recommendation	This report recommends option 1 for addressing the matter.
Long-Term Plan / Annual Plan Implications	No
Significant Policy and Plan Inconsistencies	No

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

5. This report recommends Council approves a public EV charging station partnership with WE.EV at the Vivian Street Carpark by approving parking restriction changes and authorising the Property Manager to enter a 10-year lease. This is in line with the existing EV Fast Charging Framework. The *net* impact is there will be six universal EV fast charging carparks and two additional leasehold carparks near New Plymouth CBD, bringing in approximately \$10,000 in additional revenue.
6. The report also seeks changes to the future process for public EV charging stations to provide a more efficient approach, whilst retaining Council approval processes, in light of the Government's commitment to 10,000 public EV chargers around the motu by 2030. This is required because otherwise the EV Fast Charging Framework will no longer apply because of the number of EV fast chargers now in the district.
7. The proposal includes amending the EV Fast Charging Framework endorsed in principle by Council in March 2023 so that it continues in place and introducing a new delegation to Council Officers for property leases/licences if parking restrictions are approved. These changes would not only apply to WE.EV but to any other public EV fast charging station provider.

BACKGROUND / WHAKAPAPA

- In March 2023 Council endorsed in principle an [EV Fast Charging Framework](#). The Framework outlines that Council will consider joint ventures for fast and ultrafast public electric vehicle charging stations, with Council's role being limited to landowner of the site and operations resting with an established EV operator.

Proposal

- [WE.EV](#) (part of [WEL Networks](#), the Waikato electricity lines company) has approached Council Officers about public EV charging station sites. Following a short-listing process, WE.EV have selected part of the Vivian Street Carpark as a preferred site. The proposal would result in six universal EV electric vehicle charging carparks. These carparks are currently leasehold sites.



Figure 1. Layout map showing proximity to New Plymouth Central City.

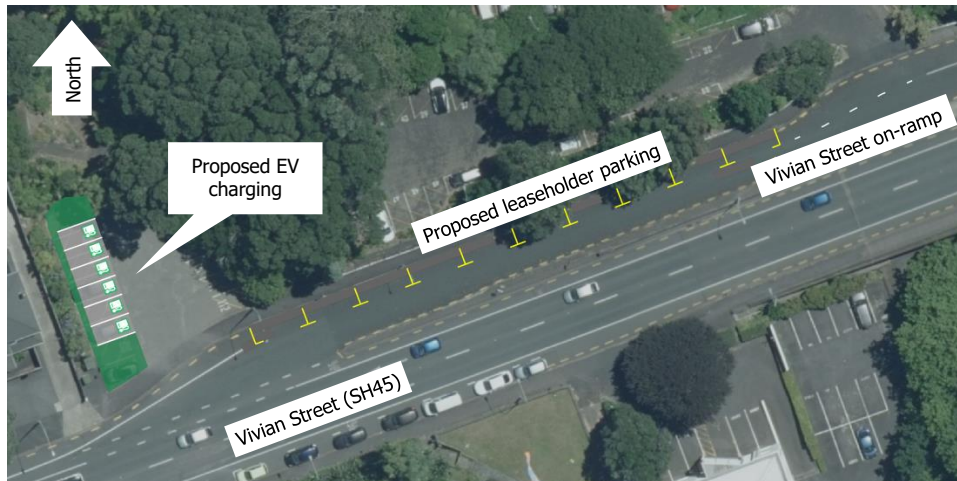


Figure 2. Proposed layout of EV charging spaces and leaseholder restrictions.

10. The site is well-suited for an EV charging station:
 - a) The site is close to New Plymouth CBD and key tourist attractions (Puke Ariki, Govett-Brewster Art Gallery/Len Lye Centre, St Mary's Cathedral, the Coastal Walkway and Pukekura Park) thereby providing an attractive location for users
 - b) The existing carparks are leasehold parks so changing these to EV charging stations has no impact on the available short term carparks for the general public in the CBD area
 - c) The site is between the two one-way roads (State Highway 45) and Carrington St is easily accessed from key tourism travel routes, and
 - d) There is a PowerCo electricity transformer on the site already.
11. The proposed site would be subject to a 10-year lease, a timeframe requested by WE.EV so they can obtain their return on investment as a commercial operator. The lease would include a rent charge set at the level Council would have otherwise received from those carparks being leasehold carparks so there is no net revenue impact (\$24 per week per carpark in 2024/2025). WE.EV would set charges for the use of the charging stations in accordance with commercial practices. The charging stations would be universal chargers and not proprietary to any particular car manufacturer(s).
12. As part of reviewing the proposal, Council Officers have assessed that the other two carparks in that row (that WE.EV do not require nor requested for their proposal) are safety risks as they require vehicles to use the footpath to move in or out. These parks are proposed to be removed. WE.EV would not be expected to pay for these sites because they are not using them.

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13. Following objection from two leaseholders to the proposal, Council Officers have identified that the Vivian Street on-ramp includes sufficient space for an additional ten new leasehold carparks. The leaseholders of all eight carparks will be offered these parks (or parks in the Downtown Carpark on its re-opening). These carparks will be treated as part of the Vivian Street leasehold carparks for Council's annual Schedule of Fees and Charges.

Approval

14. Council Officers recommend Council approve the proposal. If Council agrees then it will need to approve:
- a) Changes to parking restrictions so that the carparks are no longer restricted to leaseholders but are instead restricted to electric vehicle for the purpose of charging
 - b) The lease for 10 years for the charging stations and other associated infrastructure, with rents set relative to the revenue Council would have received from the leasehold carparks instead. The lease area is for the infrastructure areas and does not include the carparks themselves as these are under a parking restriction instead.
 - c) The creation of ten new leasehold carparks on the Vivian Street on-ramp to relocate existing leaseholders of the eight carparks, with an increase in two leasehold carparks.

Future of the EV Fast Charging Framework

15. The [EV Fast Charging Framework](#) provides that it is in place until the District has either a minimum of three fast charging sites or the capacity to charge six EVs simultaneously (clause 2). The proposal from WE.EV (if approved) alongside other EV chargers on private land in the District mean that this has been met and therefore the Framework will no longer apply.
16. Council has two options for the future of the EV Fast Charging Framework. Council could either:
- a) Formally revoke the EV Fast Charging Framework to reflect that it no longer applies, or
 - b) Remove clause 2 of the EV Fast Charging Framework and enable further proposals from the market.
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17. The new National-led Government's [draft Government Policy Statement on Land Transport for consultation](#) includes a commitment to developing a nationwide network of 10,000 public EV chargers by 2030, subject to a robust cost benefit analysis. New Plymouth District could then have around 170 public EV chargers by 2030 (if they were allocated on a per capita basis). Council can therefore expect further requests for public sites regardless of whether Council does or does not have the Framework or something similar in place (even if a significant proportion of these new chargers are built on private land). WE.EV have signalled interest in exploring EV fast chargers on Darnell Street in Fitzroy in the near future as well.
 18. On balance, Council Officers consider that removing clause 2 of the EV Fast Charging Framework and enabling further proposals from the market is the most pragmatic solution given the likely increase in demand for locations over coming years. This will provide clarity to the market on expectations of Council and what Council will not consider (such as Council contributing funding to public chargers). For the avoidance of doubt, this would apply to all potential EV fast charging providers in the market, not just to WE.EV.
 19. However, a new sentence to clause 11 (relating to site location selection) is proposed – "Council will not consider sites close to where there are existing public charging stations or feasible and realistic potential public charging station locations on private property." This approach clarifies that Council land should be seen as a last resort for a locality and that private property should be prioritised. Closeness and feasibility may differ for different communities and localities. Feasible private property sites would include vacant land or carparks at petrol stations or private shopping centres, but not built-upon land or residential land. Feasibility would also take into account the particular parking arrangements required for EV fast chargers.
 20. Council Officers also seek a delegation of authority for any associated lease or licence for future EV fast-charging stations. This delegation would *only* apply when Council (or its appropriate delegate) has approved parking restrictions first. The delegation would be limited to 10 years or less, and rental chargers would need to recover any lost revenue (from meters or leases). This approach provides a more efficient approach for Council in dealing with the anticipated increase in future requests, and allows this to be part of the 'business-as-usual' parking restriction reports rather than needing standalone reports in the future.
-

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA AHUARANGI

21. Transport emissions account for around 20 per cent of New Zealand's emissions, and about 70 per cent of those are from light vehicles. Providing a site for EV fast chargers helps to overcome electric vehicle uptake barriers of range anxiety and out-of-town journey issues. While it is difficult to determine the impact of any one site on transport emissions, a national network will provide increased assurance to New Zealanders to invest in electric vehicles and thereby reduce transport emissions.

REFORM IMPLICATIONS

22. There are no reform implications.

NEXT STEPS / HĪKOI I MURI MAI

23. Leaseholders of those parks would be given three months' notice (as per their lease) before their existing lease would be cancelled and they would be offered a new leasehold carpark on Vivian Street onramp. This notice would occur immediately.
24. If approved by Council, Council Officers will finalise a lease arrangement with WE.EV (WEL Networks). It will then be on to WE.EV to install the electric vehicle charging station and associated infrastructure. WE.EV's lease will be able to begin once leases are cancelled.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

25. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of moderate importance because the matter aligns with the EV Fast Charging Framework, is consistent with the purpose of the landholding (being a carpark already), there are predominately minor positive implications for the community, and the proposal helps the district mitigate impacts on climate change and has no net financial implications.
 26. This item was publicly notified in the North Taranaki Midweek on 31 January 2024. The opportunity to provide feedback was open for two weeks. Leaseholders were also consulted directly on the proposal.
 27. Two leaseholders objected to the proposal.
 28. The leaseholders suggested utilising the lower carpark (downhill, closer to the Huatoki Stream). However, this is not practicable as the EV charging infrastructure needs to be close to the electrical transformer, and there would be high costs and environmental impact involved in underground electric trenching. The costs associated with the required trenching would make the project financially non-viable.
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29. As a result of that feedback, Council Officers have notified changing parking restricted along the Vivian Street on-ramp to create ten new leasehold carparks.

OPTIONS / KŌWHIRINGA

Option 1

Approve the parking restrictions and lease, and Framework and delegations changes

Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi

30. There are minimal implications. The lease will include rent costs to cover the lost leasehold income currently received. The additional leasehold sites will provide a small additional increase in income overall. In 2024/25 this additional revenue would be around \$10,000 and increase or decrease based on annual changes to Council's Schedule of Fees and Charges.

Risk Analysis / Tātaritanga o Ngā Mōrearea

31. This approach is low risk to Council. There is a risk that Council seeks alternative uses of this site in the future, and that may require negotiation with WE.EV at that time if it occurred.

Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori

32. The approach builds on *Trusted E Whakaponotia Ana* through partnering with WE.EV, *Environmental Excellence To Kounga ā-Taiao* through enabling emissions reduction, and *Prosperity Tōnuitanga* through promoting economic diversification (tourism) and contributing to NZ Inc's environmental sustainability.

Statutory Responsibilities / Ngā Haepapa ā-ture

33. To increase public awareness of the EV charging sites and allow for enforcement of illegal parking as necessary, pavement markings and signs will be provided in compliance with:
- a) Land Transport Rule; Traffic Control Devices Rule 2004.
 - b) New Zealand Transport Agency; Traffic Control Devices Manual, Part 13 - Parking Control.
 - c) New Plymouth District Council; Bylaws 2008, Part 13 - Traffic.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

34. This option is consistent with the EV Fast Charging Framework adopted in principle by Council.

Participation by Māori / Te Urunga o Ngāi Māori

35. Part of the property sits within the 200m buffer area from a site of significance to Māori in the Proposed District Plan (which would likely require resource consents and significant mana whenua engagement), however, that area does not cross over with the proposed lease area and, in particular, any areas that WE.EV may undertake earthworks on.
36. Council Officers contacted Ngati Te Whiti and Ngati Te Whiti approved the kaupapa.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

37. As noted in the engagement section, there has been minimal feedback to date. Two leaseholders objected to the proposal and Council Officers have worked on an alternative option for all affected leaseholders.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

38. This option provides six electric vehicle charging stations within walking distance of New Plymouth CBD. However, it does so in a manner that does not reduce parking options for the general public or reducing revenue for Council.

Option 2**Do not approve the parking restrictions and lease, and Framework and delegations changes.***Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi*

39. There would be no implications as the current leasehold revenue would continue to be received by Council.

Risk Analysis / Tātaritanga o Ngā Mōrearea

40. This approach is low risk to Council.

Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori

41. This option would not support the Community Outcomes identified in option one.
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Statutory Responsibilities / Ngā Haepapa ā-ture

42. This option is consistent with legal responsibilities.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

43. This option is not consistent with the EV Fast Charging Framework adopted in principle by Council.

Participation by Māori / Te Urunga o Ngāi Māori

44. Part of the property sits within the 200m buffer area from a site of significance to Māori in the Proposed District Plan (which would likely require resource consents and significant mana whenua engagement), however, that area does not cross over with the proposed lease area and, in particular, any areas that WE.EV may undertake earthworks on.

45. Council Officers contacted Ngati Te Whiti and Ngati Te Whiti approved the kaupapa.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

46. As noted in the engagement section, there has been minimal feedback to date. Two leaseholders objected to the proposal and Council Officers have worked on an alternative option for all affected leaseholders.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

47. This option would not result in electric vehicle charging stations within walking distance of the New Plymouth CBD. Council already receives complaints about the lack of electric vehicle charging stations within New Plymouth when compared to other comparable cities, and New Plymouth risks having a reputation as a place to avoid visiting with an electric vehicle.

Recommended Option

This report recommends option one - Approve the parking restrictions and lease for addressing the matter.

Report Details

Prepared By: Greg Stephens (Climate Change Response Lead),
Janice Caldwell (Property Officer – Commercial Lease), and
David Brown (Transportation and Safety Engineer), and
Team: Climate Change Response, Infrastructure, and Property
Approved By: Amy Brasch (Manager Sustainability and Behaviour Change)
Ward/Community: Kaitake-Ngāmotu Ward
Date: 4 June 2024
File Reference: ECM 9264610

-----End of Report -----

FREEDOM CAMPING BYLAW – INITIATION OF REVIEW AND ADOPTION OF THE STATEMENT OF PROPOSAL FOR CONSULTATION

MATTER / TE WHĀINGA

1. The matter for consideration by Council is the review of the Freedom Camping Bylaw (2017) and adoption of the Statement of Proposal for the draft Freedom Camping Bylaw for special consultative procedure.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, Council:

- a) **Determines that a bylaw continues to be the most appropriate way of addressing the perceived problems that arise in relation to freedom camping, in accordance with section 155(1) of the Local Government Act 2002, and**
- b) **Determines that the form of the draft Freedom Camping Bylaw, as proposed is the most appropriate form of bylaw in light of the requirements of the Local Government Act 2002 and the Freedom Camping Act 2011.**
- c) **Determines that the draft Freedom Camping Bylaw, as proposed, does not give rise to any implications under the New Zealand Bill of Rights Act 1990.**
- d) **Adopts the 'Freedom Camping Bylaw Statement of Proposal' in appendix one for public consultation using the special consultative procedure, as outlined in section 83 of the Local Government Act 2002.**
- e) **Notes that public consultation will run from 13 August – 13 September 2024.**

STRATEGY AND OPERATIONS COMMITTEE RECOMMENDATION

2. The Strategy and Operations Committee endorsed the officer's recommendation

INGLEWOOD, PUKETAPU BELL-BLOCK AND KAITAKE COMMUNITY BOARD RECOMMENDATION

3. The Inglewood, Puketapu-Bell Block, and Kaitake Community Boards endorsed the officer's recommendation.
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CLIFTON COMMUNITY BOARD RECOMMENDATION

4. Clifton Community Board endorsed the officer's recommendation subject to adding clause f):
- f) Request officers investigate the carpark at the base of the hill at Motukari place Onaero as a prohibited site.

WAITARA COMMUNITY BOARD RECOMMENDATION

5. Waitara Community Board endorsed the officer's recommendation subject to adding clause f):
- f) Council consults directly with the hapū of Waitara, and Te Kowhatu Te Moana Trust.

TE HUINGA TAUMATUA RECOMMENDATION

6. Te Huinga Taumatua endorsed the officer's recommendation.

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of some importance.
Options	<p>This report identifies and assesses the following reasonably practicable options for addressing the matter:</p> <ol style="list-style-type: none"> 1. Adopt the Freedom Camping Bylaw Statement of Proposal for public consultation. 2. Adopt an amended Freedom Camping Bylaw Statement of Proposal for public consultation. 3. Do not adopt a Freedom Camping Bylaw Statement of Proposal and let the Freedom Camping Bylaw lapse.
Affected persons	The persons who are affected by or interested in this matter are the residents of New Plymouth District, freedom campers and other visitors to the district.
Recommendation	This report recommends option one for addressing the matter.
Long-Term Plan / Annual Plan Implications	No.
Significant Policy and Plan Inconsistencies	No.

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

7. We recommend that Council adopts the Freedom Camping Bylaw Statement of Proposal (appendix one) for consultation using the special consultative procedure. Taking this approach will ensure that the Freedom Camping Bylaw (the Bylaw) is reviewed prior to 6 December 2024 at which time without completing the review it would be revoked under section 160A of the Local Government Act 2002.
 8. In addition to the Local Government Act 2002 review requirements, the Self-contained Motor Vehicles Legislation Act 2023 (MVLA) received royal assent on 6 June 2023 and is now law.
 9. The purpose of the MVLA is to improve the management of vehicle-based freedom camping by creating a robust regulatory system that central and local government can rely on to reduce the negative effects of freedom camping on communities and the environment. In particular, non-self-contained vehicles (NSCV) are now prohibited from freedom camping with the exception of specifically identified areas. While, the existing Bylaw is essentially consistent with this provision, minor amendments are required and proposed to align with the changes to the Freedom Camping Act 2011 (FCA) and the MVLA.
 10. It is proposed to provide additional NSCV sites at Lake Rotomanu given the limited number of NSCV sites within the district. It is also proposed to remove the ability of self-contained vehicles (SCV) to park within NSCV sites, given that SCV vehicles essentially have the whole district available with the exception of the specified prohibited areas.
 11. A Regulatory Impact Assessment (RIA) was completed (appendix two) and has helped to inform the review of the Bylaw. While it is considered that the current Freedom Camping Bylaw is working well to regulate freedom camping in the district, four additional prohibitions are proposed for consultation, as follows:
 - a) Greenwood Road
 - b) Fort St George / Tataraimaka Pā
 - c) Weld Road
 - d) Ahu Ahu Road
 12. The consultation on the proposed four additional prohibition areas would then allow Council to determine whether to continue with the status quo or apply prohibition to these areas.
 13. In addition, in response to legislative changes it is proposed to increase the enforcement and educational approach at various freedom camping sites across the district to ensure compliance with the bylaw.
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14. The next steps are to undertake the consultation, by way of special consultative procedure, on the draft Freedom Camping Bylaw. The results of the public consultation will be reported to Council at a later date. Hearings will be scheduled for any submitters wanting to speak to the Council in relation to their submission.

BACKGROUND / WHAKAPAPA

History of freedom camping regulations in New Plymouth District

15. Freedom camping within the New Plymouth District was regulated under the Public Places Bylaw up until the adoption of a Freedom Camping Bylaw in 2017. Further amendments to the Bylaw were undertaken in 2018 and 2020. See appendix three for the full history of freedom camping and how it has been managed in New Plymouth District.

Current Freedom Camping Bylaw Review

16. There are two factors driving the review of the Freedom Camping Bylaw. Local Government Act 2002 (LGA) review requirements and new Self-contained Motor Vehicles Legislation Act 2023 (MVLA) coming into force on 7 June 2023.

Freedom Camping Bylaw due for review

17. The Freedom Camping Bylaw is due for review in line with section 158 of the LGA which requires a bylaw to be reviewed within 5 years of its initial adoption. In addition, if the Bylaw is not reviewed within two years of the due date for review, the Bylaw will be revoked in accordance with Section 160A of the LGA. If NPDC Freedom Camping Bylaw is not reviewed by 6 December 2024, it will be revoked.

Self-contained Motor Vehicles Legislation Act 2023

18. On 6 June 2023 the MVLA was given royal assent, meaning that it is now law. The Act amends the Freedom Camping Act (FCA) and the Plumbers, Gasfitters and Drainlayers Act 2006. The key changes to the legislation are summarised below:
- a) Requires vehicle-based freedom campers to use a certified self-contained vehicle when they stay on council land, unless a council designates the site as suitable for NSCV,
 - b) Establishes a regulated system for the certification and registration of SCV,
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- c) Changes to the requirements that a vehicle must meet to be self-contained – including the requirement for vehicles to have a fixed toilet (there is a two-year transitional period where different self-contained provisions apply)
 - d) Strengthens the infringement system for freedom camping.
19. The amendments also include a requirement for local authorities to amend their bylaws if these are now inconsistent with the MVLA. That requirement is in clause 10 of a new Schedule 1AA to the FCA as follows:

10 Local authority must amend inconsistent bylaw

- (1) If a bylaw is inconsistent with the amendment Act,—*
- (a) the amendment Act prevails and the bylaw has no effect to the extent of the inconsistency; and*
 - (b) the local authority must amend or revoke the bylaw to remove the inconsistency.*
- (2) The local authority may, despite anything in this Act or any other legislation, amend or revoke the bylaw to remove the inconsistency by resolution publicly notified, without being required to—*
- (a) satisfy itself of the matters specified in section 11(2); or*
 - (b) use the special consultative procedure set out in section 11B(3).*

20. It is proposed to incorporate the legislative changes into the review of the current Freedom Camping Bylaw.

The Freedom Camping Bylaw

21. Bylaws are a useful way for dealing with local problems or nuisances, as they focus on the issues which the Council and community consider necessary for local regulation. Bylaws allow the Council to respond to nuisances or problems in ways that are appropriate and practical for the local community. A bylaw is often made in response to a regulatory gap, or when there is empowering legislation specific to the subject matter of the bylaw.
22. Council has general bylaw making powers prescribed under section 145 and 146 of the LGA. The Council also has the authority to make a bylaw regulating freedom camping under section 11 of the FCA. Council may make a freedom camping bylaw only if it is satisfied that the bylaw is necessary for one or more of the following purposes:
- a) To protect the area;
 - b) To protect the health and safety of people who may visit the area; and
 - c) To protect access to the area.
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23. In addition, Council must be satisfied that the bylaw is the most appropriate and proportionate way of addressing the perceived problem in relation to an area, and the bylaw is not inconsistent with the New Zealand Bill of Rights Act 1990.
 24. In reviewing and developing bylaws the Council is required to follow both the decision making and consultation requirements set out in the LGA. Each bylaw must be assessed in terms of its costs and benefits to the community, as well as an assessment of the other options available to the council to regulate or remedy the problem. Under section 160 of the LGA, if, after the review, the Council considers that the bylaw should be amended, revoked, or revoked and replaced, it must use a special consultative procedure to effect these changes. If the Council considers that the bylaw should continue without amendment, it must also use the special consultative procedure before the review is complete.

Reserve / Conservation area restrictions

25. In addition to the FCA, the Reserves Act 1977 restricts camping activities on reserve land. Section 44 of the Reserves Act 1977 states that no person shall use a reserve for temporary accommodation unless specifically provided for in a Reserve Management Plan.
26. NPDC General Policies for Council administered Reserves 2006 provides for self-contained camping only within designated public parking areas for a maximum of 48 hours where consistent with Council bylaws. Reserve areas not designated for parking are not to be used for camping, except with permission of the authorised officers.
27. In addition, Council has the Coastal Reserves Management Plan 2006 (CRMP) which prevents camping in coastal reserve areas – with the exception of Tongapōrutu, where camping is permitted in designated areas.

Homelessness and freedom camping

28. Section 5(2A) of the FCA states that a person is not freedom camping if the person:
 - a) is a person other than a person who is in New Zealand on the basis of a visitor visa (within the meaning of the immigration instructions); and
 - b) is unable to live in appropriate residential accommodation; and
 - c) as a consequence of that inability, is 'living' in either or both of the following:
 - i) a tent or other temporary structure
 - ii) a motor vehicle.
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29. NPDC employs a Freedom Camping Ambassador during the summer months, their role is to visit a number of sites across the district and inform and educate people at these sites on the freedom camping regulations for the district. When the ambassador meets people living in their vehicle/tent they will provide information on their options and offer advice as to appropriate sites to stay – near toilet facilities, and at sites which their presence is less likely to attract unwanted attention and to avoid being infringed.
 30. Although the ambassador does try to move people on and offer advice to avoid them being infringed in the first instance, it is also noted that, at times, it is difficult to differentiate between someone holidaying in their vehicle to someone living in their vehicle, so occasionally these people do get fined. In this instance, if they call Council and explain their situation the fine is quickly and easily cancelled. The Regulatory Team advised that in December 2023 one ticket was cancelled and in January 2024 three tickets were cancelled on account of homelessness. In addition, from January 2023 to February 2024 there were six service requests in relation to homelessness – five were fine disputes and one was reporting a homeless person and concern in relation to them urinating in public spaces.
 31. Council officers attended the Ngā Kaitiaki meeting on 6 March 2024, where concern was raised over homeless people in relation to freedom camping and the Council's monitoring / infringement regime. The concern was around those vulnerable people being fined and then having the burden of either going through the process of disputing the infringement or having the infringement on their record. Discussion at the meeting explored opportunities to put in place mechanisms to provide recognisable understanding of homelessness to avoid stressful situations, however no final solution was found that would be immediately workable beyond the current approach.
 32. Currently Council tries to work pro-actively when they meet homeless people, offering advice, moving them on to more appropriate areas to stay. In addition, Council currently provides some funding to Taranaki Retreat to support their rough sleeper outreach pilot service. Teams across Council also work collaboratively with other organisations assisting rough sleeping or homeless people, such as Police and PARS.

Determinations

33. A regulatory Impact Assessment (RIA) (appendix two) has been developed to help the Council in determining whether to review the Bylaw. The RIA outlines the authority to make a bylaw, the perceived problems or nuisance the bylaw addresses and the options available to the Council for addressing these problems.
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34. The RIA was informed by:
- a) Council service request data,
 - b) Regulatory team data on fines issued, numbers of campers, and types of vehicles being used at various locations across the district, and;
 - c) Reports from the Freedom Camping Ambassador
 - d) Pre-consultation information from Iwi and Hapū
 - e) Report on the visitor and overnight stay numbers at four sites from the Campermate Application.
35. The RIA shows that there are still issues arising from freedom camping in the district, including overcrowding, defecation, damage to areas, and rubbish. Therefore, it is considered that a freedom camping bylaw is still the best approach for addressing the issues that arise from freedom camping in the district.
36. In the past, the Freedom Camping Bylaw has generated a relatively high level of public interest with very diverse views relating to the regulation of freedom campers. Particularly in regard to non-self-contained campers and areas of high public value in the community. Therefore, the review of the Bylaw and proposed changes have tried to find a balance between accommodating freedom campers and welcoming tourists to our district, and protecting areas within the district which are of high community value.
37. The key changes proposed in the draft Bylaw are outlined below – these changes have been informed by the new MVLA legislation and RIA data.

Proposed changes to the Freedom Camping Bylaw

38. Please see appendix one for the Draft Freedom Camping Bylaw with proposed changes, as outlined below.

Changes required to meet the Self-contained Motor Vehicles Legislation Act 2023 requirements:

39. The Bylaw has been reviewed by Simpson Grierson to ensure that it is compliant with the new MVLA legislation. The following updates have been made:
- a) Clause 5 –
 - i) the definition of “self-contained motor vehicle” and associated explanatory notes have been amended to align with the relevant definitions in section 4 of the FCA.
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- ii) definition of non-self-contained motor vehicle added.
 - iii) the following definitions have been added:
 - 1. non-self-contained motor vehicle
 - 2. certificate of self-containment
 - 3. motor vehicle
 - 4. self-contained
 - 5. transitional period
 - b) Clause 6 – Where freedom Camping is permitted – this clause has been added to the Bylaw to provide explicit clarity in line with the FCA.
 - c) Descriptions of prohibited / restricted areas have been included alongside the maps.
 - d) Updates to the Guidance Material, to ensure consistency with the FCA/MVLA.
40. In addition to the above changes, the MVLA has taken a fundamental change in the permissions for freedom camping for NSCV. Prior to the MVLA, the FCA was very permissive, and freedom camping was permitted in local authority areas in:
- a) a tent or other temporary structure,
 - b) a caravan,
 - c) a car, a campervan, housetruck, or other motor vehicle.
41. Now, section 10 of the FCA specifies that vehicle-based freedom camping on council land must be done in a self-contained motor vehicle. Freedom camping in a vehicle that is not self-contained is now only permitted at a site specifically designated for non-self-contained freedom camping in accordance with a bylaw made under section 11A of the FCA, or under any other legislation.
42. It is proposed to retain Battiscombe Terrace and Lake Rotomanu as 'restricted areas' where NSC motor vehicles may freedom camp. Additional proposed changes for Lake Rotomanu are outlined below.
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Proposed changes to the Bylaw, informed by the Regulatory Impact Assessment

43. Having discussed freedom camping with the Regulatory Team and assessed the RIA data it is recommended to include additional provisions for the below areas in the draft Bylaw in order to: protect these areas, protect the health and safety of people visiting the areas and to protect access to the areas.

	Service requests Jan 2023 – 29 Feb 2024	Infringements issues in 2023	Campers recorded 2023*
Lake Rotomanu	33	280	5,678
Greenwood Road	7	54	948
Fort St George /Tataraimaka Pā	4	0	3
Ahu Ahu Road	1	1	16
Weld Road	5	1	18

*Data missing for April, June and August

44. A deeper dive on these sites was undertaken, this information helped to inform the proposed amendments to the Bylaw, as outlined below.

Lake Rotomanu

45. Under the current bylaw, SCV freedom camping is permitted at the Lake Rotomanu area, and NSC campers are restricted to four carpark spaces in the parking area adjacent to the public toilets. This site is the most popular freedom camping site in the district. See below figures:

2023 monitoring	Self-contained	Non-self-contained	Total	Infringements
Lake Rotomanu	4,781	897	5,678	280

Note: data on camper numbers was not provided for April, June or August of 2023

46. Service requests, monitoring data and the Freedom Camping Ambassador all highlighted ongoing issues with overcrowding of the site. These issues included: loss of public access to facilities and the area, misuse of facilities, illegal camping (NSC outside of designated parks), tenting, rubbish, and reports of broken property or the need for site maintenance.
47. The Regulatory Team advised that the current approach with Freedom Camping Ambassador visits and monitoring / enforcement appears to work well. It is also proposed that moving forward that the team will take a stronger educational approach, where the ambassador would encourage self-contained freedom campers to visit the whole district and find alternative areas to freedom camp.
48. It is anticipated that this approach will help to disperse the SCV freedom campers across the district to reduce the potential for overcrowding of Lake Rotomanu.

49. It is also recommended that an additional two spaces for NSCV freedom campers be added alongside the existing four – see appendix one for the map. This is proposed as the area is already being used for NSCV freedom camping and there are limited areas for these campers to go. This would take the total number of spaces for NSCV in the district to 12. It is also proposed to reserve these areas for NSCV by removing the ability of SCV to park in the NSCV spaces, as these vehicles have the whole district to explore and utilise for freedom camping (with the exception of prohibited areas).
50. These changes are proposed to find the balance between providing space for freedom campers to camp responsibly and preserving access to the area for other recreational uses, for example, boat access to the lake, walkers. The proposed changes are anticipated to reduce the number of freedom campers at the area, which would prevent some of the associated impacts of overcrowding – rubbish overflow, dominating use of the public toilets, loss of local access to the area.
51. The table below provides an outline of the rationale for amendments to the area in line with section 11(2) of the FCA which states that a bylaw is necessary for one of more of the following purposes: to protect the area, protect the health and safety of people who may visit the area, or to protect access to the area.

Protect:	The area	Health and safety of visitors to the area	Access to the area
Lake Rotomanu assessment	High volume of campers results in damage to the landscape; excess rubbish. High use area during summer months with lake users. High use walking area.	High volume of campers results in health and safety concerns – vermin in relation to rubbish.	High volume of campers resulting in loss of access to the facilities; impacting on area use / access to the parking area and boat ramp.

Greenwood Road, Fort St George / Tataraimaka Pā, Weld Road and Ahu Ahu Road

52. The below areas all have a mix of road reserve where SC freedom camping is provided for and reserve land where SC freedom camping is prohibited under the CRMP. There are no clear demarcations between road reserve and reserve land. This creates potential regulatory confusions, for both freedom campers and the enforcement team, as to where SC freedom camping can take place. In addition, when combined with the RIA and regulatory consideration of the FCA, it is considered that there is justification to propose prohibitions to the areas. Consulting on these proposals would then allow the Council, following the consideration of submissions, to include the areas as prohibited within the Bylaw, or to continue with the status quo.

53. Additional information specific to each of these sites is also provided below.

Greenwood Road

54. At present, freedom camping in SCV is permitted on the road reserve for three nights in a 30-day period.
55. The RIA shows that there are a number of issues arising at this site – overcrowding, non-compliant campers (NSC), people defecating and urinating at the site (no public toilets here), as well as people making general enquiries and disputing their fines. NPDC monitoring data, along with Campermate data highlight that this area is quite popular with freedom campers (948 campers recorded in 2023).
56. It is proposed to prohibit freedom campers from Greenwood Road area, as indicated by the map in the draft bylaw in appendix one. This is proposed to protect the area from issues occurring at the site in terms of rubbish, defecating / urinating and overcrowding. In addition, it will align the rules of the area with the CRMP and provide clarity to the public. The area is still available for these campers to use as day visitors.
57. The table below provides an outline of the rationale for amendments to the area in line with section 11(2) of the FCA.

Protect:	The area	Health and safety of visitors to the area	Access to the area
Greenwood Road assessment	No toilet facilities. Highly valued amenity area. Coastal reserve area.	Narrow access road and numerous campers unfamiliar with road has been raised as safety concern.	Limited parking areas.

Fort St George / Tataraimaka Pā

58. At present, freedom camping in SCV is permitted on the road reserve for 3 nights in a 30-day period. Service requests for this area related to rubbish dumping (a mattress) and urinating / defecating in the area. The data does not show large numbers of campers here. However, the site is safest accessed using a four-wheel drive and not deemed to be an area that is well suited for freedom campers.

59. It is proposed to prohibit freedom campers from Fort St George, as indicated by the map in the draft bylaw in appendix one. Fort St George is adjacent to Tataraimaka Pā – a culturally sensitive site, therefore the changes are proposed to protect this area in terms of its historical cultural value, in line with this, the proposed prohibition will protect the area from issues occurring at the site in terms of rubbish, defecating and urinating. It is also proposed to prohibit freedom camping here to protect people’s safety – in regard to access to the area. In addition, it will align the rules of the area with the CRMP and provide clarity to the public. The area is still available for these campers to use as day visitors.
60. The table below provides an outline of the rationale for amendments to the area in line with section 11(2) of the FCA.

Protect:	The area	Health and safety of visitors to the area	Access to the area
Fort St George assessment	No toilet facilities. Alongside culturally sensitive site – area has significant historic and cultural value. Potential for damage to the dune areas. Coastal Reserve area	Narrow and uneven access way along sandy track.	Limited parking.

Weld Road and Ahu Ahu Road

61. At present, freedom camping in SCV is permitted on the road reserve for 3 nights in a 30-day period. Service requests highlighted issues with overstaying, tenting, reporting of freedom campers, urinating, non-self-contained campers and how NPDC responded to some of the issues.
62. These two areas are highly valued by the community, they have natural beauty and easy access to the beach. However, both areas have limited parking space – and are therefore not considered to be compatible with freedom camping and public use. In addition, the CRMP states that the areas are for day use. Therefore, in order to protect access to the area, as well as providing clarity of rules for these areas, it is proposed to prohibit freedom camping from Weld Road and Ahu Ahu Road reserves.

63. The table below provides an outline of the rationale for amendments to the area in line with section 11(2) of the FCA.

Protect:	The area	Health and safety of visitors to the area	Access to the area
Weld Road assessment	Highly valued natural amenity area for local community. Coastal Reserve area.		Limited parking for users.
Ahu Ahu Road assessment	Highly valued natural amenity area for local community. Coastal Reserve area.	Narrow and uneven access way.	Limited parking on even ground.

64. The proposed changes to the Bylaw (if approved) may have implications on the monitoring regime – increased monitoring may be required at the sites. These sites are in the current monitoring regime; however, more frequent checks may be required.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

65. There are no significant climate related considerations in relation to the matter.

REFORM IMPLICATIONS

66. This report has no Government reform implications.

NEXT STEPS / HĪKOI I MURI MAI

67. If the attached Statement of Proposal is approved for consultation the next steps are to carry out consultation on the draft Freedom Camping Bylaw in accordance with the special consultative procedure. Following consultation there will be a hearing held, where submitters who wish to speak to Council can do so. A final Freedom Camping Bylaw will be drafted in response to submissions and presented to Council for adoption before the end of 2024.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

68. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of moderate importance, because without reviewing the current Bylaw, it will be revoked under section 160A of the LGA on 6 December 2024. The Freedom Camping Bylaw provides a tool for the Council to respond to freedom camping related issues and to regulate freedom camping in order to maintain public health and safety and protect the environment, protect public health and safety and protect access to areas. The Bylaw affects residents of, and visitors to New Plymouth District. The Freedom Camping Bylaw will likely generate a level of public interest.

OPTIONS

Participation by Māori / Te Urunga o Ngāi Māori

69. Iwi and Hapū were notified that the Bylaw was to be reviewed and invited to provide any preliminary feedback as to issues arising or other matters in relation to freedom camping. In addition, Council officers attended the Ngā Kaitiaki meeting on 6 March 2024 to present and receive feedback in relation to freedom camping in the district. Ngā Kaitiaki raised concern in relation to homelessness and preventing additional burden for these people through an identification system to avoid infringement fines for them. In addition, concern was raised in relation to safety of children at Otupaiia around large freedom camping vehicles in the area and use of the new community spaces.
70. Ōakura Pā requested data for freedom camping between Paritūtū and the Hangatahua awa, and specifically for Corbett Park, Ōmata Domain and Tataraimaka Pā. In addition, they noted that they did not support freedom camping at Corbett Park or Tataraimaka Pā. Freedom camping is prohibited at Corbett Park under the current Bylaw, and it is proposed to consult on prohibiting freedom camping at Fort St George – the area of land which adjoins Tataraimaka Pā¹.
71. Ngāti Mutunga emailed noting concerns about Okoki Reserve and reports of freedom campers here. Okoki Pā is under Ngāti Mutunga management².

¹ This data was provided to Ōakura Pā on 26.02.24.

² Compliance Team notified of concerns. No monitoring undertaken as this is not Council land.

Option 1**Adopt the Freedom Camping Bylaw Statement of Proposal for public consultation.***Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi*

72. The consultation on the draft Freedom Camping Bylaw will be funded out of existing budgets. The changes proposed may have a small implication on resourcing – the changes proposed are to areas that are already monitored under the Council's current monitoring and enforcement regime.

Risk Analysis / Tātaritanga o Ngā Mōrearea

73. The risks associated with this option are minimal, as it meets legislative requirements and obtains community views and preferences on the proposal before making any decisions to adopt the final Bylaw.

Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori

74. This option supports the Thriving Communities and Culture and Environmental Excellence Community Outcome.

Statutory Responsibilities / Ngā Haepapa ā-ture

75. This option is consistent with the LGA Bylaw review requirements, including determining whether a bylaw is the most appropriate way of addressing the perceived problem and undertaking the special consultative procedure to review the Bylaw.
76. The legislation changes outlined in the MVLA have been included in the draft Bylaw.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

77. This option is consistent with Council's current approach to regulating freedom camping.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

78. Community views and preferences were provided through service request data which helped to inform the RIA. In addition, community views and preferences will be sought through the special consultative procedure and help to inform the development of the final Freedom Camping Bylaw for adoption.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

79. The advantage of this option is that the current Bylaw will not be revoked under section 160A of the LGA. In addition, community views and preferences will be considered through submissions regarding the draft Bylaw. There are no perceived disadvantages of this option.

Option 2
Adopt an amended Freedom Camping Bylaw Statement of Proposal for public consultation.

Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi

80. Any amendments to the draft Bylaw would have to be assessed for financial and resourcing implications.

Risk Analysis / Tātaritanga o Ngā Mōrearea

81. Any amendments would require assessment to determine associated risks.

Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori

82. Any amendments would require assessment to determine how they promote the community outcomes.

Statutory Responsibilities / Ngā Haepapa ā-ture

83. This option still requires Council to undertake the special consultative procedure, as per the LGA.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

84. Any amendments would require assessment to determine consistency with Council's policy and plans.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

85. Community views and preferences would be sought through the special consultative procedure and would help to inform the development of the final Freedom Camping Bylaw for adoption.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

86. Any amendments would have to be assessed for advantages and disadvantages.

Option 3**Do not adopt a Freedom Camping Bylaw Statement of Proposal and let the Freedom Camping Bylaw lapse.***Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi*

87. There are no significant financial or resourcing implications for this option.

Risk Analysis / Tātaritanga o Ngā Mōrearea

88. This option does not address the issues raised by the community in relation to freedom camping.

Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori

89. This option would not promote the community outcomes.

Statutory Responsibilities / Ngā Haepapa ā-ture

90. Council is not required to have a Freedom Camping Bylaw.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

91. This option is inconsistent with Council's historic approach to regulating freedom camping and having a Freedom Camping Bylaw.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

92. This option will not provide the opportunity for the community to express their views and preferences.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

93. The disadvantage of this option is that Council would not have a tool to address / respond to issues pertaining to freedom camping in the district.

Recommended Option

This report recommends option one Adopt the Freedom Camping Bylaw Statement of Proposal for public consultation for addressing the matter.

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Freedom Camping Bylaw Statement of Proposal (ECM 9270037)

Appendix 2 Regulatory Impact Assessment (ECM 9264220)

Appendix 3 History of the regulation of freedom camping in New Plymouth District (ECM 9264385)

Report Details

Prepared By:	Jo Eagar (Policy Adviser)
Team:	Corporate Planning and Policy
Reviewed By:	Mitchell Dyer (Corporate Planning and Policy Lead)
Approved By:	Renee Davies (Manager Strategic Planning)
Ward/Community:	District Wide
Date:	6 June 2024
File Reference:	ECM 9264434

-----*End of Report*-----



Have Your Say

Proposed amendment to the Freedom Camping Bylaw



Te Kaunihera-ā-Rohe o Ngāmotu
**New Plymouth
District Council**



Review of the Freedom Camping Bylaw



3.1

Background

New Plymouth District Council Freedom Camping Bylaw (the Bylaw) was first adopted in December 2017. It is now due for review. If the Bylaw is not reviewed by 6 December 2024 it will be revoked under section 160A of the Local Government Act 2002, meaning there will be no Freedom Camping Bylaw.

In addition to the Bylaw being due for review, the Self-contained Motor Vehicles Legislation Act 2023 (MVLA) received royal assent on 6 June 2023 and is now law. The purpose of the MVLA is to improve the management of vehicle-based freedom camping by creating a robust regulatory system that central and local government can rely on to reduce the negative effects of freedom camping on communities and the environment.

The MVLA amends the Freedom Camping Act 2011 (FCA). The Bylaw must be updated to ensure it is consistent with the amended FCA.

Key changes from the FCA are summarised below:

- Requires vehicle-based freedom campers to use a certified self-contained vehicle when they stay on council land, unless a council designates a site as suitable for non-self-contained vehicles (NSC).
- Establishes a regulated system for the certification and registration of self-contained vehicles.
- Changes to the requirements that a vehicle must meet to be self-contained – vehicles must have a fixed toilet (there is a transitional period to allow people with the current 'blue sticker' certifications time to move to the new 'green sticker' certification).
- Strengthens the infringement system for freedom camping. The original infringement fee of \$200 has been replaced by a new tiered penalty system which came into force on 13 July 2023 and provides councils with more options to apply fines proportionate to the breach of a freedom camping bylaw or the FCA.

Determinations

To help the Council in determining whether to review the Bylaw a Regulatory Impact Assessment (RIA) was undertaken. The assessment sets out the authority to make a bylaw, the perceived problems or nuisances the bylaw addresses, and the options available to the Council to deal with these problems. The RIA was informed by:

- Council service request data.
- Regulatory Team information.
- Council's monitoring data for different freedom camping sites across the district, including infringement fines issued.
- Information from the Freedom Camping Ambassador.
- Data for four sites from the Campermate App.

The RIA showed that there are ongoing problems with freedom camping – 165 service requests were lodged between 1 January 2023 and 29 February 2024. These raised varying issues including dumped rubbish, overcrowding, defecation in public areas, loss of access to areas and facilities, and illegal freedom camping. In addition 414 infringement fines were issued for freedom camping in 2023.

As highlighted above, the Bylaw still has an important regulatory role to play and is the Council's preferred option for addressing freedom camping in New Plymouth District.

The Proposed Freedom Camping Bylaw with all changes can be found at the back of this Statement of Proposal.

A comprehensive explanation of the legislative changes is available on the Ministry of Business, Innovation and Employment's website [at this link](#).

Options

Three options were considered during the review of the current Bylaw.

Option
1

Review and amend the current Freedom Camping Bylaw

OUR
PREFERRED
OPTION

Advantages

- Retains a tool for addressing freedom camping related issues in the district.
- Allows Council to take into consideration new information in the sector since the previous bylaw review.
- Allows Council to incorporate legislative changes to the Bylaw.
- Allows Council to respond to issues arising in the district in relation to freedom camping, and to create an updated and fit for purpose regulatory instrument.
- Proactive approach to regulation.
- Allows Council the opportunity to take into account community views and preferences on freedom camping when making decisions.

Disadvantages

- Council resource required to undertake the review.
- There are costs associated with monitoring and enforcement of a bylaw.
- The proposed changes to areas being regulated may require additional resources.

Option
2

Roll over the current Freedom Camping Bylaw with the minimum changes required to align with the amended Freedom Camping Bylaw

Advantages

- Allows Council to incorporate legislative changes to the Bylaw.
- Retains a consistent approach to the Bylaw, providing for public certainty.
- This approach would not require any change to the current regulatory approach. Any increase in resource would be in response to an increasing number of service requests relating to freedom camping.

Disadvantages

- Council's regulatory approach may be outdated in terms of area controls.
- The RIA indicates that there is some need for some amendments to the regulatory approach for freedom camping within the community.
- Does not allow for current issues arising in the district in relation to freedom camping to be addressed.

Option
3

Let the Freedom Camping Bylaw lapse and have no specific regulations

Advantages

- There will be no Council resource required to carry out a review.
- No costs associated with monitoring and enforcing a bylaw.

Disadvantages

- Council will not have a tool to address issues arising in the district in relation to freedom camping.
- The public and visitors to the district may be unclear as to the rules on freedom camping in the district.
- Community views and preferences will be unknown.



Proposed changes to the Freedom Camping Bylaw

Council believes that on the whole, the Bylaw has been working well. However, following a full review of the Bylaw and to incorporate changes from the FCA some improvements have been identified. The key changes are outlined below.

Updated to align the Bylaw with the MVLA

It is proposed to make amendments to the Bylaw to ensure that it aligns with the amended FCA. These changes include:

- Updating the definition of self-contained motor vehicle.
- Adding non-self contained motor vehicle definition.
- Addition of key definitions found within the FCA by reference, for:
 - Certificate of self-containment.
 - Motor vehicle.
 - Self-contained.
 - Transitional period.
- Adding a section on 'where freedom camping is permitted', including an explicit statement regarding where non-self-contained vehicles are permitted in the district.

The Proposed Bylaw ensures alignment with the new legislation and enables Council to uphold the right to freedom camp in our district, while also protecting the environment, access to highly valued local areas and the health and safety of our residents and visitors to the district.

Non-self-contained vehicles

Under the current Freedom Camping Bylaw NSC vehicle freedom campers are permitted at Battiscombe Terrace (six spaces available) and Lake Rotomanu (four spaces available). It is proposed to retain these areas for NSC vehicle freedom campers, but to add an additional two spaces at Lake Rotomanu.

This would result in 12 spaces in total for NSC vehicle freedom campers in New Plymouth District. It is also proposed to update the Bylaw so that the NSC spaces are only to be used by NSC vehicle freedom campers – that is, self-contained campers will not be permitted to use these spaces, as they have the rest of the district (excluding prohibited areas) to explore and utilise.

In addition, it is proposed to update the Bylaw terminology to ensure that it is consistent with the amended FCA.

New areas to be prohibited

Any potential areas for prohibition or restriction must first be assessed against the criteria in section 11(2) of the FCA before being included in a freedom camping bylaw. This section states that councils can only prohibit or restrict freedom camping in an area if this is necessary for one or more of the following purposes:

- a) to protect the area;
- b) to protect health and safety of people who may visit the area;
- c) to protect access to the area.



It is proposed to introduce an additional four areas where freedom camping is prohibited.

<p>Weld Road</p>	<p>Proposed to prohibit freedom camping at this area in order to align the rules with Council's Coastal Reserve Management Plan and to protect access to the area – limited parking space in an area that is highly valued by the local community for recreational purposes.</p>
<p>Ahu Ahu Road</p>	<p>Proposed to prohibit freedom camping at this area in order to align the rules with Council's Coastal Reserve Management Plan and to protect access to the area – limited parking space in an area that is highly valued by the local community for recreational purposes.</p>
<p>Greenwood Road</p>	<p>Proposed to prohibit freedom camping at this area in order to align the rules with Council's Coastal Reserve Management Plan and to protect the area from the impacts of freedom campers – environmentally sensitive area with no public amenities provided.</p>
<p>Fort St George / Tataraimaka Pā</p>	<p>Proposed to prohibit freedom camping at this area to protect the area from the impacts of freedom camping, and to protect public health and safety in relation to accessing the area down an uneven and sandy accessway, in addition, this area is right adjacent to Tataraimaka Pā, an area of cultural significance. The area is environmentally sensitive with no public amenities provided.</p>



The Proposed Freedom Camping Bylaw with all changes can be found at the back of this Statement of Proposal.

For more information on any of the existing Bylaw, visit the Council's website npdc.govt.nz/HaveYourSay

Or phone us on 06 749 6000.

Have your say!

The Proposed Freedom Camping Bylaw is now open for public consultation. This is your chance to let the Council hear your views and preferences about the proposals. Please take the time to get involved and have your say.

There are several ways you can have your say. You can fill in the submission form on the next page or you can complete your submission online.

To get your submission to us, either:

Do it online: npdc.govt.nz/HaveYourSay

Email it to: submissions@npdc.govt.nz

Post it to: NPDC Freedom Camping Bylaw Submission, Reply Paid DX, DX Box NP90081, New Plymouth

Deliver it to: NPDC Civic Centre, Liardet Street, New Plymouth; or a library and service centre in Bell Block, Inglewood or Waitara.

Be sure to get your submission to the Council by 5pm on Friday 13 September 2024

Late submissions will not be accepted





NPDC Freedom Camping Bylaw

Submission Form

Submissions close at 5pm Friday 13 September 2024



Your details

Your submission must include your name and contact details (preferably email and phone)

First name:..... Last name:.....

Organisation (if applicable):

Postal address:

Phone:..... Email address:.....

Do you want to speak to the Council about your submission? (please tick one) Yes No

If you don't select an option, we will assume you don't want to be heard.

Your views

Give us your views below or fill out this [form online](#).

1. Do you support amending the Freedom Camping Bylaw to align with the legislative changes to the Freedom Camping Act 2011? (please tick one)

Yes No

Comments:
.....
.....
.....

2. Do you support adding two spaces for non-self-contained vehicle freedom campers at Lake Rotomanu - this would allow for a total of six non-self-contained vehicle freedom campers at the site? (please tick one)

Yes No

Comments:
.....
.....
.....

All submissions (including your name, address and contact details) are provided to Council officers and elected members for the purpose of analysing feedback. Your personal information will also be used for the administration of the engagement and decision-making process. Submissions (with individuals names only) will be available online. If requested, submitter details may be released under the Local Government Official Information and Meetings Act 1987. If there are good reasons why your details and/or submission should be kept confidential please contact our Privacy Officer on 06-759 5688 or through enquiries@npdc.govt.nz

3. Should the non-self-contained vehicle spaces be reserved for only non-self-contained vehicles, i.e. self-contained vehicles would not be permitted in these spaces? (please tick one)

Yes No

Comments:
.....
.....
.....

4. Should freedom camping be prohibited at Weld Road? (please tick one)

Yes No

Comments:
.....
.....

5. Should freedom camping be prohibited at Ahu Ahu Road? (please tick one)

Yes No

Comments:
.....
.....

6. Should freedom camping be prohibited at Greenwood Road? (please tick one)

Yes No

Comments:
.....
.....

7. Should freedom camping be prohibited at Fort St George/Tataraimaka Pā? (please tick one)

Yes No

Comments:
.....
.....

8. Do you have any other comments on the Proposed Freedom Camping Bylaw?

.....
.....
.....
.....
.....
.....
.....
.....

Thank you for your submission



New Plymouth District Council Bylaw

Freedom Camping Bylaw 2024~~17~~

The purpose of this bylaw is to regulate freedom camping in the district in order to protect:

- *local authority areas;*
- *the health and safety of people who may visit local authority areas;*
- *access to local authority areas.*



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

DOCUMENT HISTORY

Meeting	Date	Decision	Next Review
Council meeting	27 October 2020	Amended to include three new prohibition areas (Corbett Park, Tongaporutu, Battiscombe Terrace, excluding six restricted areas). With effect from 14 November 2020	
Council meeting	29 November 2018	Amended and re-adopted with effect from 14 December 2018	
Council meeting	6 December 2017	Adopted with effect from 23 December 2017	Five years from adoption

1. Title

1.1 This Bylaw is the New Plymouth District Council Freedom Camping Bylaw 2024.

~~1.~~ 2. Authority

~~1.1~~ ~~This bylaw is made under the Freedom Camping Act 2011 and the Local Government Act 2002.~~

2.1 This Bylaw is made under sections 11 and 11A of the Freedom Camping Act 2011 and under the Local Government Act 2002.

2.2 The Council resolved to review its Bylaw under the Freedom Camping Act 2011 at a meeting of the Council on [date]. Following consideration of submissions received by the Council as part of undertaking a special consultative procedure, the Council adopted this bylaw by resolution at a meeting of the Council on [date]. Public notice was issued on [date] to set the operative date at [date].

The following note is explanatory and is not part of the Bylaw:

This Bylaw applies only to the areas under the control of the New Plymouth District Council.

Compliance with this Bylaw does not remove the need to comply with all applicable Acts, regulations, bylaws, and other regulatory requirements. This includes complying with any parking or other traffic restrictions in any area, not littering, complying with any restrictions or prohibitions on the lighting of fires, not making excessive noise, and complying with the directions of enforcement officers or other authorised persons.

~~2.~~ 3. Commencement

~~2.1~~ **3.1** This Bylaw comes into force on 14 December 2018 [date].

3.2 This Bylaw is next due for review under section 13 of the Act by [date].

~~3.~~ 4. Purpose

~~3.1~~ **4.1** The purpose of this Bylaw is to regulate freedom camping in the District in order to protect:

- a) local authority areas;
- b) the health and safety of people who may visit local authority areas;
- c) access to local authority areas.

4. 5. Interpretation

~~4.1~~ **5.1** In this Bylaw ~~part~~ unless the context otherwise requires:

Definitions

Act means the Freedom Camping Act 2011.

Council means the New Plymouth District Council.

District means the New Plymouth District.

Prohibited areas means an area identified in Schedule 1 of this Bylaw. Freedom camping is not allowed in this area, in accordance with clause 7 5 of this Bylaw, unless a permit has been granted under clause 10 8.

Restricted area means an area identified in Schedule 2 of this Bylaw. Freedom camping is allowed in this area, subject to complying with all of the restrictions in accordance with clauses 8 and 9 of this Bylaw, unless a permit has been granted under clause 10.

Self-contained motor vehicle means:

~~a vehicle designed and built for the purpose of camping which has the capability of meeting the ablutionary and sanitary needs of occupants of that vehicle for a minimum of three days without requiring any external services or discharging any waste, and complies with, and is certified under *New Zealand Standard 5465:2001* (including the March 2012 and May 2017 amendments to the Standard), as evidenced by the display of a current self-containment warrant issued under that Standard.~~

- a) a motor vehicle that has a valid certificate of self-containment issued in accordance with section 87U(3)(d) of the Plumbers, Gasfitters, and Drainlayers Act 2006; or
- b) During the transitional period:
 - i) during periods 1 to 3, the vehicle was certified, before the commencement date and in accordance with the requirements of the existing standard, as having met the existing standard; or
 - ii) during periods 1 and 2, the vehicle is certified, in accordance with the requirements of the modified standard, as having met the modified standard; or
 - iii) during period 3, the vehicle was certified, in period 1 or 2 and in accordance with the requirements of the modified standard, as having met the modified standard; or
 - iv) during period 4, the vehicle is not owned by a rental company; and
 - v) was certified, before the commencement date and in accordance with the requirements of the existing standard, as having met the existing standard; or
 - vi) was certified, in period 1 or 2 and in accordance with the requirements of the modified standard, as having met the modified standard.

Non-self-contained motor vehicle means a motor vehicle that is not self-contained in accordance with the Freedom Camping Act 2011.

The following terms have the same definitions as in the Act – the definitions are set out in the guidance material:

Certificate of self-containment

Freedom camp

Local authority area

Motor vehicle**Self-contained**

Transitional period starts on 7 June 2023 and ends on the later of 7 June 2025 or a date specified in an Order in Council.

6. Where freedom camping is permitted

6.1 Freedom camping using a tent or other temporary structure or a self-contained motor vehicle is permitted in any local authority area within the District unless it is prohibited or restricted in an area:

Permitted areas

- a) under clause 7 or 9 of this Bylaw; or
- b) under any other legislation; or
- c) in the case of a self-contained motor vehicle, by the limit placed on the maximum number of people for which the vehicle is certified.

The following note is explanatory and is not part of the Bylaw:

Other legislation includes the Reserves Act 1977, which generally prohibits camping in reserves (pursuant to section 44) and provides for infringement notices to be issued.

6.2 Freedom camping using a motor vehicle that is not self-contained is permitted in a local authority area within the District, but only if:

- a) it is used in a non-self-contained area, and carried out in accordance with any restrictions and conditions imposed under clause 8 of this Bylaw; or
- b) it is otherwise permitted under other legislation.

The following note is explanatory and is not part of the Bylaw:

Examples of other legislation that may allow for non-self-contained motor vehicles include: reserve management plans under the Reserves Act 1977, bylaws made under the Local Government Act 2002, or rules in a regional or district plan.

5. 7. Prohibited areas

~~5.4~~ **7.1** ~~Subject to clause 8, a~~ A person must not freedom camp:

Prohibited areas

- a) in any local authority area in tents or other temporary structures; or
- b) in a motor vehicle in any area marked red on any a map included in Schedule 1 and during the dates in which it is indicated that freedom camping is prohibited.

7.2 Despite clause 7.1, a person may freedom camp in any prohibited area if they have obtained a permit from the Council, granted under clause 10 of this Bylaw, and they comply with any conditions of that permit.

6. 8. Freedom Camping Restricted areas – non-self-contained motor vehicles

6.1 8.1 ~~Subject to clause 8, a~~ A person may freedom camp in a non-self-contained motor vehicle in the areas identified ~~for freedom camping~~ in Schedule 2 of this Bylaw, subject to complying with all of the following restrictions:

Non-self-contained

- a) ~~the vehicle must be parked in a non-self-contained restricted area;~~
- b) a) the motor vehicle must be parked legally;
- e) b) must not stay in the same area in the District for more than one period of up to 24 hours in a 30 day period;
- e) c) must not prevent others from undertaking legitimate activities in the area;
- e) d) must not light any fires at the area; and
- f) e) must comply with the noise requirements set out in the operative District Plan;

6.2 8.2 In ~~subclause 6.1(c)~~ subclause 8.1(c) “the same area” means the land within 500 metres of the place where the person was last freedom camping.

8.3 Despite clause 8.1, a person may freedom camp in any restricted area if they have obtained a permit from the Council, granted under clause 10 of this Bylaw, and complies with any conditions of that permit.

7. 9. Freedom camping Restricted areas – self-contained motor vehicles

7.1 9.1 ~~Subject to clause 8, a~~ A person may freedom camp in a self-contained motor vehicle in any local authority area, ~~including excluding the non-self-contained restricted areas in Schedule 2, excluding and the those prohibited areas in clause 57.1, and~~ subject to complying with all of the following restrictions:

Self-contained

- a) ~~must be in a certified self-contained vehicle;~~
- b) a) the motor vehicle must be parked legally;
- e) b) must not stay in the same area in the District for more than three periods of up to 24 hours in a 30 day period;
- e) c) must not prevent others from undertaking legitimate activities in the area;
- e) d) must not light any fires at the area; and
- f) e) must comply with the noise requirements set out in the operative District Plan.

7.2 9.2 In ~~clause 7.1(c)~~ clause 9.1(c) “the same area” means the land within 500 metres of the place where the person was last freedom camping.

9.3 Despite clause 9.1, a person may freedom camp in any restricted area if they have obtained a permit from the Council, granted under clause 10 of this Bylaw, and complies with any conditions of that permit.

8. **10.** **Permits from the Council**

8.1 10.1 The Council may grant a permit providing dispensation from a prohibition under clause ~~57.1~~ or one or more of the restrictions in subclauses ~~68.1(a) to (f)~~ or ~~79.1(a) to (f)~~. Permits may be granted with or without conditions. Conditions may include, but are not limited to:

- a) maximum number of people;
- b) maximum number of vehicles / tents / caravans;
- c) duration. ~~maximum number of nights.~~

Permits

8.2 10.2 Any Application for a permit must be made:

- a) in writing; and
- b) ~~providing~~ provide sufficient detail about the proposed freedom camping, including why the freedom camping will not comply with one or more of the requirements or conditions of clauses ~~68.1~~ and ~~79.1~~ and what efforts will be made to otherwise comply (for example, if freedom camping for more than three 24 hour periods, how the applicant will manage waste generated while freedom camping); and
- c) be made at least 20 working days in advance of the date the planned for freedom camping is proposed to commence.

10.3 The Council will make a decision to grant or refuse an application for a permit and inform the applicant at least five working days before the freedom camping is proposed to commence.

10.4 An enforcement officer may revoke a permit granted under clause 10.1 if any person breaches the conditions specified in the permit, or the freedom camping covered by the permit otherwise breaches the Act.

9. **11.** **The Council may temporarily close an area to freedom camping**

9.1 11.1 ~~In accordance with sections 145, 146(b), and 151(2) of the Local Government Act 2002, the~~ The Council may, by resolution, temporarily close any local authority area (or part of such area) in which freedom camping can be undertaken to some or all types of freedom camping where the closure is considered necessary to:

- a) repair damage that significantly affects the use of the local authority area or facilities in the area for freedom camping, or to prevent damage occurring where there is an immediate threat of damage that would otherwise require the Council to close the area to repair the damage; or
- b) allow maintenance to be carried out on the local authority area or facilities; or
- c) to ensure public health and safety can be maintained by ensuring safe public access to and from temporary events and occasions.

Temporary closures

9.2 11.2 Notice will be given of any temporary closure, and the removal of any closure, in any manner the Chief Executive considers is

appropriate to the reason for the closure. Where possible, not less than 24 hours' notice of any temporary closure will be given.

The following note is explanatory and is not part of the bylaw:

Notice given by the Council may include any of the following: a sign erected in the area; and / or advertising on the Council's website or on the radio; and / or a public notice in the paper.

10. Effect of this Bylaw on other bylaws and enactments

- 10.4 12.1** This Bylaw does not override or affect any time, vehicle class or other restrictions that apply to the parking of a vehicle, made under any other bylaw or enactment.

Effect of this Bylaw on other bylaws and enactments

The following note is explanatory and is not part of the Bylaw:

This clause is to make it clear that approval of freedom camping under this Bylaw also satisfies any requirement for approval under another bylaw or enactment. For example:

The Council designates parking areas under the Traffic Bylaw and Council approval is needed to make changes; approving the same area for freedom camping under this bylaw also provides any Traffic Bylaw approval, if required (but the freedom camping must still comply with any parking time limits, etc. applicable to the area).

- 10.2** ~~The Council resolved to make a bylaw under the Freedom Camping Act 2011 at a meeting of the Council on 5 September 2017. Following consideration of submissions received during a special consultative procedure, the Council adopted this bylaw by resolution at a subsequent meeting of the Council on 6 December 2017. Public notice was issued on 16 December 2017 to set the operative date at 23 December 2017.~~

13. Revocation and savings

- 13.1** The New Plymouth District Council Freedom Camping Bylaw 2017 is revoked.

Revocation and savings

- 13.2** Any permission, consent, agreement or any other act of authority which originated under the New Plymouth District Council Freedom Camping Bylaw 2017, or which was continued by that Bylaw and which is still in force at the commencement of this Bylaw continues to have full force and effect for the purpose of this Bylaw.

- 13.3** This Bylaw is implied into and forms any part of any permission, consent, or any other act of authority continued by this clause.

- 13.4** The revocation of the New Plymouth District Council Freedom Camping Bylaw 2017 does not prevent any legal proceedings, criminal or civil, being taken to enforce that Bylaw and such proceedings continue to be dealt with and completed as if that Bylaw had not been revoked or civil, being taken to enforce that Bylaw and such proceedings continue to be dealt with and completed as if that Bylaw had not been revoked.

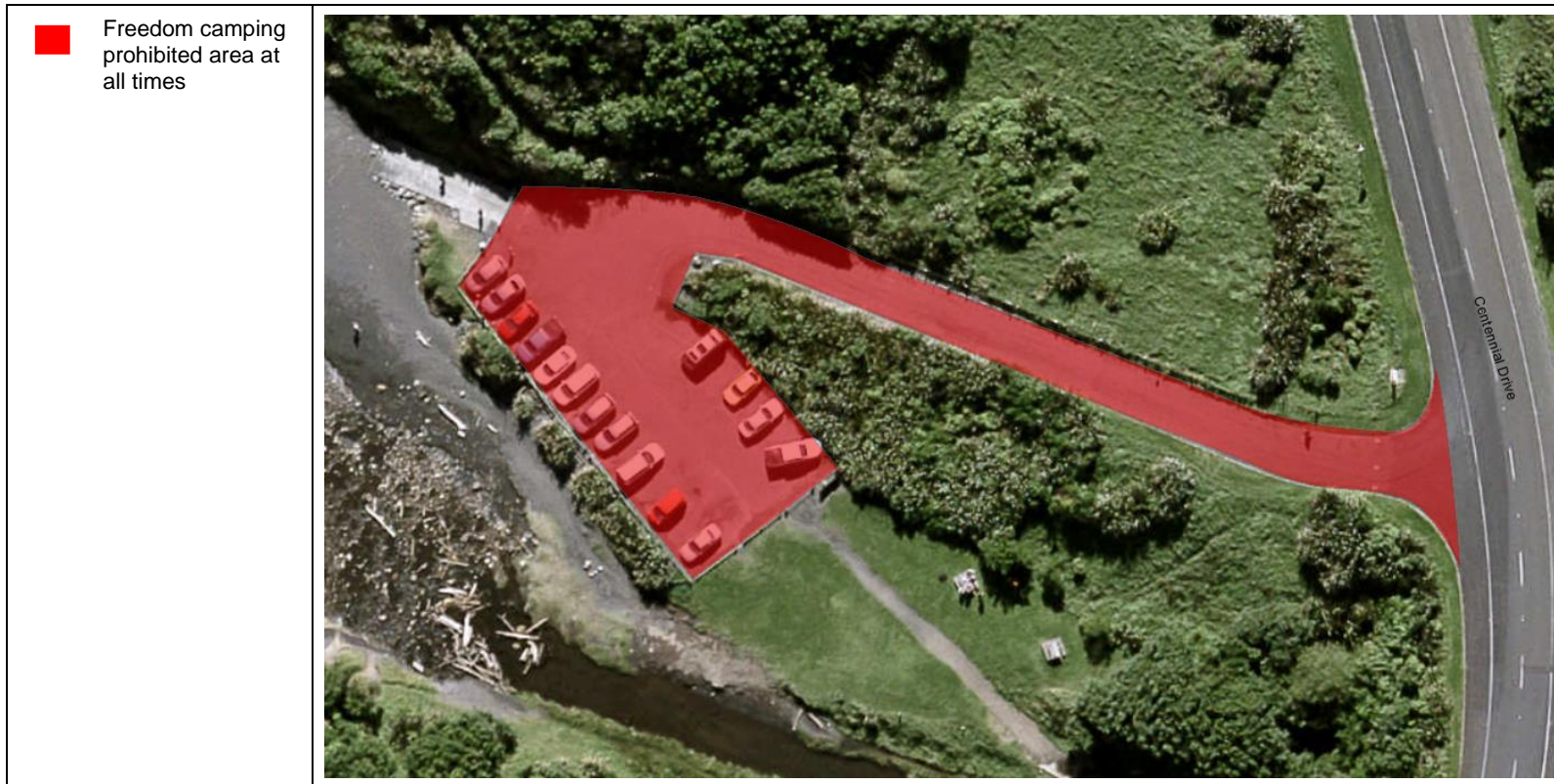
Schedule 1: Maps of prohibited areas

Map number	Where is freedom camping prohibited?
Map 1	Fitzroy Beach carpark
Map 2	Back Beach bottom carpark
Map 3	Oakura Beach front
Map 4	Waiwhakaiho River Mouth
Map 5	East End Beach
Map 6	Kawaroa Park
Map 7	Corbett Park
Map 8	Battiscombe Terrace
Map 9	Tongaporutu
<u>Map 10</u>	<u>Fort St George</u>
<u>Map 11</u>	<u>Greenwood Road</u>
<u>Map 12</u>	<u>Weld Road</u>
<u>Map 13</u>	<u>Ahu Ahu Road</u>

Map 1: Fitzroy Beach carpark



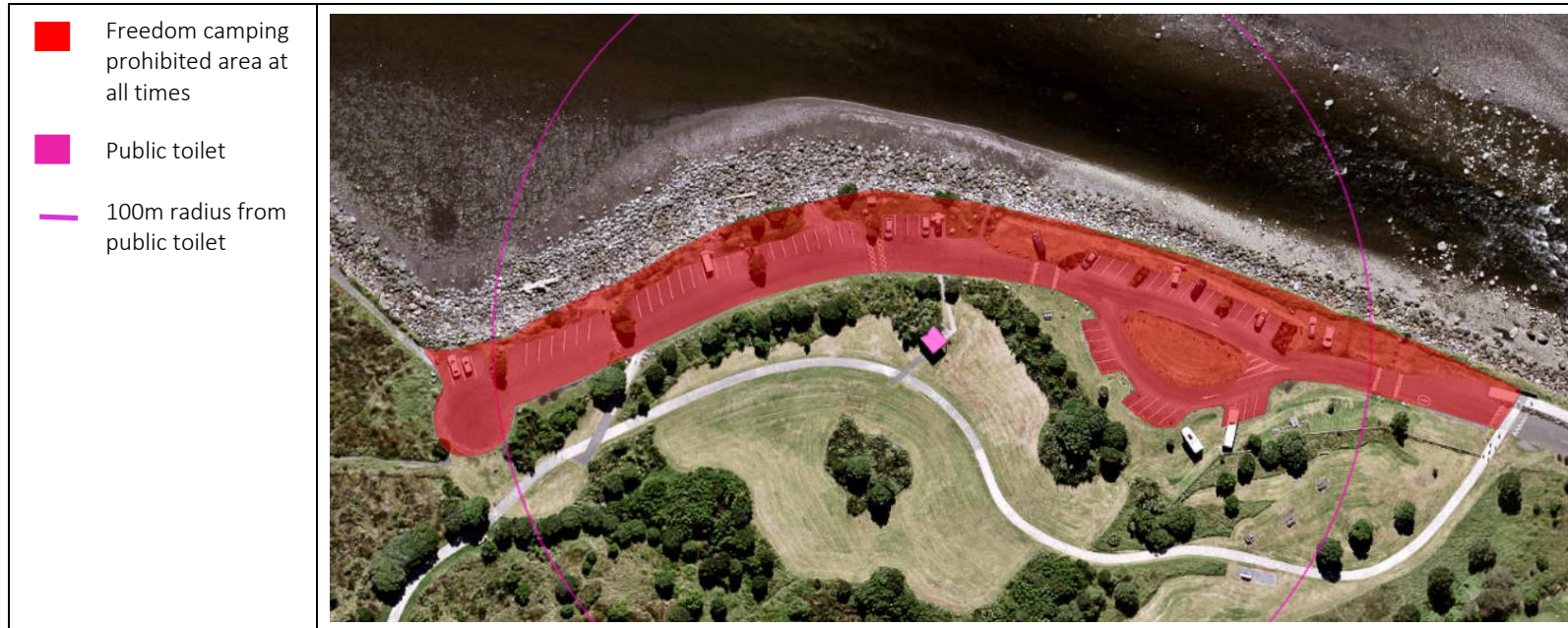
Map 2: Back Beach bottom carpark



Map 3: Oakura Beach front



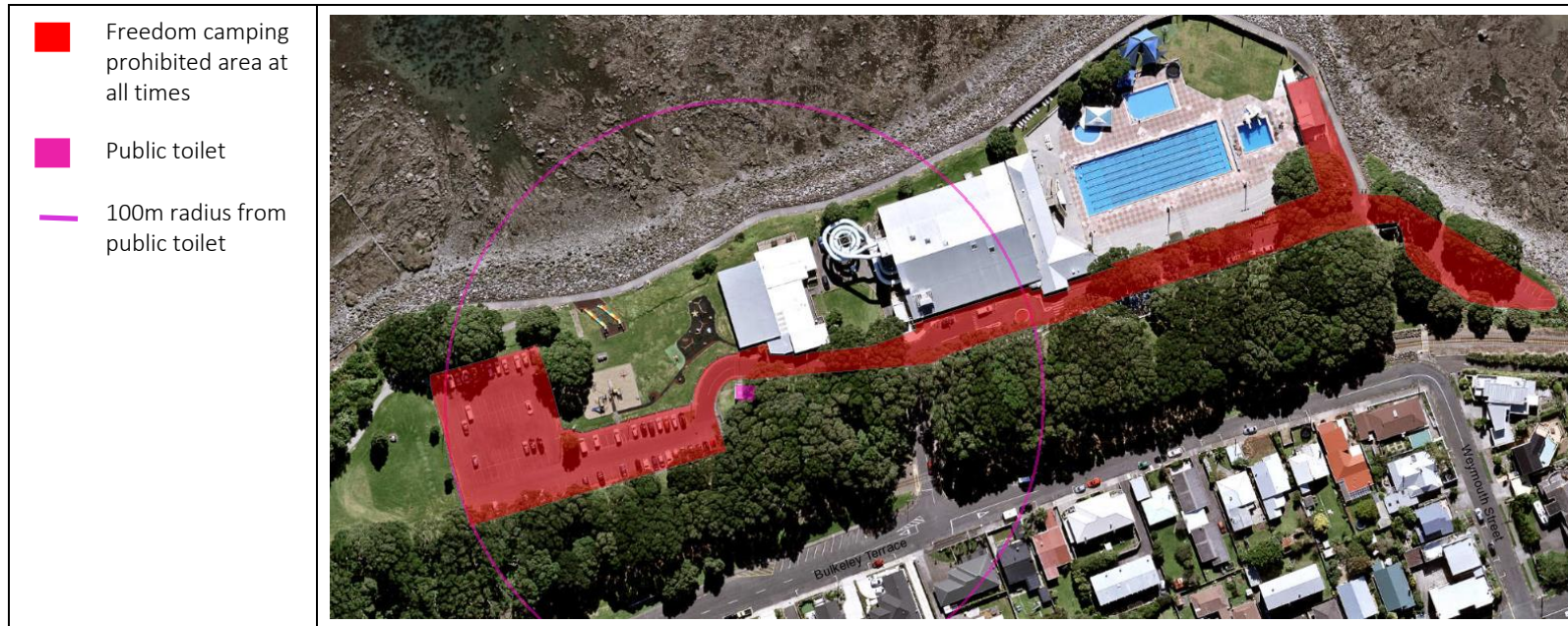
Map 4: Waiwhakaiho River Mouth



Map 5: East End Beach



Map 6: Kawaroa Park



Map 7: Corbett Park



Map 8: Battiscombe Terrace



Map 9: Tongaporutu



Map 10: Fort St George



Map 11: Greenwood Road



Map 12: Weld Road



Map 13: Ahu Ahu Road



Schedule 2: Maps of non-self-contained restricted areas

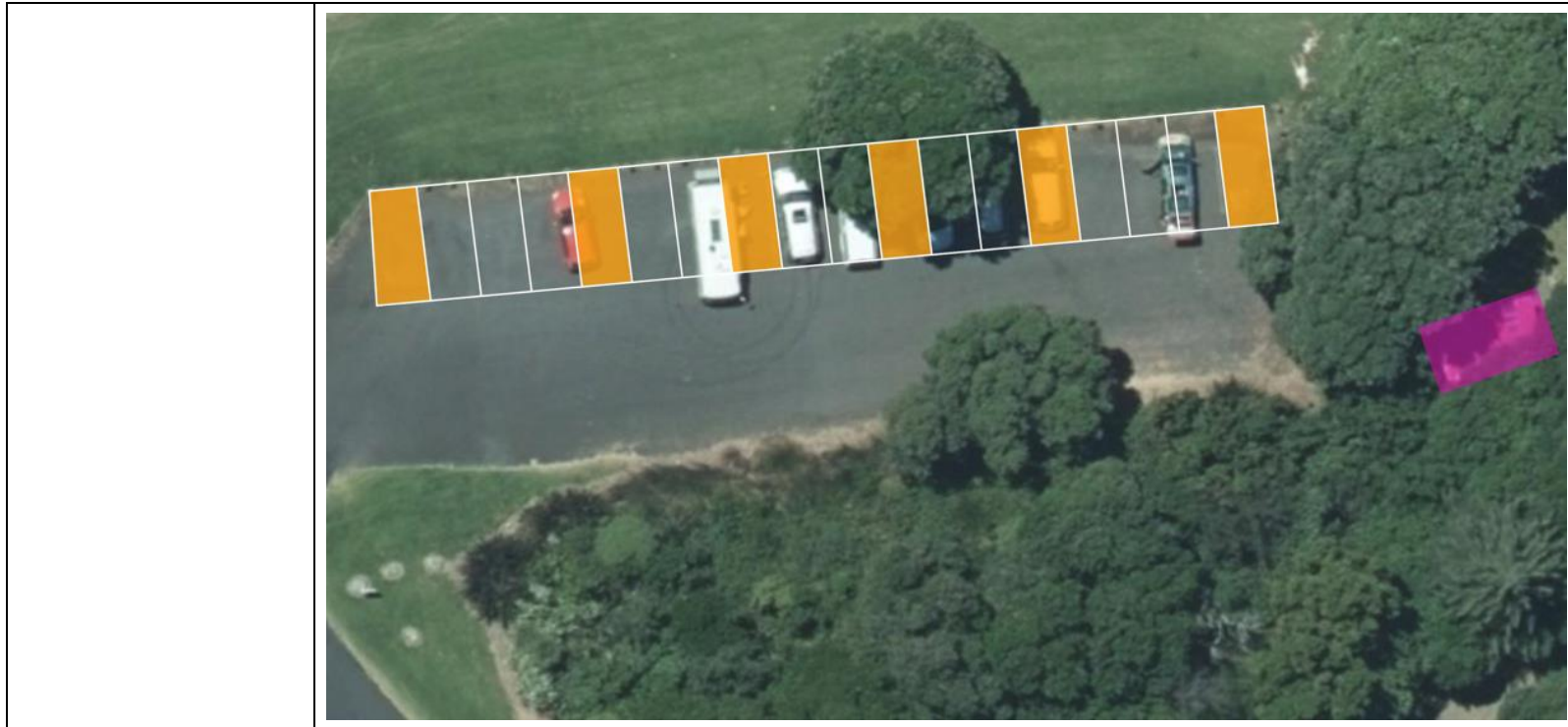
Map number	Where is non-self-contained freedom camping allowed?
Map 40 <u>14</u>	Battiscombe Terrace
Map 44 <u>15</u>	Lake Rotomanu

Map 40 14: Battiscombe Terrace



Map 44 15: Lake Rotomanu





Freedom Camping Bylaw - Guidance Material

1. Freedom Camping Act 2011 interpretation
2. Freedom Camping Act offences and penalties, and offenders liable for cost of damage - Section 20, ~~23~~, 20C, 20E and 24
3. New Zealand Standard: Self-containment of motor caravans and caravans NZS 5465:2001
4. Self-contained issuing authorities ~~Department of Conservation~~
5. New Plymouth District camp grounds
6. New Plymouth District dump stations and transfer stations
7. New Plymouth District Public Toilets

1. Freedom Camping Act 2011 interpretation

Certificate of self-containment means a certificate of self-containment issued under section 87U of the Plumbers, Gasfitters, and Drainlayers Act 2006.

Freedom camp

(1) In this Act, freedom camp means to camp (other than at a camping ground) within 200m of an area ~~a motor vehicle~~ accessible by motor vehicle or within 200m of area ~~or~~ the mean low-water springs line of any sea or harbour, or on or within 200 m of a formed road or a Great Walks Track, using either or both ~~1 or more~~ of the following:

- a. a tent or other temporary structure.
- b. a motor vehicle, caravan
- c. ~~a car, campervan, housetruck, or other motor vehicle.~~

(2) In this Act, freedom camping does not include the following activities:

- a. temporary and short-term parking of a motor vehicle:
- b. recreational activities commonly known as day-trip excursions:
- c. resting or sleeping at the roadside in a ~~caravan or~~ motor vehicle to avoid driver fatigue.

(2A) In this Act, a person is not freedom camping if the person:

- a. is a person other than a person who is in New Zealand on the basis of a visitor visa (within the meaning of the immigration instructions); and
- b. is unable to live in appropriate residential accommodation; and
- c. as a consequence of that inability, is living in either or both of the following:
 - i) a tent or other temporary structure;
 - ii) a motor vehicle.

(3) In this subsection; ~~(4);~~

Camping ground means –

- a. a camping ground that is the subject of a current certificate of registration under the Camping-Grounds Regulations 1985; or ~~and~~
- b. any site which a fee is payable for camping at the site

Great Walks Track means –

- a. a track specified in Schedule 1 (of the Act); and
- b. any other track specified by order in Council made under section 44 (of the Act) as a Great Walks Track.

Immigration instructions has the same meaning as in section 4 of the Immigration Act 2009.

Residential accommodation includes accommodation in a dwelling house, flat, hotel, motel, boarding house, or camping ground.

Local authority area:

- (1) In this Act, local authority area –
- a. means an area of land-
 - i) that is within the district or region of a local authority; and
 - ii) that is
 - a. controlled or managed by the local authority under any enactment; or
 - and
 - b. an area of NZTA land declared to be a local authority area in accordance with a bylaw made under section 10A (of the Act); and
 - b. includes any part of an area of land referred to in paragraph (a); but
 - c. does not include an area of land referred to in paragraph (a) or (b) that is permanently covered by water.

Motor Vehicle means each of the following –

- a. A motor vehicle within the meaning of section 2(1) of the Land Transport Act 1998;
- b. A unit used for camping that is not itself a vehicle but is capable of being –
 - i. transported by means of being loaded onto a vehicle; and
 - ii. used for camping whether or not it is loaded onto a vehicle.

Self-contained, in relation to a motor vehicle, means that the vehicle has a valid certificate of self-containment issued in accordance with section 87U(3)(d) of the Plumbers, Gasfitters, and Drainlayers Act 2006 (but see [subpart 1](#) of Part 1 of Schedule 1AA for the meaning of self-contained during the transitional period).

2. Freedom Camping Act offences, penalties, and offenders liable for cost of damage - Section 20, ~~20C~~, ~~20E~~ and 24

20 Infringement offences relating to local authority areas ~~Offences~~

- (1) Every person commits an infringement offence if the person ~~who~~ -
- a) freedom camps in a local authority area in breach of any prohibition or restriction specified in a bylaw made under section 11 or 11A that applies to the area; or
 - b) freedom camps in a local authority area, other than a local authority area defined in a bylaw made under section 11A as permitting motor vehicles that are not self-contained, using a motor vehicle that is not self-contained; or
 - c) fails to display a warrant card in a motor vehicle that the person is using to freedom camp in a local authority area, other than a local authority area defined in a bylaw made under section 11A; or
 - d) freedom camps in a local authority area in a self-contained motor vehicle with more people than the vehicle is certified for; or
 - e) ~~while~~ freedom camping in a local authority area, -
 - i. interferes with or damages the area, its flora or fauna, or any structure in the area; or
 - ii. deposits waste in or on the area (other than into an appropriate waste receptacle); or
 - f) makes preparations to freedom camp in a local authority area in breach of any prohibition or restriction specified in a bylaw made under section 11 or 11A that applies to the area; or
 - g) makes preparations to freedom camp in a local authority area, other than a local authority area defined in a bylaw made under section 11A as permitting motor vehicles that are not self-contained, using a motor vehicle that is not self-contained; or
 - e) ~~h) makes preparations to freedom camp in a local authority area in breach of any prohibition or restriction in a bylaw made under section 11 that applies to the area a self-contained motor vehicle with more people than the vehicle is certified for; or~~

- d) ~~deposits waste, generated while freedom camping, in or on a local authority area other than into an appropriate waste receptacle; or~~
 - e) i) fails or refuses to leave a local authority area when required to do so by an enforcement officer acting under section 36; or
 - f) ~~[Repealed]~~
 - g) ~~freedom camps on conservation land in breach of any prohibition or restriction in a freedom camping notice that applies to the land; or~~
 - h) ~~while freedom camping on conservation land,—~~
 - i) ~~interferes with or damages the land, its flora or fauna, or any structure on the land; or~~
 - ii) ~~deposits waste in or on the land (other than into an appropriate waste receptacle); or~~
 - i) ~~[Repealed]~~
 - j) ~~makes preparations to freedom camp on conservation land in breach of any prohibition or restriction in a freedom camping notice that applies to the land; or~~
 - k) ~~deposits waste, generated while freedom camping, in or on conservation land other than into an appropriate waste receptacle; or~~
 - l) ~~refuses to give information when required to do so by an enforcement officer under section 35 or gives false or misleading information; or~~
 - m) ~~fails or refuses to leave conservation land when required to do so by an enforcement officer acting under section 36.~~
- (2) ~~Every person commits an offence who discharges a substance in or on a local authority area or conservation land in circumstances where the discharge of the substance is likely to be noxious, dangerous, offensive, or objectionable to such an extent that it—~~
- a) ~~has, or is likely to have, a significant adverse effect on the environment; or~~
 - b) ~~has caused, or is likely to cause, significant concern to the community or users of the area or land.~~
- (2) In this section and in sections 20A and 20B, to make preparations means to do either or both of the following:
- a) erect a tent to use it for freedom camping;
 - b) park a motor vehicle to use it for freedom camping.
- (3) ~~Every person commits an offence—~~
- a) ~~who, while an enforcement officer is carrying out his or her functions and duties under this Act,—~~
 - i. ~~intentionally prevents the officer from carrying out those functions and duties; or~~
 - ii. ~~obstructs or impedes the officer; or~~
 - iii. ~~assaults, threatens, or intimidates the officer; or~~
 - iv. ~~uses language that is abusive or threatening to the officer; or~~
 - v. ~~behaves in a threatening manner towards the officer; or~~
 - b) ~~who incites any other person to do any act referred to in paragraph (a).~~
- (4) ~~In this section, waste receptacle means a receptacle or facility that is provided by a local authority or the Department for the purposes of disposing of waste (for example, a rubbish bin, public toilet, or bulk waste disposal unit).~~

20C Other infringement offences

A person commits an infringement offence if the person -

- a) displays in a motor vehicle an altered or a fraudulent warrant card; or
- b) presents an altered or a fraudulent certificate of self-containment to an enforcement officer acting under this Act; or
- c) refuses to give information when required to do so by an enforcement officer under section 35, or gives false or misleading information.

20E3 Penalties for infringement offences

- (1) A person who commits an infringement offence is liable to ~~the following fee:~~
- a) an infringement fee not exceeding \$1,000 that is prescribed by regulations made under section 43; or
 - b) if no regulations have been made under section 43 prescribing infringement fees, an infringement fee of \$400; or
 - c) a fine imposed by a court not exceeding \$3,000 or any lesser or equal amount prescribed by the regulations.
- ~~a) the amount prescribed by regulations made under section 43 as the infringement fee for the offence; or~~
- ~~b) \$200, if no fee is prescribed in accordance with paragraph (a).~~
- (2) ~~A person who is convicted of an offence against section 20(2) is liable to a fine not exceeding \$10,000.~~
- (3) ~~A person who is convicted of an offence against section 20(3) is liable to a fine not exceeding \$5,000.~~

24 Offenders liable for cost of damage

- (1) A person who commits an offence (including an infringement offence) may, in addition to, or instead of, ~~the a~~ penalty for the offence, be ordered to pay any of the following costs:
- a) the costs incurred by the local authority or Department in repairing any damage done to the local authority area or the conservation land concerned as a result of the offence;
 - b) the costs incurred by the NZTA in repairing any damage done to NZTA land as a result of the offence;
 - c) the costs incurred by the Department in repairing any damage done to conservation land as a result of the offence;
 - d) the costs incurred by LINZ in repairing any damage done to LINZ land as a result of the offence.
- (2) The costs must be assessed by the District Court and are recoverable as if they were a fine.

3. New Zealand Standard Self-Containment of Motor Caravans and Caravans, NZS 5465:2001

The Self Containment Standard NZS5465:2001 defines the minimum facilities that a motor caravan or caravan needs to contain the waste which its occupants produce, and to provide the fresh water which they require for a minimum of three days. Below is a brief overview of the requirements:

Water supply

- Motor caravan or caravan shall be fitted with a water supply tank or tanks having a capacity of not less than 4 L per day for each of the number of persons authorised by the Self Containment Certificate, for not less than three days (i.e. a minimum of 12 L per person).

Sanitary fittings

- The motor caravan or caravan shall be equipped with a sink. Additional sanitary fittings, like a handbasin, shower etc. are optional.

Toilet

- The motor caravan or caravan shall be equipped with a toilet that is adequately restrained or secured when travelling. The toilet shall be usable within the vehicle, including sufficient head and elbow room whenever required, even with the bed made up.
- All toilet systems shall provide sufficient waste holding capacity for the occupants of the motor caravan or caravan for a minimum of three days. The waste holding capacity shall be the net capacity after deducting the initial charge, or the internal flushing water. The minimum capacity required per personal per day shall be one litre.
- Self composting toilets shall comply with the sanitary requirements of the NZBC.

Waste tank

- The motor caravan or caravan shall be provided with a waste tank or tanks to receive all the waste water from all permanently installed fixtures. The capacity of the water tank shall not be less than, and preferably larger than, the minimum water supply as water supply requirements above.
- All tanks shall be adequately secured while the motor caravan or caravan is in motion. The evacuation valve or macerator pump shall be mounted to prevent accidental damage.

Evacuation hose

- Any vehicle fitted with a waste tank shall be supplied with an evacuation hose. The hose shall have a leak-proof coupling for attaching it to the holding tank evacuation valve. For a 75mm black water connection, a bayonet coupling to connect to a dump point is required.
- The hose diameter shall not be less than the minimum valve size appropriate for the tank, have a minimum length of 3m and be carried in a separate container.

Waste water treatments

- Chemical or biological treatments should be used in a waste tank.

Solid waste containment

- The motor caravan or caravan shall have a sealable solid waste container for rubbish.

Issuing Authority

A self containment issuing authority shall be one of the following:

- A plumber registered under the Plumbers, Gasfitters, and Drainlayers Act 1976; or
- A suitable qualified person, registered under the Plumbers, Gasfitters, and Drainlayers Act 1976; or
- Any organisation that operates a scheme of qualification for testing officers who shall be members of the organisation concerned. Documentation of this qualification scheme shall be made available on a public website or to any party on request as evidence that testing officers are competent to certify to this Standard.

4. Self-contained issuing authorities

The most well-known issuing authorities for the self-containment certification in New Zealand are NZ Lifestyle Camping and the NZMCA. However, any plumber, gasfitter or drainlayer can also be registered as an issuing authority. Visit the Plumbers, Gasfitters and Drainlayers Board website www.pqdb.co.nz for more information or www.nzscv.co.nz to search for certification authorities near you.

4. Department of Conservation

~~The Department of Conservation provides a number of campsites across New Zealand. In the Taranaki Region there is one Department of Conservation campsite:~~

Waitoetoe campsite:**Facilities**

~~Only accessible on foot and with minimal facilities, this is the spot for those seeking a back to basics holiday.~~

~~The campsite is a paddock that is occasionally grazed by stock.~~

Getting there

~~The campsite is on Waitoetoe Road, off SH3, 35 minutes north of New Plymouth.~~

~~A slump in the road means this campsite is only accessible by foot. Park your vehicle at the Waitoetoe Road end and follow the rough track down to the camping area – approximately 300m away.~~

Location

NZTM2000 coordinates: E1724050, N5685995
 Latitude: -38.9662. Longitude: 174.4319

Fees

Free.
 Maximum four night stay.

Activities

A perfect place for fishing, walking, surfing, swimming, relaxing or hiking the nearby [Whitecliffs Walkway](#).

Know before you go

Take your rubbish away with you.
 There is a flush toilet onsite, you will need to bring your own toilet paper.
 The campsite can be exposed to the weather – make sure you tie your tent down well!
 The ocean can have tidal rips so be wary if swimming. Keep clear of the eroding cliffs along the beach. If you're going for a walk make sure you are aware of tide times so you don't get trapped against the cliffs by an incoming tide.

For more information contact the Ngāmotu/New Plymouth Office

Phone: +64 6 759 0350
Address: 55A Rimu Street, New Plymouth 4312
Email: newplymouth@doc.govt.nz

5. New Plymouth District camp grounds

1. URENUI BEACH CAMP Urenui Domain, Urenui. Phone: 06-752 3838
2. ONAERO BEACH HOLIDAY PARK 1147 Main Road, Onaero. Phone: 0508 662 376
3. MARINE PARK MOTOR CAMP 8 Centennial Avenue, Waitara. Phone: 06-754 7121
4. NEW PLYMOUTH TOP 10 HOLIDAY PARK 29 Princes Street, Fitzroy, New Plymouth. Phone: 06-758 2566
5. FITZROY BEACH HOLIDAY PARK 1D Beach Street, New Plymouth. Phone: 06-758 2870
6. BELT ROAD SEASIDE HOLIDAY PARK 2 Belt Road, New Plymouth. Phone: 0800 804 204
7. OAKURA BEACH HOLIDAY PARK 2 Jans Terrace, Oakura. Phone: 06-752 7861

6. New Plymouth District dump stations and transfer stations

Dump Stations:

1. BP POWDERHAM SERVICE STATION 71 Powderham Street, New Plymouth
2. MOBIL SERVICE STATION Corner Leach and Eliot streets, New Plymouth
3. AA VEHICLE TESTING STATION 14D Swans Road, Bell Block

Transfer Stations:

1. OKATO Hampton Road
2. INGLEWOOD King Road
3. NEW PLYMOUTH Colson Road
4. WAITARA Norman Street
5. TONGAPORUTU Hutiwai Road

7. New Plymouth District public toilets

	Public toilet location	Access times
1	Ahu Ahu Reserve	24/7
2	Awanui Cemetery Reserve	Open 6.30am close 8.30pm
3	Battiscombe Terrace Car park	24/7
4	Bell Block Beach – Mangati Walkway	24/7
5	Brooklands Park (<u>the Dell toilets</u>)	24/7
6	Brooklands Zoo	Open 9.00am closed 5.00pm
7	Centennial park	24/7
8	Coastal Walkway CBD (<u>by Wind Wand</u>)	24/7
9	Coastal Walkway Waiwhakaiho River Mouth (<u>Rotomanu North</u>)	24/7
10	Corbett Park	24/7
11	East End Beach	24/7
12	East End Reserve Buller Street	Toilet access is 24/7, vehicle access is 6.00am to 8.30pm
13	Fitzroy Beach	24/7
14	Fitzroy Shopping Centre	24/7
15	Hickford Park	24/7
16	<u>Hickford Park Walkway</u>	<u>24/7</u>
16 17	Inglewood CBD	24/7
17 18	James Lane Rest Rooms CBD	Women's rest rooms are 4.00am – 5.00pm 7.00am to 8.00pm most seven days, closed Sunday . Outside toilet attached that is 24/7
18 19	Jubilee Park	24/7
19 20	Kawaroa Park	24/7
20 21	Lake Mangamahoe	Toilet access is 24/7, vehicle access is 6.00am to 8.30pm
21 22	Lake Rotomanu (<u>Rotomanu South</u>)	24/7
22 23	Lee Breakwater	24/7
24	<u>Mangapouri Cemetery</u>	<u>24/7</u>
25	<u>Marfell</u>	<u>24/7</u>
23 26	Marine Park	24/7
24 27	Merrilands Domain – Audrey Gale Reserve	Toilets are 24/7, vehicle access is 6.00am to 8.30pm
25 28	Motorua Shopping Centre	24/7

	Public toilet location	Access times
26 <u>29</u>	New Plymouth CBD (<u>Gover Street</u>)	24/7
27 <u>30</u>	New Plymouth CBD Exaloo	24/7
28 <u>31</u>	Ngamotu Beach	24/7
29 <u>32</u>	Oakura Beach	24/7
<u>33</u>	<u>Oakura CBD</u>	<u>24/7</u>
30 <u>34</u>	Oakura Motor Camp	Motor camp administered toilets
34 <u>35</u>	Okato	24/7
32 <u>36</u>	Okato Domain	24/7
33 <u>37</u>	Onaero Beach Motor Camp	Motor camp administered toilets
<u>34</u>	Plunket Women's Rest Rooms	Custodian administered
35 <u>38</u>	Puke Arika	Museum opening hours
36 <u>39</u>	Pukekura Park behind Tea House	24/7
37 <u>40</u>	Pukekura Park Bellringer Pavillion	24/7
38 <u>41</u>	Pukekura Park Playground	24/7
39 <u>42</u>	Pukekura Park Rogan St Entrance	24/7
<u>40</u> <u>43</u>	Pukekura Park Women's <u>Pavilion</u> Toilets	24/7
<u>44</u>	Tarata Domain	24/7
42 <u>44</u>	Tongaporutu Recreational Reserve	24/7
<u>45</u>	<u>Upper Mangorei Road</u>	<u>24/7</u>
43 <u>46</u>	Urenui Community Centre (<u>at rear of Centre</u>)	24/7
44 <u>47</u>	Urenui Motor Camp – Beach	Motor camp administered toilets
45 <u>48</u>	Urenui Motor Camp – River	Motor camp administered toilets
46 <u>49</u>	Wai-iti Beach	24/7
47 <u>50</u>	Waitara CBD (<u>next to Plunket Rooms</u>)	24/7
48 <u>51</u>	Waiwhakaiho Park (<u>rear of netball courts</u>)	24/7
49 <u>52</u>	Weld Road Reserve	24/7
50 <u>53</u>	Westtown	24/7
54 <u>54</u>	Yandle Park	24/7



CONTACT

-  06 759 6060
-  enquiries@npdc.govt.nz
-  84 Liardet Street, New Plymouth 4310
-  www.npdc.govt.nz
-  [NewPlymouthDistrictCouncil](https://www.facebook.com/NewPlymouthDistrictCouncil)
-  [NPDCouncil](https://twitter.com/NPDCouncil)



APPENDIX TWO: REGULATORY IMPACT ASSESSMENT – FREEDOM CAMPING BYLAW

The purpose of a Regulatory Impact Assessment (RIA) is to provide an overview of the matters that the Council must consider before determining whether a bylaw is the most appropriate way of addressing the problems relating to the regulation of freedom camping in New Plymouth District. The aim of the Bylaw must be to protect the area, to protect the health and safety of people who may visit the area, and to protect access to the area.

This Regulatory Impact Assessment addresses the following matters:

1. Legislative authority to deal with the perceived problem.
2. Determinations.
3. Current Status of the bylaw.
4. Rationale for review of the bylaw.
5. Problem identification and assessment for the bylaw.
6. Evidence of problems occurring for the bylaw.
7. Options for the bylaw.

1. Legislative authority to deal with the perceived problem

Section 145 and 146b of the Local Government Act 2002 allows the Council to make bylaws.

Section 145 General bylaw-making power for territorial authorities

A territorial authority may make bylaws for its district for 1 or more of the following purposes:

- a) protecting the public from nuisance:*
- b) protecting, promoting, and maintaining public health and safety:*
- c) minimising the potential for offensive behaviour in public places.*

Section 146 Specific bylaw-making powers of territorial authorities

A territorial authority may make bylaws for its district for the purposes

- b) of managing, regulating against, or protecting from, damage, misuse, or loss, or for preventing the use of, the land, structures, or infrastructure associated with 1 or more of the following:*

(vi) reserves, recreation grounds, or other land under the control of the territorial authority:

In addition, the Freedom Camping Act 2011 (FCA) states that:

(1) A local authority may make bylaws—

- (a) defining the local authority areas in its district or region where freedom camping is restricted and the restrictions that apply to freedom camping in those areas:*
- (b) defining the local authority areas in its district or region where freedom camping is prohibited.*

(2) A local authority may make a bylaw under subsection (1) only if it is satisfied that—

- (a) the bylaw is necessary for 1 or more of the following purposes:*
 - (i) to protect the area:*

- (ii) to protect the health and safety of people who may visit the area;*
- (iii) to protect access to the area;*

2. Determinations

Under section 155 of the LGA, Council is required to determine whether a bylaw is the most appropriate way of addressing the perceived problem, determine whether the proposed bylaw is the most appropriate form of bylaw, and determine that the proposed bylaw is not inconsistent with the New Zealand Bill of Rights Act 1990. This assessment undertakes to answer the first part of these determinations, and defines the problem and whether a bylaw is the most appropriate way of dealing with this problem. The other determinations are made by Council throughout the review process.

3. Current status

In 2017, Council adopted the Freedom Camping Bylaw (the Bylaw). The purpose of the bylaw is to regulate freedom camping in the district in order to protect:

- Local authority areas
- The health and safety of people who may visit local authority areas
- Access to local authority areas.

The bylaw was developed, consulted upon and made in accordance with the provisions of the LGA. Under the LGA, the Bylaw must be reviewed no later than five years after the Bylaw was made, as required by section 158 of the LGA.

In addition, in accordance with section 160A, a bylaw that is not reviewed as required is revoked two years after the due date for review. As such, the Bylaw review must be completed by 6 December 2024, to stop it from being revoked.

4. Rationale for review of the Bylaw

As outlined above, the bylaw must be reviewed before 6 December 2024, otherwise it will be revoked. Additionally, the Self-contained Motor Vehicle Legislation Act 2023 came into force on 7 June 2023. The SCMVLA amends the Freedom Camping Act 2011 and the Plumbers, Gasfitters, and Drainlayers Act 2006. This review will incorporate relevant changes into the draft Bylaw.

5. Problem identification and assessment

The problem or matter the bylaw seeks to address is the regulation of freedom camping in order to protect local authority areas, protect the health and safety of people who visit the areas and to protect access to the area. To do this, the Freedom Camping Bylaw regulates where different types of freedom camping vehicles may stay within the district, the areas in which freedom campers may stay and how long they may stay for. These controls aim to conserve the areas, as well as conserving access to the areas and public health and safety for those visiting the areas.

6. Evidence of problems occurring

Armourguard Monitoring

The Compliance Team monitor freedom camping across the district. The monitoring regime involves daily checks of various sites across the district. The monitoring is a two pronged approach:

1. Freedom Camping Ambassador evening checks – carried out between 4.00 – 9.00pm from mid-December to Easter Weekend. This involves checking each site to provide education to freedom campers, particularly to those who are unaware that they cannot stay at particular locations / breaking the Bylaw.
2. Morning enforcement – carried out between 5.00 – 7.30am. These checks have taken place almost daily since December 2018. Where offences are observed infringement fines are issued. Where freedom camping is observed on Reserve land the patrols have been instructed to issue a warning in the first instance – promoting an education first approach to the regulation.

Where offences are observed, infringement fines are issued. Below is a breakdown of the recorded campers at various sites over 2023 and infringement fines issued for each site.

Total campers 2023	Self-contained	Non-self-contained	TOTAL
Battiscombe Terrace	396	509	905
Lake Rotomanu	4,781	897	5,678
Greenwood Road	886	62	948
Waiwhakaiho	3	15	18
Kawaroa	6	16	22
Back Beach	323	22	345
Corbett Park	2	6	8
Ahu Ahu	2	14	16
Weld	4	14	18
Fort St George	0	3	3
Bell Block	30	21	51
Tongaporutu	595	6	601
TSB Stadium	453	78	531
Baring Terrace	1	1	2

*Note – this does not include data for the months of April, June, August

Infringements

The compliance team issued 414 infringement fines for the year January – December 2023. Close to 70 per cent of these were for Lake Rotomanu.

Freedom camping infringements	2023												TOTAL
	J	F	M	A	M	J	J	A	S	O	N	D	
Ahu Ahu Road	1												1
Battiscombe Terrace	2	8	10	2	3				1			3	29
Back Beach	4			2						1			7
Corbett Park	2				1				1		2		6
Greenwood Road	17	6	5	4	2				2	4	5	9	54
Kawaroa Park	1	3	3				2			2	1		12
Lake Rotomanu	57	28	37	31	17	6	4	4	8	14	25	49	280
Tongaporutu	6	3	2										11
Waiwhakaiho	1	3					1				1		6
Weld Road	1												1
Rogan Street / TSB Stadium									1	1	4		6
Bell Block Beach												1	1
													414

Freedom Camping Ambassador

The Freedom Camping Ambassador works over the summer period, the position entails visiting freedom camping sites to inform / educate the campers on freedom camping provisions in the district. They do notify Armourguard of non-compliant campers for enforcement. The Freedom Camping Ambassador provided the following summary of observations.

Table Two: Ambassador reports for January – March 2023

Summary of Freedom Camping Ambassador observations at various freedom camping sites

Site	Summary of Ambassador observations
Battiscombe Terrace	Rubbish left, including tyres Noisy at night Graffiti
Lake Rotomanu	Uncertainty of rules; Excess rubbish / need for more bins Broken property / site maintenance needs Missing signage / park markings
Greenwood Road	Suggest signage needed
Waiwhakaiho	Needs cleaning up
Kawaroa Park	Rubbish dumped
Back Beach	Rubbish dumped Needs cleaning up / untidy
Oakura Beach front	Excess rubbish
Corbett Park	Bins need emptying Burnt out car at site Fire at beach

Ahu Ahu Road	Rubbish bins full
Weld Road	Rubbish bins full Excess rubbish Toilets unclean
Fort St George	Rubbish dumped, including mattress Local complained about people damaging dunes
Bell Block Beach	Excess rubbish, bins full
Tongaporutu	Site maintenance / damaged property Swampy grounds Uncertainty on rules
TSB Stadium	Abandoned vehicle Toilet facilities wet and muddy
Wai-iti Beach	Excess rubbish Confusing signs

Service Requests

There were 165 service requests logged in relation to freedom camping between 1 January 2023 and 29 February 2024. A range of matters were raised in relation to freedom camping, as outlined in the below table:

Issues raised	Number of service requests relating to that issue
Reports of freedom campers	36
Illegal camping	11
NSC campers	9
Overcrowding of sites	11
Freedom campers overstaying	9
Homelessness	7
Fine disputes	29
Reports of rubbish / dumped rubbish	19
Issues with signage (confusing / lack of)	9
Reports of defecation / urinating / toilet paper	14
Broken property / site maintenance	13
Enquiry relating to freedom camping	31
Loss of use for locals	4
Infringement queries	3
Oversized vehicles	2
Reports of tenting	10
Compliment	3
NPDC's response / monitoring approach	3

There were additional issues raised, such as one report of a freedom camper abusing people, a freedom camper near a waahi tapu site, a request for more rubbish bins at Okato domain, reports of a freedom camper / homeless person using holiday park showers, traffic safety concerns on Greenwood Road (road upgrade request), misuse of facilities at Lake Rotomanu (washing dishes / hair in the public toilets).

The areas referenced in the service request are listed below:

Area / site	Number of service requests
Lake Rotomanu	33
Greenwood Road	7
Wai-iti	9
Battiscombe Terrace	6
Paritutu	6
Weld Road	5
Fort St George / Tataramaika Pa	4
Corbett Park	5
Tongaporutu	8
Belt Road	6
District wide	8
Kawaroa	4
Inglewood	3
Rogan Street	4
Waiwhakaiho	2
Shearer reserve	3
Motukari place (Onaero)	3
Baring Terrace	3
Hine Street	2
Onaero Domain / Holiday Park	2

In addition to the above sites, a single service request was received for the following areas:

- Ahu Ahu Road
- Barretts Domain
- Bell Block Beach
- Buller Street
- Calvert Street
- Currie Street
- Hickford Park walkway area
- Hine Street
- Koromiko
- Mountain Road / Sentry Hill Motel
- New Plymouth CBD
- Ngamotu Beach
- Oakura
- Okato Domain
- Otaraoa Road
- Outside Auto Lodge
- Puke Ariki carpark
- Tarata Domain
- Tiromoana Crescent
- Te Rewa Rewa Carpark
- The Warehouse carpark
- Tukapa Rugby Club
- The Walkway (near the Wind Wand)
- Urenui Domain / Holiday Park

As indicated above, Council receives a large number of service requests relating to freedom camping and the associated impacts of this activity across a wide range of areas. The Freedom Camping Bylaw is the main tool used by the Council for addressing, enforcing and informing the public in relation to these matters.

Campermate data

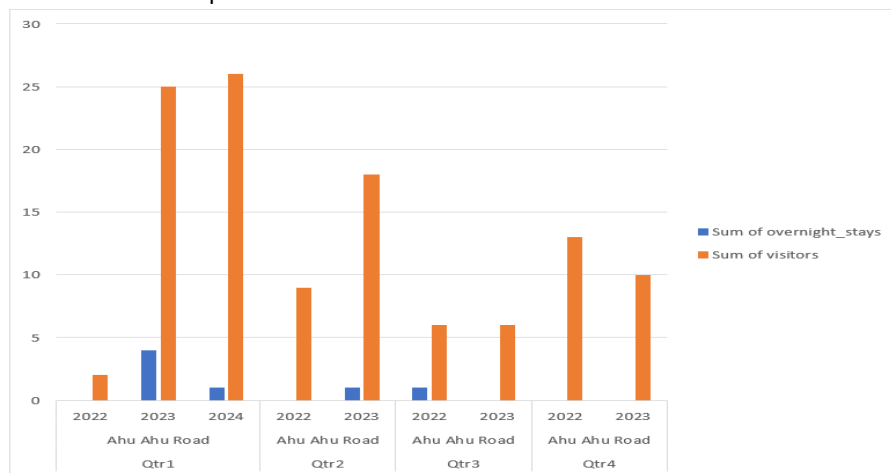
In addition to Council’s own monitoring data, a report was requested from Campermate on freedom camper visits at particular sites in the district. Campermate is an application used by freedom campers. It provides information about local facilities to campers / travellers throughout New Zealand. The table below shows data from January 2022 to end of March 2024 for some of the sites where Council officers had been informed that there may be some issues related to freedom camping – from Iwi, service requests and word of mouth.

It is noted that the data only represents freedom campers who use the Campermate app, so not all freedom campers are captured. In addition, the counts are dependent on a number of variables, as stated below:

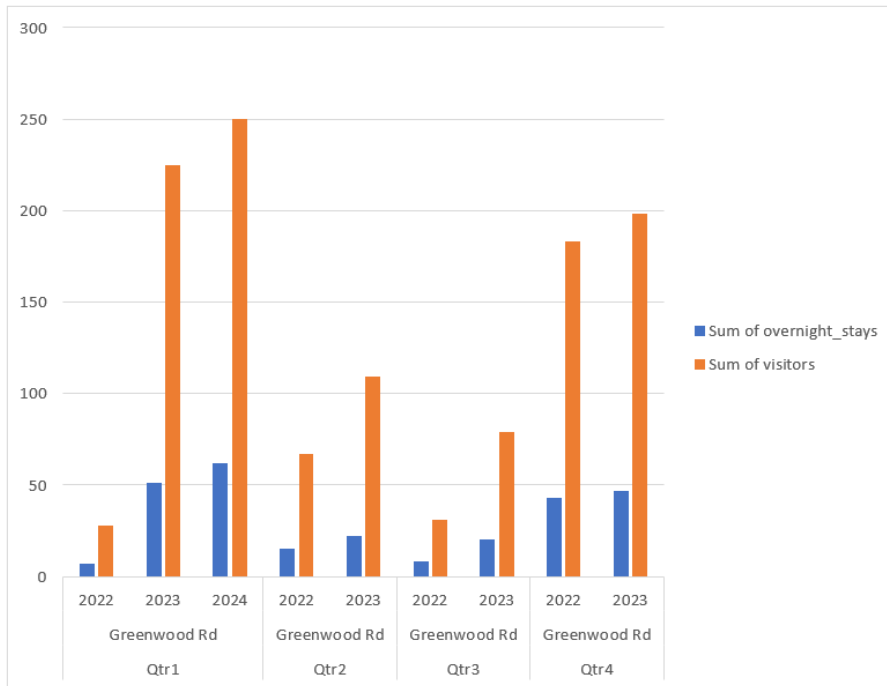
- User must be sharing their location whilst in the designated reporting zone
- User must be using the app, searching, viewing, booking
- Or, app is running in background of the users phone with shared location
- Overnight stays: a user is recorded in a designated zone using the app, running in the background. Then seen the next day within 100m of the same location.

Campermate Monitoring Data 1 January 2022 – 31 March 2024		
Site	Number of overnight stays	Number of visitors
Ahu Ahu Road	7	115
Fort St George	0	26
Greenwood Road	275	1,170
Weld Road Lower	5	100

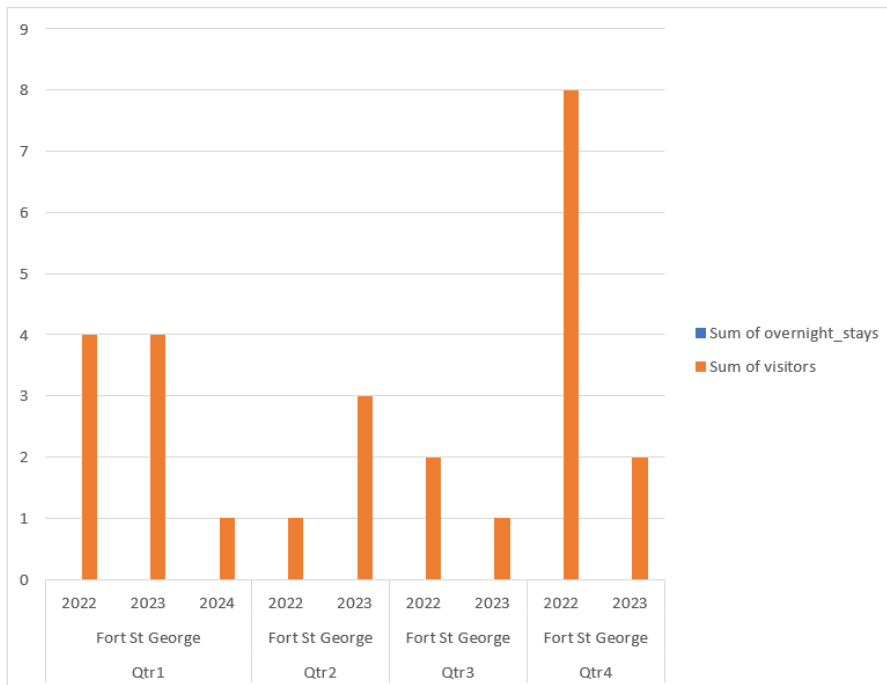
Ahu Ahu Road Campermate data

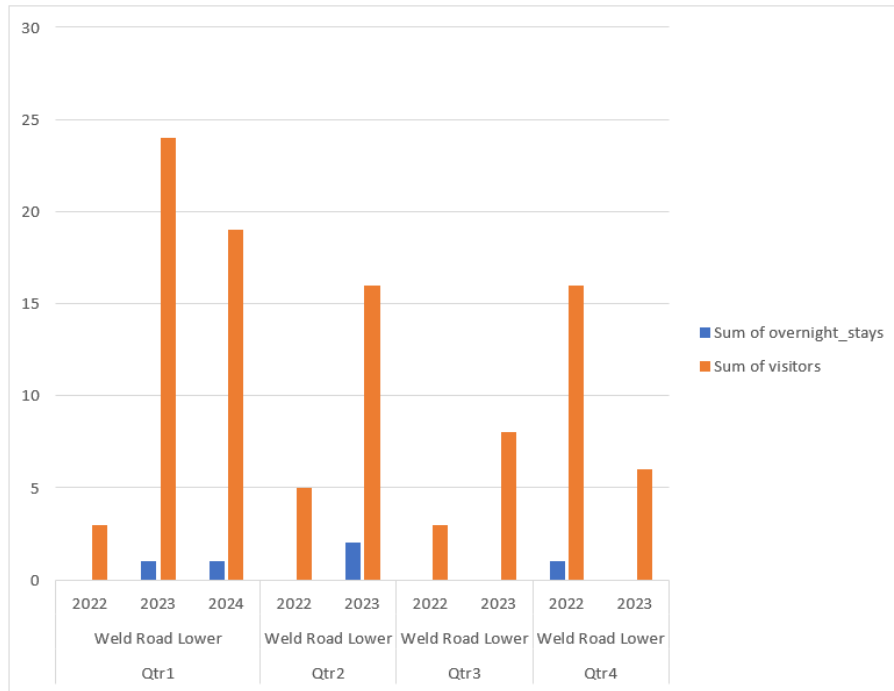


Greenwood Road Campermate data



Fort St George Campermate data





Pre-consultation with Iwi and Hapu

A pre-consultation letter was sent to Iwi and Hapu – this letter advised that the Bylaw was due for review and questioned whether there were particular areas of concern for Iwi and Hapu in relation to freedom camping, and offered the opportunity to discuss these areas, or any issues they had with the Bylaw in general.

- Ngāti Mutunga advised that they were concerned about Okoki Reserve, having received reports of freedom campers there over the summer months.
 - o This area is administered by Ngati Mutunga, therefore NPDC does not have authority to regulate this area.
- Information request for Ōakura Pā regarding sites in between Paritūtū and the Hangatahua awa – where freedom camping is permitted and the monitoring statistics. Corbett Park, Ōmata Domain and Tataraimaka Pā were of particular interest.
 - o This information was provided in response to the request.
- Attendance at Ngā Kaitiaki meeting on 6 March 2024 – staff provided a presentation and answered questions. The following feedback was received at this meeting:
 - o Concern in relation to homelessness and freedom camping – wanting to prevent those who are homeless from being infringed.
 - o Concern about Otupaia / Marine Park
 - The increasing number of non-self-contained campers using the new community facilities (barbeque areas) and potential loss of use of these facilities for the community.
 - Large freedom camping vehicles in an area that is highly used by children and whanau.

7. Options

The following options exist for addressing the problem:

1. Review and amend the Freedom Camping Bylaw (preferred).
2. Rollover the current Freedom Camping Bylaw with the minimum changes required to align with the Self-Contained Motor Vehicles Legislation Act 2023.
3. Let the Freedom Camping Bylaw lapse, and have no specific regulations.

Option one: Review and amend the current Freedom Camping Bylaw

This option involves reviewing the Bylaw in light of operational findings and in response to issues occurring in the district since the Bylaw was last reviewed / amended. This option would also allow Council to incorporate amendments from the Self-Contained Motor Vehicles Legislation Act, to ensure that the Bylaw was up-to-date and compliant with the current legislation. Consultation with the community via special consultative procedure, as per section 83 of the Local Government Act, is part of this review.

Advantages	Disadvantages
Allows Council to take into consideration new information in the sector since the last review, including legislative changes.	Council resources required to undertake the review.
Allows current issues arising in the district in relation to freedom camping to be addressed.	There are costs and issues associated with monitoring and enforcing a bylaw.
A bylaw review taking into account public feedback from a consultation process can address some of the perceived community concerns regarding the regulation of freedom camping in the district and create an updated and fit for purpose regulatory instrument.	There is risk of over regulation, as there is a limit to how far a bylaw can go to regulate freedom camping before it becomes overly restrictive.
Provides Council with a tool to address issues arising from Freedom Camping in the district – ensuring public health and safety is protected, as well as the environmental areas and access to these areas.	Regulation of the proposed bylaw, with some changes to the regulated areas, would require increased resource for the Compliance Team.
Consistent with Council's previous approach.	
Rules will be in one place, clear and known to key stakeholders and the public.	
Proactive approach to regulation.	
Community views and preferences will be collected.	

Option two: Rollover the current Freedom Camping Bylaw with the minimum changes required to align with the Self-Contained Motor Vehicles Legislation Act 2023

This option involves updating the Bylaw in light of the legislative changes. It would ensure that the Bylaw is compliant with the current legislation and meets the review requirements of section 158 of the LGA. There would be no changes to the rules / regulations of the Bylaw in terms of areas of focus etc. Consultation with the community via special consultative procedure, as per section 83 of the Local Government Act, is part of this review.

Advantages	Disadvantages
Allows Council to incorporate legislative changes into the Bylaw.	The regulations within the Bylaw may be out of date in terms of area controls.
Retains a consistent approach to the Bylaw, providing for public certainty in the rules.	Feedback from initial discussions and data analysis indicate there is a need for amendments to the regulations within the Bylaw. Therefore, community concerns may not be addressed and the Bylaw may not be fit for purpose.
A bylaw clearly articulates the Council's position which gives regulatory certainty to the public in regard to freedom camping.	Does not allow current issues arising in the district in relation to freedom camping to be addressed.
This approach would not require any change to the current regulatory approach. Resource increase would only be required in response to changes in freedom camping behaviour / increase in freedom camping numbers.	

Option three: Let the Freedom Camping Bylaw lapse, and have no specific regulations.

If the Bylaw is not reviewed within the required timeframe, it will lapse under section 160A of the LGA. The Freedom Camping Bylaw would lapse on 6 December 2024. Council would then rely on the Freedom Camping Act 2011, the Reserves Act 1977 and the Resource Management Act 1991 to regulate freedom camping in the district.

Advantages	Disadvantages
There will be no Council resource required to carry out a review.	Council will not have a tool to address issues arising in the district in relation to freedom camping.
No cost associated with monitoring and enforcing a bylaw.	The public and visitors to the district may be unclear as to the rules on freedom camping in the district.
	Community views and preferences will be unknown.
	Does not allow current issues arising in the district in relation to freedom camping to be addressed.
	Unknown impact on regulation of freedom camping in the district – may result in increased demand on regulation, as issues may increase and there will not be a standard Council approach for addressing these issues.

APPENDIX THREE – HISTORY OF THE REGULATION OF FREEDOM CAMPING IN NEW PLYMOUTH DISTRICT

Public Places Bylaw Camping provisions

1. In 2008, under the Local Government Act 2002 (the LGA), clause 22 of the New Plymouth District Bylaw 2008 Part 5 Public Places (the LGA Bylaw), restricted camping in public places to self-contained (SC) vehicles only in areas set aside for vehicle parking for a maximum of three nights in any month at any single location.
2. In addition to clause 22 of the LGA Bylaw in relation to Council reserves:
 - The Coastal Reserves Management Plan (CRMP) provides that camping will only be permitted within coastal reserves designated for the purposes of a camping ground;
 - Outside of the reserves covered by the CRMP the General Policies for Council Reserves provides for SC freedom camping within designated parking areas on reserves for a maximum of 48 hours. Reserve areas not designated for parking may not be used for this purpose:
 - The Tongaporutu Reserve Management Plan provides for SC freedom campers in areas set aside for car parking subject to compliance with all relevant bylaws and legislation.

FC Bylaw 2017

3. In 2017 Council consulted on a proposed Freedom Camping Bylaw which restricted freedom camping in New Plymouth District to self-contained campers – reflecting the Public Places Bylaw approach. Included in the consultation was the prohibition of freedom campers at a number of sites across the district (coastal and high use public / tourist areas). Following consultation, the
 4. Following consultation, in December 2017, Council adopted a Freedom Camping Bylaw (FC Bylaw 2017) under the Freedom Camping Act and revoked clause 22 of the LGA Public Places Bylaw. The FC Bylaw 2017 restricted SC and NSC freedom camping throughout the district and prohibited all freedom camping (NSC and SC) at three sites being:
 - Back Beach bottom carpark – year round;
 - Oakura Beach Front between 1 November and 30 April; and
 - Fitzroy Beach carpark between 1 November and 30 April.
 5. Freedom camping within the New Plymouth District was also still subject to the requirements of the Reserves Act as outlined in paragraph above, in addition to the requirements of the FC Bylaw 2017.
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6. Following adoption of the FC Bylaw there was a large concentration of freedom campers at Waiwhakaiho River Mouth – the influx of people put a strain on the infrastructure, limited community access to the infrastructure in the area, and limited community access to the area in general. The Council received a large number of complaints in relation to freedom camping, highlighting various issues. Therefore, in January 2018, a report went to Council proposing temporary restrictions under the FC Bylaw.

Temporary restrictions under FC Bylaw 2017

7. In January 2018, the Council approved the following temporary restrictions under clause 8 of the FC Bylaw 2017 for freedom camping until 30 April 2018:
- a) Temporarily closed Waiwhakaiho River Mouth area to freedom camping
 - b) Temporarily restricted freedom camping at East End carpark (six parking spaces), the Wind Wand carpark (two parking spaces) and Kawaroa carpark (15 parking spaces).
 - c) Assigned freedom camping parking at Kawaroa carpark into a single block against the trees and retain up to 15 carparking sites for freedom campers.
8. In May 2018, the Council approved the extension of the following temporary prohibitions and restrictions under clause 8 of the FC Bylaw 2017 for freedom camping until 31 October 2018:
- a) Temporarily prohibit freedom camping at Oakura beach front and Fitzroy carpark.
 - b) Temporarily prohibit freedom camping at the Waiwhakaiho River Mouth.
 - c) Temporarily restrict freedom camping at East End carpark (to six parking spaces only), the Wind Wand carpark (to two spaces only) and Kawaroa carpark (to fifteen spaces only).

FC Bylaw 2018

9. The FC Bylaw was reviewed again in 2018, following its first summer of operation. In November 2018 Council approved amendments to the FC Bylaw (FC Bylaw 2018), as below:
- a) Prohibits all freedom camping (NSC and SC) at Fitzroy Beach carpark, Oakura Beach front, East End carpark, Kawaroa, and the Waiwhakaiho River Mouth;
 - b) Restricts SC vehicles to no more than three periods of up to 24 hours in a 30 day period;
 - c) Restricts NSC vehicles to fifteen designated parking spaces at Battiscombe Terrace (six carparks), Corbett Park (five carparks), Lake Rotomanu (four carparks);
 - d) Restricts NSC vehicles staying at one site to no more than one period of 24 hours in a 30 day period; and
 - e) Prohibits tents and other temporary structures.
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10. Freedom camping within the New Plymouth District was also still subject to the requirements of the Reserves Act as outlined in paragraph four above, in addition to the requirements of the FC Bylaw 2018.

Freedom camping monitoring update Report 2019

11. An update report on monitoring freedom camping during summer 2018/19 (December 2018 to March 2019) was presented to the Council on 24 September 2019.
12. This report identified that Corbett Park proved particularly popular with freedom campers and noted the following:
- a) The five NSC marked carparks were well utilised and generally occupied when checked.
 - b) The number of SC vehicles usually ranged from five to ten, with the highest being 23.
 - c) On a few occasions staff located tents at the site.
 - d) 30 infringement fines were issued (2nd highest amount per location from 149 total for the district).
 - e) At times the rubbish bins were overflowing and people had left additional bags of rubbish around the rubbish bins. Rubbish was collected on the regular, pre-existing schedule.
13. Battiscombe Terrace was also popular with freedom campers, the following was noted:
- a) The six NSC marked carparks were well utilised and generally occupied when checked.
 - b) The number of SC vehicles ranged between five and ten.
 - c) On a few occasions staff located tents at this site.
 - d) 16 infringement fines were issued (3rd highest amount per location from 149 total fines for the district).
 - e) A four bin recycling unit was installed at this site.
 - f) Road markings and signage were installed at this site, to outline the freedom camping rules and penalties.
14. The report also identified that Tongaporutu proved very popular with freedom campers and noted the following:
- a) 147 SC campers and 18 NSC campers during January (evening check).
 - b) 179 SC campers and 17 NSC campers during February (evening check).
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- c) 21 self-contained campers and 2 NSC campers during March (morning check).
 - d) A temporary toilet block was installed at Tongaporutu, to address the increasing demand on facilities from all visitors to this area. The facility has serviced the community and area users, as well as freedom campers.

Temporary restrictions under FC Bylaw 2019

- 15. In December 2019 a report was presented to Council requesting that Council temporarily close Corbett Park, Battiscombe Terrace and Tongaporutu to freedom camping until 30 April 2020. It was noted that Corbett Park, Battiscombe Terrace and Tongaporutu were popular freedom camping sites, as outlined above.
- 16. Community Board members from Kaitake, Waitara and Clifton raised concerns about the excessive numbers of both NSC and SC freedom campers at the three locations and requested that Council consider temporary closure of the areas – the Kaitake Community Board request was supported by local marae, hapu and iwi. These temporary prohibitions were approved.

FC Bylaw amendments October 2020

- 17. Council approved amendments to the FC Bylaw – making the temporary prohibitions at Corbett Park, Battiscombe Terrace (excluding six NSC carparks) and Tongaporutu permanent freedom camping prohibited areas.

REVISED INSURANCE FRAMEWORK 2024

MATTER / TE WHĀINGA

- The matter for consideration by the Council is the revised draft Insurance Framework that will guide Council's approach to managing financial risk through insurance and direct future work programmes.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That, having considered all matters raised in the report, Council approve the revised Insurance Framework.

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

- Finance, Audit and Risk Committee endorsed the officer's recommendation.

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of some importance.
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter; <ol style="list-style-type: none"> Approve the revised Insurance Framework. Approve the revised Insurance Framework subject to amendments as recommended by the Committee. Decline the revised Insurance Framework and retain the status quo.
Affected persons	The persons who are affected by or interested in this matter are ratepayers (current and future) who are required to fund Council's insurance programme as informed by the Insurance Framework.
Recommendation	This report recommends Option One for addressing the matter.
Long-Term Plan/ Annual Plan Implications	Yes – the Insurance Framework will guide how much funding must be set aside to afford the Insurance programme on an ongoing basis.
Significant Policy and Plan Inconsistencies	No

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

- This report provides an update on Council's insurance programme and updates made to the Insurance Framework as part of the renewal activities in June/July 2024.
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4. Increases in major weather events, building consenting trends and legal precedents set in the public liability/professional indemnity space are impacting insurance premium rates, deductibles and the overall availability of cover.
 5. The Insurance Framework is being provided ahead of a planned risk tolerance discussion in September 2024 to provide oversight of the current state and prepare for further investigation of the options available to manage or reduce premiums in future, and the implications of those options.
 6. The draft Insurance Framework is attached as Appendix 1. There have been several changes since the framework was last presented to the Finance, Audit and Risk Committee, namely:
 - a) Rewording various sections to provide greater clarity of intentions, terminology, and practices.
 - b) Adding a new Appendix (i.e. Appendix 2) to outline sources of government contributions available following an emergency event, including relevant eligibility criteria and funding requirements.

BACKGROUND / WHAKAPAPA

7. Council has an extensive insurance programme to provide financial protection by transferring the risks of damage or loss from an unanticipated event (of assets, indemnity and liability) to a third party. The detail of this programme is provided as Appendix 3 ('Insurance Programme Arrangements 2024-25').
8. As part of the Long-Term Plan 2024-34 (LTP) deliberations Council instructed officers to review both the Disaster Recovery Reserve Policy and Insurance Framework.
9. The updated Insurance Framework is provided for approval at this meeting; however the Disaster Recovery Reserve Policy will be deferred until a later date. This deferral is due to further work required by Officers to provide recommendations regarding broadening the acceptable uses for reserve funds, clarity regarding the reserve's target level, and how best to return the reserve to the target level – noting the impacts this can have on already-approved LTP financial commitments.

Why make changes now?

10. Te Ranga Urungi (Executive Leadership Team) have expressed a desire to explore cost saving options within insurance, due to the steadily increasing insurance premiums and the increasing likelihood of these changes becoming unsustainable in the future.
 11. Changes drafted to date enable exploration of all options and will act as a stepping stone to clarify future direction.
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Why is this important?

12. Proposed amendments to the Insurance Framework (Framework draft provided as Appendix 1, changes summarised in Appendix 2) will clarify the current state of council's insurance portfolio and set the direction for future analysis.

**CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA
ĀHUARANGI**

13. The forecast increase in extreme weather events in the future are anticipated to result in continued unsustainable increases in the cost of Council's insurance programme due to ongoing increases in associated risk profiles prepared by our insurance brokers.

REFORM IMPLICATIONS

14. Council's Three Waters assets comprise a significant proportion of assets insured within Council's current insurance programme and will remain within scope until decisions are made regarding the future direction and scope of water services within the Taranaki region under central government's 'Local Waters Done Well' legislation.

NEXT STEPS / HĪKOI I MURI MAI

15. If the revised Insurance Framework is approved, it will be used as the basis for a review of the Insurance Programme for 2025/26FY and analysis of the appropriate target level for the reserve.
16. It will also guide future work regarding Council's risk appetite with respect to the type and extent of cover purchased, the level of self-insurance and deductible applied and form the basis of any conversations with the Regional Insurance Group (NPDC alongside South Taranaki District Council, Stratford District Council and Taranaki Regional Council) with regard to the broking contract and the potential for a more regional approach to be considered.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

17. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being some importance because changes will inform Council's insurance programme for the next three years.

OPTIONS / KŌWHIRINGA

There are three reasonably practicable options;

**Option One;
Approve the revised Insurance Framework as presented.**

**Option Two;
Approve the revised Insurance Framework subject to amendments as recommended by the Committee.**

**Option Three;
Decline the revised Insurance Framework and retain the status quo.**

The options have been assessed together below.

Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi

18. The focus of proposed changes to the Insurance Framework is to enable a thorough review of the options available that may address unsustainable premium increases.
19. Retaining the status quo will require Council to accept future large increases in premiums, increases in deductibles and a higher degree of financial risk due to both inflation and recent changes in the liabilities insurance market.
20. Recent court cases within New Zealand have set a tone within the local government insurance sector that have resulted in both an increase in premium and a significant reduction in the Limit of Liability on our Public Liability and Professional Indemnity policies (a decrease of coverage of 93% and 95% respectively, from \$300M to \$20M and \$15M).
21. These changes are not reversible as the previous insurer has withdrawn from the New Zealand local government market entirely. It must be noted that the proposed changes will not fix this issue but will provide the basis for future discussions.

Risk Analysis / Tātaritanga o Ngā Mōrearea

22. The proposed changes to the Insurance Framework primarily exist to provide direction and enable a robust future risk appetite discussion.
23. Undertaking a review of Council's risk appetite is necessary to ensure that the level of insurance cover remain aligned with Elected Members and community requirements, as well as directing any required changes to the Insurance Programme.

Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori

24. Council are guardians for community assets with a current gross capital replacement cost of ~\$4.1B. Delivering and maintaining resilient infrastructure in an efficient way aligns with Council's Environmental Excellence community outcome. This includes ensuring that Council's use of funding to provide protection for those assets from a range of perils and to enable restoration following an event reflects the best use of that money.
25. Updating the Insurance Framework will ensure that ratepayer requirements and alignment with community outcomes remain at the forefront of any decisions made.

Statutory Responsibilities / Ngā Haepapa ā-ture

26. Section 101B of the Local Government Act 2002 (LGA) states that a local authority must prepare and adopt an infrastructure strategy that must outline how the authority intends to manage its infrastructure assets, taking into account the need to provide for the resilience of assets by identifying and managing risks relating to natural hazards and by making appropriate financial provision for those risks.
27. Section 64 of the Civil Defence and Emergency Management (CDEM) Act 2002 states that Councils must ensure that they are able to function to the fullest possible extent, even though this may be at a reduced level, during and after an emergency. With emphasis on 'after an emergency', making provision for potential recovery costs through insurance or borrowing will enable the organisation to recover faster.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

28. Nothing in this report is inconsistent with Policies and Plans. The proposed changes to the Insurance Framework will not impact on other Policies or Plans, noting that the Disaster Recovery Reserve will be tabled for discussion at a future meeting.

Participation by Māori / Te Urunga o Ngāi Māori

29. Council takes care of regional marae insurance costs through Community Partnerships funding. As part of LTP deliberations, this funding was increased, in part to account for premium increases experienced across our regional marae in the 2024-25FY and also in future LTP years.

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30. Currently, regional marae engage with brokers on an individual basis. As such, there is likely an opportunity for Council to engage directly with our insurance brokers to ascertain if opportunities exist for a collective policy, or whether this is provision for more bespoke levels of cover or if any cost-savings opportunities may exist for all marae, and therefore Council. This to be included within the scope of planned work over the next year.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

31. The community have not been consulted with in regards to amendments to the Insurance Framework.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

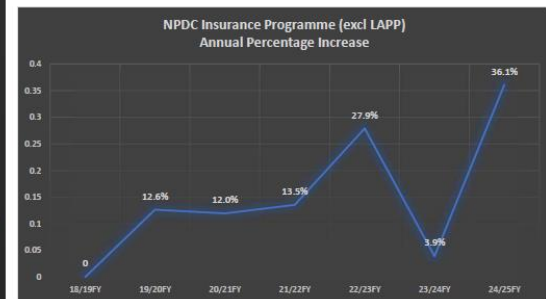
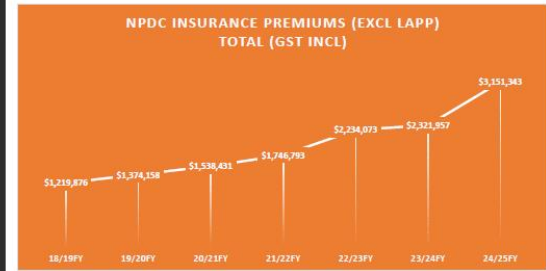
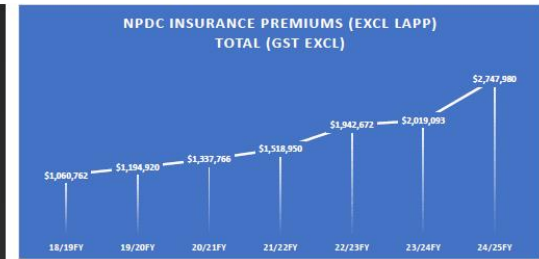
32. The advantage of approving the Insurance Framework as presented is that Officers will have clear direction from Elected Members on the desired direction for future risk appetite discussions in relation to insurance matters.

Recommended Option

This report recommends Option One; approve the revised Insurance Framework for addressing the matter.

ADDITIONAL INFORMATION

33. These graphs depict key information relating to Council’s Insurance Framework, from 2018/19FY to the current 2024/25FY.



APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Draft 2024 Insurance Framework (ECM 9290883) – Marked Up

Appendix 2 Draft 2024 Insurance Framework (ECM 9290882) – Clean Copy

Appendix 3 Summary of changes to the Framework (ECM 9290881)

Appendix 4 Insurance Programme Arrangements 2024-25 (ECM 9290880)

Report Details

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Ward/Community: District-wide
Date: 24 July 2024
File Reference: ECM 9290921

-----*End of Report*-----



Te Kaunihera-ā-Rohe o Ngāmotu
New Plymouth District Council

Insurance Framework

Version ~~3~~4.0

Location of Controlled Copies:	<u>No approved controlled copies, electronic only</u>
Document Reviewer:	Executive Leadership Team
Approved By:	Version 1.0 Audit and Risk Committee approved 21 March 2018 Council resolution at Council meeting 10 April 2018
	Version 2.0 Finance, Audit and Risk Committee approved 6 April 2021 Council resolution at Council meeting 13 April 2021
	Version 3.0 Finance, Audit and Risk Committee approved 26 April 2023 Council resolution at Council meeting 2 May 2023
	<u>Version 4.0 - DRAFT</u>

REVISIONS

Rev	Date	Pages	Description	By
2.0	March 2021	Various	Three-yearly review of the framework	Risk, Legal and Assurance Lead
3.0	March 2023	Various	Review of the framework	Risk, Legal and Assurance Lead
<u>4.0</u>	<u>June-July 2024</u>	<u>Various</u>	<u>Review of the framework and Policy</u>	<u>Insurance and Innovation Analyst</u>

Summary

The purpose of the Insurance Framework (~~the framework~~) is to provide a structure for determining the balance between risk retention and sharing, and the cost of doing so. At least every three years the framework will be reviewed, considering:

- Council’s operating environment and risk appetite (as informed by changes to its asset base, the amount of loss that can be accepted before insurance is needed, and confidence in other sources of funding);
- what assets are being insured and on what basis, to enable an informed decision about the deductible/premium balance;
- the alignment between asset information and the insurance programme; ~~and~~
- ~~the purpose, size, and rules around the use of the Disaster Recovery Reserve as a partial alternative to insurance; and~~¹
- trends from claims history.

The insurance programme that flows from this framework will be renewed each year. Furthermore, the market for broking services will be tested at least every five years. This will help to ensure that Council’s insurance arrangements effectively enable it and our community to recover to their pre-event state as soon as possible. The results of these reviews will be reported annually to the Finance, Audit and Risk Committee.

Introduction

¹ This section was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

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As guardians of community assets with a Gross Current Replacement Cost of ~~\$3.9 billion~~² Council is responsible for ensuring that it is adequately protected from a range of perils so critical assets can be repaired or replaced as soon as possible after an event and service delivery is disrupted as little as possible. Those perils include volcanic, earthquake, flood, storm, fire and tsunami hazards.

This ~~Insurance~~ framework has been developed to outline the variety of approaches taken to protect Council's balance sheet, including transferring financial risk of damage or loss to a third party. We normally associate insurance with providing the necessary protection by transferring the financial risk of damage or loss to a third party. However, there are other approaches that can be taken to protect Council's balance sheet, and in doing so ~~These approaches are necessary to~~ facilitate a timely return of Council assets and services to their pre-event state. In combination, the following provides comprehensive protection currently:

- i. Disaster Recovery Reserve – in ~~March-June 2023~~⁴ Council's Disaster Recovery Reserve (~~the reserve~~) stood at ~~~\$1.86 million~~, with the last withdrawal being \$750,000 in 2016/~~2017~~ to contribute to Council's cost of recovering from the June 2015 storm event. The reserve has previously been built up over a number of years. ~~More detail on the reserve and its current policy settings is provided later in the framework and in the Appendix 1.~~³
- ii. Being a member of the Local Authority Protection Programme (LAPP) mutual fund. LAPP provides some cover for losses of (generally underground) structures in the water, wastewater, stormwater and flood protection networks as a consequence of a natural disaster. The potential impact of ~~the Central Government's 'Local Waters Done Well' legislation~~⁵ ~~Three Waters reform~~ on LAPP is discussed later.
- iii. Purchasing commercial insurance for other assets, mainly through the Material Damage policy that covers property (commercial, community and residential). Council also purchases Public Liability and Professional Indemnity insurance to cover potential liabilities arising from Council's various activities.
- iv. The fall-back options of relying on a strong balance sheet, significant borrowing capacity, and potentially the Perpetual Investment Fund (~~PIF~~) if an event causes such widespread damage that other sources of recovery funding are insufficient.

While there is some confidence about the adequacy of existing arrangements, Councils operate in a dynamic environment⁴ so there is a need to periodically review these arrangements and the mix of coverage (e.g. between the mutual fund and commercial options) to ensure that they are fit for purpose.

This ~~framework~~ outlines the elements to consider through such reviews, making it clear what the Council's approach is to retaining risk (through self-insurance or not insuring

some assets) and sharing the remaining risk that it would not be prudent to accept (through the purchase of insurance). In that regard, the framework is aligned with Council's Risk Management Framework, in that residual risks that are unacceptable (and not able to be mitigated through further controls) are candidates for insurance. The framework also outlines how broking services are to be procured and periodically tested, and the overall effectiveness of the framework monitored and reported on.

Principles

The primary objective of the framework is to ensure Council is well-positioned to return in a timely manner to its pre-event state (or as close to it as possible), regardless of the scale of the event. To that end, the framework provides a structure for future decision making about how we use insurance to provide cover for financial risks that, if realised, Council and the community would be unable to absorb. In developing the framework a key consideration has been defining alternative sources to rates to fund the restoration of community assets after damaging events.

When considering the amount of risk to retain, Council aims to minimise the cost of insurance while ensuring adequate cover is in place for mitigating risks to achieving the organisation's objectives as set out in the Long Term Plan. The framework, therefore, considers Council's ability to, and appetite for, absorbing a level of risk that matches the ability of the organisation's balance sheet to absorb financial losses from a damaging event. Furthermore, decisions relating to cover and deductibles will be informed by sound knowledge of our assets and their likely performance during such an event. Decisions are also based on advice provided by insurance specialists.

The core principles on which this framework has been built are as follows:

- i. Timely response: Ensuring that Council is well-positioned to return to its pre-event state (or as close to it as possible) in a timely manner, regardless of the scale of the event.
- ii. Structured decision-making: Providing a structure for future decision-making about how we use insurance to provide cover for financial risks that, if realised, Council and the community would be unable to absorb. This includes defining

³ The Optimised Depreciated Replacement Cost of those assets is approximately \$2.9 billion. Of that amount, around half is not insured as it is the roading network. The recovery from widespread damage to the network is expected to be assisted by central government.

³ This section was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

⁴ For example, the Treasury has indicated previously that Councils would need to take more responsibility for covering (through their own reserves and insurance) the cost of damage to underground and flood protection infrastructure from a natural disaster up to a Probable Maximum Loss, as a prerequisite for any central government contribution to the cost of repairing those assets. The Three Waters reform will likely mean that insurance for those assets is determined by another entity from 1 July 2025 or 2026.

alternative sources to rates to fund the restoration of community assets after damaging events.

iii. *Cost-effectiveness:* Balancing the cost of insurance while ensuring adequate cover is in place for mitigating risks to achieving the organisations objectives as set out in the Long-Term Plan (LTP). -This includes considering Council's ability to, and appetite for, absorbing a level of risk that matches the ability of the organisation's balance sheet to absorb financial losses from a damaging event.

iv. *Knowledge:* Decisions relating to cover and deductibles will be informed by sound knowledge of our assets and their likely performance during a damaging event, or through consideration of advice provided by insurance specialists.

Approach to reviewing the framework

The framework is to be reviewed at least every three years to ensure that it remains fit for purpose in the context of changes in the insurance market, Council assets and activities, and the environment. The insurance programme that flows from the framework is renewed each year, and year and is adjustable to meet Council's needs as identified during any given insurance year and as part of the framework's review.

The following should be considered when reviewing the framework:

Environmental scan

The impact of internal and external changes to the environment in which the Council operates needs to be considered as it will influence changes to cover, limits, and deductibles.

Internal changes might include those to the structure of the organisation or in the services delivered or investments made. External changes might include legislative amendments that place more responsibilities on local government (or takes them away), or policy changes. This also includes changes in the insurance market brought on by the appearance or disappearance of providers, and the reaction of the market to natural disasters and pandemics e.g. removal of cover or increased premiums at renewal.

Risk appetite

As part of considering Council's context there is a need to ensure that the insurance programme matches Council's risk appetite. For example, Council currently transfers most of its natural disaster risk to the insurance market. Nevertheless, not all fixed assets are included because it has not been cost effective to do so (e.g. roading network assets). Therefore, this can be seen as a 'balanced' risk appetite. In comparison, a 'tolerant' risk appetite in this situation would involve retaining more risk through 'self-

insurance' or not insuring more assets, which would then reduce premiums. However, taking that approach requires the organisation to have:

- A detailed knowledge of its asset base, especially existing levels of cover in relation to assets of critical importance to continued service delivery and a Probable Maximum Loss (PML);⁵
- An understanding of how much financial loss Council is prepared to accept by not insuring all assets;⁶ and
- Confidence in the adequacy of other sources of funding available to Council should losses of uninsured assets be suffered.

The table below shows, ~~by asset category, what~~ Council's current approach is to either transferring or retaining risk. ~~It The table does not~~ include the non-asset categories that are part of Council's insurance programme (~~—~~Public Liability, Professional Indemnity, Travel, and Statutory Liability). Nevertheless, the need for these ~~types of covers – and –~~any ~~potentially new types of cover – to ones to~~ address emerging risks is considered each year as part of the renewal process.

Asset Category	Insurance status	
	Insured	Self-insured
Three Waters⁵		
Water	✓	
Wastewater	✓	
Stormwater	✓	
Flood protection	✓	
Resource Recovery	✓	
Transport		
Roading network ⁶		✓
Property		
Council facilities ⁷	✓	

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⁵ The 'structures' included here tend to be below or in-ground assets, such as dams, intakes, treatment chambers, storage reservoirs, reticulation networks and outfalls. Although LAPP provides some 'catastrophe' cover, whether this is adequate is assessed in the lead up to the renewal of our insurance programme each year, ~~as informed by work completed previously to identify the Council's Probable Maximum Loss.~~

⁶ Includes the road surface, bridges and other roading infrastructure e.g. culverts. Although these assets are uninsured, as demonstrated during the recovery from the June 2015 flooding event Waka Kotahi (NZ Transport Agency) can provide a contribution to the cost of repairs to the roading network, ~~refer to Appendix 2 for more information.~~

⁷ This covers the main Council facilities such as the Civic Centre, Puke Ariki, Aquatic Centre, and TSB Stadium.

Asset Category	Insurance status	
	Insured	Self-insured
Community halls ⁸	✓	✓
Forestry Joint Ventures	✓	
Papa Rererangi i Puketapu ⁹	✓	
Parks		
Tracks ¹⁰		✓
Structures ¹¹	✓	
Arts		
Collections ¹²	✓	
Other		
Motor vehicles	✓	

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What to insure and how

In reviewing Council’s insurance programme the treatment of specific assets needs to be considered so an appropriate response to loss can be applied e.g. replacement (like for like, taking into account building standards and technologies at that time), indemnity (no better or no worse), demolition costs only, or no insurance.

Decisions on this are informed by addressing the following questions and insuring buildings on that basis accordingly:

- i. Which buildings need to be replaced (i.e. those identified as essential assets to the ongoing delivery of services to our community)?

Replacement value insurance is appropriate.

⁸ Some community halls come under Council’s programme because Council owns them, while others arrange their own insurance but apply to Council for a grant to cover the cost. Council has made the decision to remove coverage for clubs that own considering writing to clubs that own a building but have elected to come under Council’s programme to advise them from 01 July 2024 of the values insured and the excess that applies. This is with a view to Council potentially withholding that option at renewal because of the ‘high’ excess that applies, and also the risk (that grows over time) of under insurance if values are not regularly updated by the clubs. There are some exceptions to this rule such as where the difference between the desired insurance cover and the minimum available cover are substantially different resulting in unmanageable premiums for the clubs.

⁹ Although Papa Rererangi i Puketapu is a separate entity, its significant assets (e.g. the terminal) come under Council’s insurance programme.

¹⁰ Although tracks are generally uninsured, the Coastal Walkway and other sealed tracks were covered under LAPP until recently when they were transferred to the Transport portfolio.

¹¹ Significant structures are named in the Material Damage schedule e.g. pedestrian bridges.

¹² This includes collections at Puke Ariki and Govett-Brewster/Len Lye Centre, but not art in public spaces.

- ii. Which buildings need to be replaced but by something different (i.e. those identified as desirable but not essential in the short to medium term to the ongoing delivery of services to our community)?

Functional replacement value (less than actual replacement) or indemnity value are options.

- iii. Which buildings would not be replaced?

Indemnity value, demolition costs only, or no insurance are options.

- iv. Which buildings need to be held for future projects (e.g. acquired for roading)?

Demolition costs or no insurance are options.

The annual review leading up to renewal of the insurance programme will capture additions or deletions to Council's asset holdings. It is also an opportunity to consider whether there are any significant asset groups e.g. roading, where cover should be implemented when it has not been previously because of the prohibitive cost.

Council's fixed assets are formally valued every three years. The most recent valuation was at 30 June 2022, and covered both asset and insurance values (the insurance valuation includes provisions for demolition and inflation). In between valuations, Council must identify a sound basis for calculating a percentage uplift in value, recognising that the insurers will scrutinise the values provided to confirm their accuracy. Insurance valuations for significant assets commissioned between fixed asset valuations will also be needed.

An alternative option to insuring for replacement value at asset level is to have a 'loss limit'. However, this approach requires a detailed understanding of Council's asset base and its ability (and appetite) to absorb potentially significant losses should the limit be proven to be inadequate. This approach ~~has been considered several times previously and was rejected each time because the premium saving was insufficient to justify the increased risk Council would be taking on. was first considered in 2005 and rejected because the premium saving of between \$3,000 and \$10,000 from having a cap of \$100 million did not justify the increased risk Council was taking on. This concept was looked at again in 2018 and 2022 after risk modelling was completed but dismissed for the same reason.~~

Nevertheless, - at each renewal, options will be sought from the insurance market to explore whether having a loss limit will result in a material reduction of our premium. If that is the case, Council will then need to consider if the risk taken on by adopting that limit- is acceptable relative to Council's risk appetite.

The deductible/premium balance

Council has a range of deductibles defined for its insurance programme. However, for its Material Damage policy (the most significant policy in terms of premium paid) Council defined its existing \$100,000 deductible as a result of a review in 2005 (increasing it

from \$2,500 provided savings of \$100,000 per annum). ~~This deductible has been reviewed multiple times since, however no changes were made because premium savings have consistently been outweighed by the financial risk of the assets that would no longer be insured. In 2013, the deductible level was reviewed again with a view to possibly increasing it to \$150,000 or \$200,000, along with the option of not insuring buildings valued at less than \$250,000. No changes were made because premium savings (\$35,000) were outweighed by the financial risk of the assets that would not be insured (\$22 million), and the premium savings of a higher deductible were inadequate.~~

~~However,~~ Given the upward trend of premiums Council will continue to look again review at the impact of increasing its deductible above \$100,000 and will also explore the potential benefits of increasing the self-insurance of buildings valued below that increased deductible for all perils other than natural disaster assets. In that each review, the categorisation of buildings assets will be follow that from 2013 aligned with the as-below groups:

- i. Essential: includes predominately water and wastewater assets, office and administration facilities.
- ii. High community demand: includes mainly events, aquatic, regulatory and heritage buildings.
- iii. Moderate community need/commercial obligations: includes camp grounds, parks buildings, toilets and the like.
- iv. Non-essential: generally housing, rural halls, and clubs.
- v. Demolish-disposal: includes those assets that are to be sold or are for demolition.

The cost/benefit of reducing or increasing the natural disaster deductible is considered each year. After several renewals where the cost of reducing the deductible (if offered at all by the insurers) was considered too high for the potential savings, in 2021/22 Council determined that the increased premium was acceptable, and the deductible was reduced from five to two and a half percent of site sum insured accordingly.

Membership of LAPP

The Council has been a longstanding member of the LAPP mutual fund, which provided cover when commercial alternatives were either unavailable or not cost effective. Previously, commercial alternatives had been sought to confirm whether continued membership in LAPP represented best value for money. This was important given the impact on the fund of the Canterbury earthquakes and (to a far lesser extent) the Kaikoura earthquake, on the availability of LAPP funds for future events. The LAPP fund is now brokered by Aon, so Council has the benefit of access to Aon expertise while still benefiting from continued membership of LAPP.

As part of the Three Waters reform, it was anticipated that the transfer of Three Waters assets to another entity would result in LAPP being wound up. As future direction in this space under the new Local Waters Done Well plan is less prescriptive it is considered unlikely that the LAPP fund will become unavailable in the short term.

Aligning asset information with the insurance programme

As part of improving its asset management practice generally the Council is gradually improving the quality of its asset information to facilitate more effective management of its assets. This means that we are now better placed to complete the modelling needed to calculate the Probable Maximum Loss that will likely need to be covered (through a mix of insurance (external and self); and borrowing) potentially as a prerequisite for any central government assistance in the event of a natural disaster. Refer to Appendix 12 for further information on central government assistance.

Aside from improving decisions around asset maintenance, renewal, upgrade or replacement, higher quality information will lead to a better understanding of how resilient our assets might be during a significant natural event. This will, in turn, help our insurers to define their risk profile in this region and increase their comfort level about the accuracy of that profile.

Disaster Recovery Reserve

Council maintains a Disaster Recovery Reserve (the reserve) as a 'self-insurance' fund that is available to be called on when uninsured losses are suffered e.g. to the roading network as a result of the June 2015 flooding event. The reserve seeks to smooth the impact on the community when the Council incurs significantly increased operating costs in recovering from a disaster.

The reserve has previously grown through a number of methods. The size of the reserve (and therefore its ability to absorb uninsured losses) contributes, along with other considerations such as Council's overall financial position, to decisions about which assets to insure and the level of deductible set. As part of the review of the framework, the purpose and size of the reserve is also considered to inform decisions about its potential use ahead of a significant event. The current policy settings for how the fund is built up and used are noted in the appendix¹³.

Trend Analysis

In the lead up to renewal of the insurance programme relevant Officers are asked whether their areas have suffered any notable 'below deductible' losses (when the loss is less than the applicable deductible so no claim is made) during the previous 12 months. This information will not be detailed or complete due to a lack of transparency challenges differentiating between reactive maintenance required due to breakdowns and reactive maintenance or renewal works occurring as a result of insurable incidents.

¹³ This section was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

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The ~~available~~ information will be combined with that on claims made to inform the decision about the deductible level set, and to assist with risk management where any trends are identified, especially about losses in a given part of the organisation.

Approach to procuring broking services

Council implements the framework through the placement of the insurance programme annually with insurance brokers. The brokers serve as a crucial conduit between the Council and the insurance market. As such, the procurement and monitoring of the broker's performance will be completed in accordance with the Council and central government's procurement requirements.

Since 2010, the Council has obtained insurance through a regional collaboration with South Taranaki and Stratford District Councils, and Taranaki Regional Council. For ~~the majority of most of~~ the programme, the collective uses Marsh to deliver broking services, with Aon providing the same service for LAPP cover. The broker market was tested for non-LAPP covers in 2017 using the All of Government process managed by the Ministry of Business, Innovation and Employment. This involved approaching a panel of providers with our required terms and accessing the pricing the Ministry had previously negotiated with them. The selection criteria for the broking service provider included:

- A proven record of placing insurance with local and global insurers for the full range of insurance cover potentially required e.g. natural disaster insurance;
- A thorough understanding of the risks facing this Council specifically as well as the local government sector generally;
- A proven record of delivering timely claims management services and responses to ad hoc requests for advice;
- A commitment to monitoring significant movements in providers and market conditions, and advising the Council of threats to existing cover (e.g. a downgrading of an insurer's credit rating) and opportunities that can be taken during the insurance year or at renewal; and
- The ability to deliver or refer the Council to expert loss modelling services as required.

As a result of the tender JLT (which has since merged with Marsh) was awarded the contract for the Taranaki Councils' insurance broker services for three years, which has since been extended to 30 June ~~2024~~2025. The intention is that the broker market will be approached again in time to implement any changes by 01 July ~~2024~~2025, while also accounting for any changes resulting from the Local Waters Done Well planning, ~~once Council's operating model post Three Waters reform becomes clearer.~~

Monitoring and review

The framework is to be reviewed at least every three years to ensure that it remains fit for purpose in the context of changes in markets, Council assets and activities, and the operating environment generally. After each review the revised framework will be provided to the Finance, Audit and Risk Committee for approval.

An annual report will be provided to the Finance, Audit and Risk Committee that details the arrangements made in accordance with this framework and any environmental changes that could impact on those arrangements and the level of confidence that they remain appropriate. This report will be provided as soon as reasonably possible following renewal of the insurance programme in June/July each year.

The General Manager Corporate Innovation is responsible for implementing the framework and the insurance programme.

Glossary

<u>Term/ Abbreviation</u>	<u>Definition</u>
<u>Broking services</u>	The core services provided by Council's broker includes risk financing, insurance management, advisory and broking services as per the Broking Contract (ECM 7362524)
<u>Deductible</u>	The amount Council must pay prior to the Insurer making a contribution toward costs, in comparison to an excess this amount is inclusive of the total payment. For example: if the deductible is \$100,000 and the policy limit \$1M then Council pays \$100,000 and the Insurer will pay a maximum of \$900,000.
<u>Excess</u>	The amount Council must pay prior to the Insurer making a contribution toward costs. —This amount is typically excluded from the policy limit. For example: if the excess is \$100,000 and the policy limit is \$1M then Council pays \$100,000 and the Insurer can pay up to a maximum of \$1M.
<u>Indemnity</u>	This is the underlying principle that determines that, following insured loss or damage, the Insured (or 3 rd party) shall be put back in the same position, no better nor worse, than immediately before the damage/ situation occurred.
<u>Insured</u>	The person or organisation that is insured. Within the scope of this framework the Insured is normally NPDC however this may also include contractors or other parties that are completing works for or on behalf of Council.
<u>Insurer</u>	The organisation that provides the insurance cover
<u>Liability</u>	Legal responsibility for something such as a physical asset or professional decision
<u>Loss limit</u>	Maximum amount of loss for which the Insurer will make a payment for a single event or year. For example: the Taranaki regional insurance group have a natural disaster loss limit of \$750M, this means that if a natural disaster occurs the maximum payment the Insurer may be required to make is \$750M cumulative across the four Councils.
<u>Operating costs</u>	Those expenses required to operate or maintain a service or existing asset. Capital expenditure on renewal or replacement of an asset is excluded. For example: If one of our community libraries burned down we would need to lease and maintain a

	<u>second site in order to maintain existing Levels of Service while the original site is rebuilt. The rebuild is considered a capital expenditure but the costs associated with leasing and running a secondary site are primarily operational.</u>
<u>Premium</u>	<u>The monetary amount paid to the Insurer to secure Insurance against a given type of loss.</u>
<u>Probable Maximum Loss (PML)</u>	<u>A worst-case scenario loss of assets in which existing safeguards do not fail. The Treasury recommends calculations in this space be based on a 1:1000 year event for earthquakes and 1:250 year event for other hazards.</u>
<u>Risk appetite</u>	<u>The amount of risk an organisation is willing to accept to achieve its objectives.</u>
<u>Significant</u>	<u>An event in which the financial consequence is graded as Moderate or Major within NPDC's Corporate Risk Management Framework (losses between \$1M and \$10M) where more severe situations are likely to be managed through the use of long-term debt or the Perpetual Investment Fund (PIF).</u>
<u>Subrogation</u>	<u>The right of the Insurer to take up the position of the Insured to pursue recovery of costs from any potentially at fault third parties.</u>

Insurance Types

The below list outlines the different insurance types that are available should Council wish to have protection of that type. ~~Insurance types marked with an asterisk* indicate types of are those insurance covers that Council does not currently have.~~

<u>Type of Insurance</u>	<u>Description of coverage</u>
<u>Business Interruption</u>	<u>Covers accidental physical loss or damage to insured assets and cost to the business from interruption or interference resulting from that damage. Insured assets primarily include commercial, community and residential property and plant and equipment items that are not already covered by LAPP.</u>
<u>Corporate Travel</u>	<u>Domestic and international travel insurance including cover for including for personal liability, baggage, medical, accident, and delay and + cancellation.</u>
<u>Crime*</u>	<u>Indemnity for loss of money or property arising through fraudulent or dishonest acts committed by any employees acting alone or in collusion with others.</u>

<u>Cyber*</u>	Provides protection against internet and network exposures and liability to third parties using Council’s IT systems. Note: Cyber insurance has extremely limited availability due to the Waikato DHB incident of 2021.
<u>Employers Liability*</u>	Indemnity from claims by employees against employers for injury or illness occurring in the workplace, where cover falls outside that are outside the scope of ACC.
<u>Environmental Impairment</u>	Indemnity for legal liability in relation to property damage, clean-up and natural resource damage resulting from pollution at, on, under or migrating from from NPDC premises.
<u>Fine Arts and Collections</u>	Insures against accidental p physical loss or damage to collection at the declared premises or other locations, and items on premise or whilst in transit.
<u>Hall Hirers Public Liability</u>	Indemnity to community groups and / individuals for legal liability in relation to claims of property damage or bodily injury arising as a hirer of Council facilities.
<u>Local Authority Protection Programme</u>	Provides cover for loss of three waters structures (generally underground) from natural disasters
<u>Material Damage & Business Interruption</u>	Covers accidental physical loss or damage to insured assets and cost to the business from interruption or interference resulting from that damage. Insured assets primarily include commercial, community and residential property and plant and equipment items that are not already covered by LAPP.
<u>Motor Vehicle</u>	Direct loss or damage to vehicles and third-party liability in connection with the damage resulting motor from vehicle use.
<u>Personal Accident*</u>	Supplements cover available under ACC. As an ACC--accredited employer NPDC have elected to pay a discounted ACC levy in favour of funding the costs associated with all claims for injuries at work. -WorkAon has been engaged to assist with workplace injury management.
<u>Professional Indemnity</u>	Indemnity for breaching Professional Duty by reason of any act, error or omission arising out of NPDC business activities. through error or omission incl defence costs. Includes defence costs.

Public/General Liability

Indemnity for claims from third parties for property damage or bodily injury arising out of the NPDC business activities. ~~resulting from NPDC business activities~~ Includes defence costs.

Standing Timber (Forestry)

Direct loss or damage to ~~standing timber (forestry)~~ from fire, impact, lightning strike and malicious damage.

Statutory Liability

Indemnity against liability for allegations/ unintentional breaches of certain statutes (currently specific to the Health and Safety at Work Act) including defence costs.

Appendix 1 – Disaster Recovery Reserve Policy 2023¹⁴

Policy Purpose

This Policy exists to support consistent management and use of the Disaster Recovery Reserve fund.

Policy Objectives

The objectives of this policy are:

- To define how and when the Disaster Recovery Reserve fund may be used
- To define how much money will be maintained in the rReserve fund and what is to happen should the amount in the fund differ from this target level
- To provide a clear process for release of funds from the Reserve
- To define the process to be followed for reviewing these settings

Policy Statements

Use of the Reserve

- i. the reserve is primarily only availableintended for the purpose of to smoothing the impacts year on year on the community when the Council needs to significantly increase operating costs to repair Council assets/facilities after an adverse event.
- it may also serve as a “self insurance fund” for assets which are self insured/ partly insured or for below deductible claims
- it may be used to pay the deductible on a claim

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Reserve target level

- the target level of the reserve is currently should be set at approximately approximately two percent of the Council’s total rates take in a year (for the current year this amounts to \$2.4m but is forecast to be \$3.6m at the end of the Long Term Plan 2021-31). An increase in rates at this level has been assessed as being the point at which most activity centres, if unable to recoup those costs, would need to reduce their level of service if they are to meet budget. The funding of the reserve is set to increase to approximately four percent of Council’s total rates take by year 10 of the Long Term Plan 2024-34 (LTP)2024-34 Long term plan.
- the target level of the reserve be amended to be “a minimum of approximately two percent of the Council’s total rates take in a year” for increased clarity
- if the reserve falls below the target level then provision should made equally in each of the following three years to return the balance to the targeted levelWhere the Council approves a decision to spend funds from the reserve, in the following

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¹⁴ This section was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

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ECM-7731773

~~Long term Plan Council officers will prepare a recommendation on how to return~~

When a Civil Defence emergency occurs, the Government may contribute to recovery, repair and rebuild costs through a number of mechanisms. For the purpose of providing clarity on the extent of Council's likely financial support during a major event these have been outlined below.

Essential Infrastructure Repair

Following an emergency the Government may fund eligible costs for the rebuild or repair of damaged essential infrastructure, river management systems and community assets. This includes: sewerage, water supply, stormwater, electrical and gas facilities and other structures such as essential service dependent retaining walls and tunnels.

Contributions are:

- 60% of the eligible costs, subject to cabinet approval
- Limited to the shortfall in funding after the Local Authority insurance settlement is paid.

Council's 40% funding contribution is generally made up of an insurance settlement and+ secondary funding for any shortfall. In order to receive a Government contribution toward repair/ replacement of above ground essential infrastructure the asset must have been comprehensively insured (where insurance is available) or Council must be able to clearly show it was unable to obtain insurance.

Eligibility is defined by the asset meeting the following criteria:

- The asset is local authority-owned and was damaged as a result of the emergency; and
- The damage impacts on the ability of the network/-asset to perform and function as intended; or
- If the damage has not yet resulted in performance issues, failure of the asset is likely to be imminent

If damage does not meet the above criteria the following questions are considered as part of a risk assessment to further determine funding eligibility:

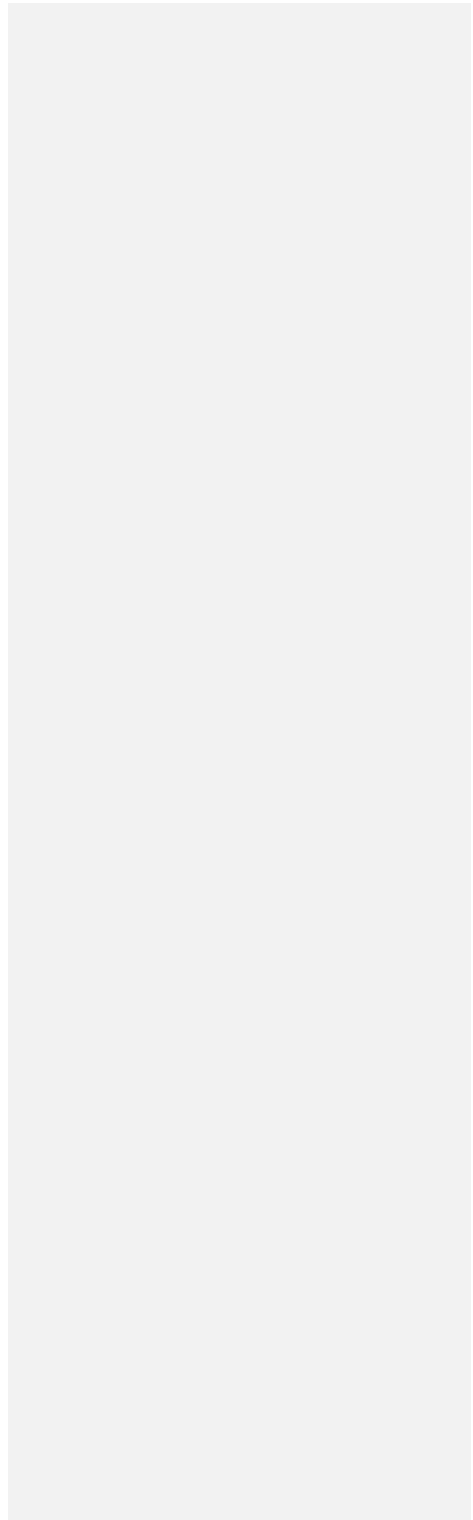
- Is it a critical asset? (e.g. main pipeline, lifeline or life safety asset)
- Is the asset in a critical location, or does it service critical community infrastructure? (e.g. hospital or school)
- Has the damage resulted in unacceptably high operating expenditure for the local authority?
- Are there critical interdependencies?

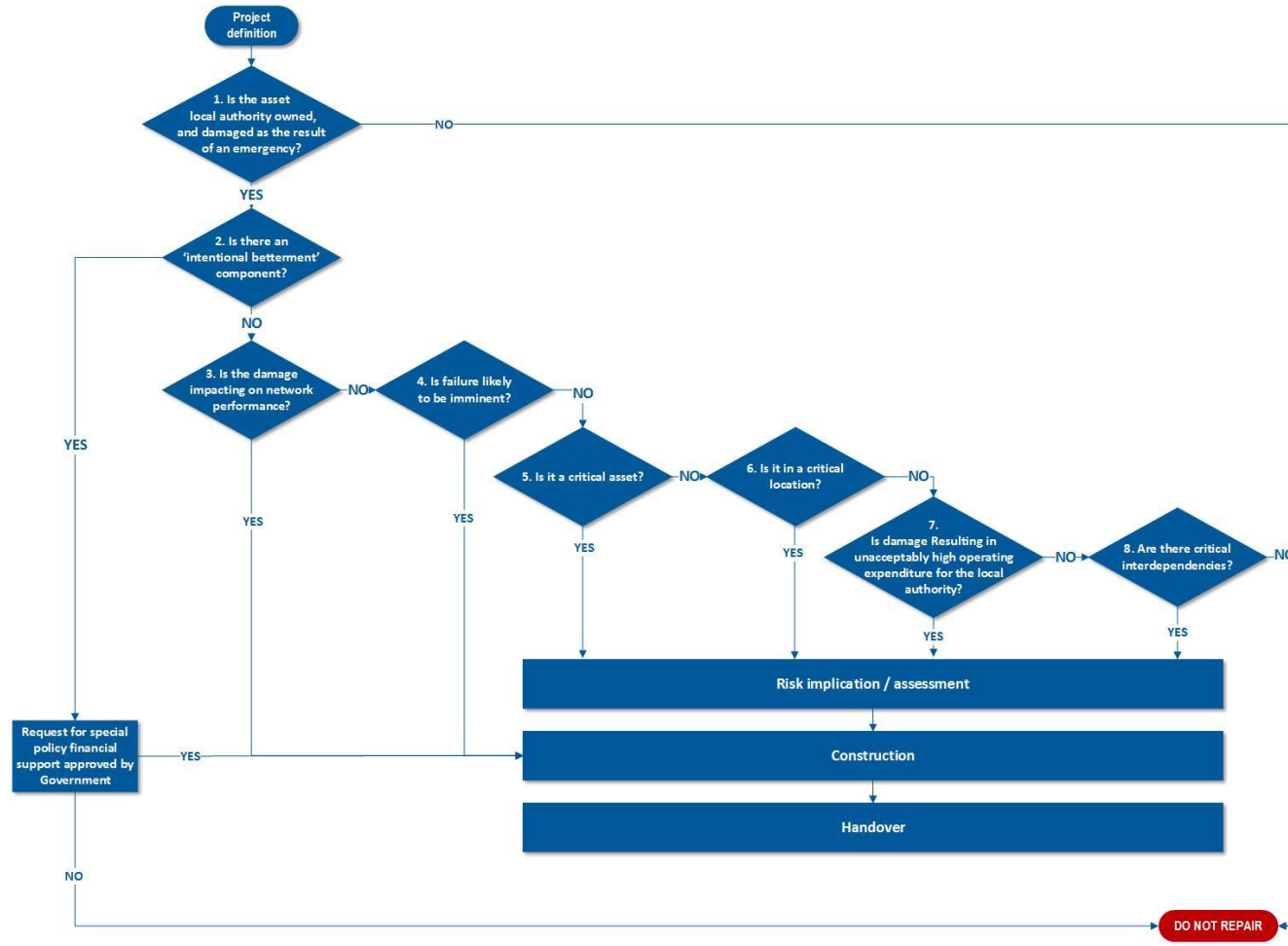
In general, government contributions may not be used for deliberate betterment (changing the asset over and above a like-for-like replacement) but may be used for unintentional betterment (such as using modern materials and construction techniques). However, there is an option to apply for special policy financial support or for Council to fund the betterment component of the work.

ECM-7731773

The below flow-chart outlines the key eligibility criteria and considerations to be factored in-to any response.

ECM-7731773





EGM-7731773

[Ref 1: Eligibility for essential infrastructure repair or rebuild following an emergency » National Emergency Management Agency \(civildefence.govt.nz\)](#)

[Ref 2: Insurance cover and Government funding assistance relating to the rebuild or repair of damaged below ground and above ground essential infrastructure » National Emergency Management Agency \(civildefence.govt.nz\)](#)

NZTA/ Waka Kotahi Work Category 141: Emergency Works

Work Category 141 enables funding from the National Land Transport Fund (NTLF) to be used in response to a defined, major, short-duration natural event (a qualifying event) that has or will reduce customer levels of service significantly.

Events that are excluded from consideration include minor events of less than \$100k total cost, damage caused by cumulative effects (such as scour, degradation or land movements), repair of work under construction or within the post-construction maintenance period, damage resulting from human intervention or incident, improvements and costs to respond to damage that are not eligible for NTLF funding.

Contributions from NZTA are based upon the funding assistance rate (FAR) as follows:

- The organisations normal FAR up to 10% of the total cost of the maintenance programme for the year (per the approved National Land Transport Programme);
or
- The organisations normal FAR +-20% to a maximum of 95% (enhanced FAR).
This is restricted to the portion of the emergency works total cost that exceeds 10% of the approved maintenance programme.
An applied example of the above is:±
 - The approved maintenance programme has a total cost of \$5M;
 - The normal FAR is 52%
 - Cumulative claims for emergency works the same year total \$700,000
 - The FAR for the first \$500k is 52%
 - The FAR for the remaining \$200k is 72%
- 100% of State highway costs.

The emergency works investment policy is currently under review (as of May 2024) and it is proposed to reduce the enhanced FAR to normal FAR +-10%.- This proposal does not prevent a higher amount being offered in cases of financial hardship or for nationally significant events.

Work Category 140: Minor events: describes the funding available for the response to activities that would otherwise qualify as emergency works except that the total cost of the works is <\$100k per event. The FAR in this case is the organisations normal FAR.

Ref 1: WC 141: Emergency works | NZ Transport Agency Waka Kotahi (nzta.govt.nz)

Ref 2: Emergency works policies - review and consultation | NZ Transport Agency Waka Kotahi (nzta.govt.nz)

Ref 3: WC 140: Minor events | NZ Transport Agency Waka Kotahi (nzta.govt.nz)

Response and Recovery Claims

The government will fund eligible costs associated with response and recovery as follows:

- Response (welfare) costs (caring for directly affected people) – 100% funded by Government
- Other response costs (precautions and preventive actions to reduce danger to human life, where those actions were begun immediately before or during the response period of the emergency) – 60% Government (above threshold), 40% Local Authority
- Recovery costs (essential infrastructure recovery repairs) – 60% Government (above threshold), 40% Local Authority

The Local Authority Threshold for reimbursement for a District Council is 0.0075% of the net capital value, where net capital value is equal to the capital value of all properties in the District at the time of the emergency (\$24,170,000,000 as of NPDC Annual Report 2023). This threshold is based upon the combined expenditure for both 'other response' and 'recovery' costs.

Ref: [Response, other response and recovery claims following an emergency event » National Emergency Management Agency \(civildefence.govt.nz\)](#)

Relief Funds

Mayoral or Disaster Relief Funds are founded and administered by the Local Authority (Council) or CDEM Group. Government may contribute to a Relief Fund as an additional way to quickly help impacted communities recover from an emergency.

Contributions to the fund may be:

- Up to \$100,000 (GST excl) authorised by Minister for Emergency Management, Minister of Finance or Prime Minister.
- >\$100,000 (GST excl) with Cabinet approval.

The administering group determine their own criteria to disburse the Relief Funds but should be used to support the immediate needs of affected individuals, families, community organisations and marae. They must not be used to finance a local authority's administrative/ business costs or replace other existing funding sources.

Ref: [Government contributions to Relief Funds » National Emergency Management Agency \(civildefence.govt.nz\)](#)



Te Kaunihera-ā-Rohe o Ngāmotu

New Plymouth District Council

Insurance Framework

Version 4.0

Location of Controlled Copies:	No approved controlled copies, electronic only
Document Reviewer:	Executive Leadership Team
Approved By:	Version 1.0 Audit and Risk Committee approved 21 March 2018 Council resolution at Council meeting 10 April 2018
	Version 2.0 Finance, Audit and Risk Committee approved 6 April 2021 Council resolution at Council meeting 13 April 2021
	Version 3.0 Finance, Audit and Risk Committee approved 26 April 2023 Council resolution at Council meeting 2 May 2023
	Version 4.0 - DRAFT

REVISIONS

Rev	Date	Pages	Description	By
2.0	March 2021	Various	Three-yearly review of the framework	Risk, Legal and Assurance Lead
3.0	March 2023	Various	Review of the framework	Risk, Legal and Assurance Lead
4.0	July 2024	Various	Review of the framework and Policy	Insurance and Innovation Analyst

Summary

The purpose of the Insurance Framework ('the framework') is to provide a structure for determining the balance between risk retention and sharing, and the cost of doing so. At least every three years the framework will be reviewed, considering;

- Council's operating environment and risk appetite (as informed by changes to its asset base, the amount of loss that can be accepted before insurance is needed, and confidence in other sources of funding)
- what assets are being insured and on what basis, to enable an informed decision about the deductible/premium balance
- the alignment between asset information and the insurance programme¹; and
- trends from claims history.

The insurance programme that flows from this framework will be renewed each year. Furthermore, the market for broking services will be tested at least every five years. This will help to ensure that Council's insurance arrangements effectively enable it and our community to recover to their pre-event state as soon as possible. The results of these reviews will be reported annually to the Finance, Audit and Risk Committee.

Introduction

This framework has been developed to outline the variety of approaches taken to protect Council's balance sheet, including transferring financial risk of damage or loss to a third party. These approaches are necessary to facilitate a timely return of Council assets and services to their pre-event state. In combination, the following provides comprehensive protection currently:

- i. Disaster Recovery Reserve – in June 2024 Council's Disaster Recovery Reserve ('the reserve') stood at ~\$1.8 million, with the last withdrawal being \$750,000 in 2016/2017 to contribute to Council's cost of recovering from the June 2015 storm event. The reserve has previously been built up over a number of years.²
- ii. Being a member of the Local Authority Protection Programme (LAPP) mutual fund. LAPP provides some cover for losses of (generally underground) structures in the water, wastewater, stormwater and flood protection networks as a consequence of a natural disaster. The potential impact of central government's 'Local Waters Done Well' legislation on LAPP is discussed later.

¹ A section relating to the Disaster Recover Reserve Policy 2023 was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

² A section relating to the Disaster Recover Reserve Policy 2023 was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

- iii. Purchasing commercial insurance for other assets, mainly through the Material Damage policy that covers property (commercial, community and residential). Council also purchases Public Liability and Professional Indemnity insurance to cover potential liabilities arising from Council's various activities.
- iv. The fallback options of relying on a strong balance sheet, significant borrowing capacity, and potentially the Perpetual Investment Fund (PIF) if an event causes such widespread damage that other sources of recovery funding are insufficient.

While there is some confidence about the adequacy of existing arrangements, Councils operate in a dynamic environment³ so there is a need to periodically review these arrangements and the mix of coverage (e.g. between the mutual fund and commercial options) to ensure that they are fit for purpose.

This framework outlines the elements to consider through such reviews, making it clear what the Council's approach is to retaining risk (through self-insurance or not insuring some assets) and sharing the remaining risk that it would not be prudent to accept (through the purchase of insurance). In that regard, the framework is aligned with Council's Risk Management Framework, in that residual risks that are unacceptable (and not able to be mitigated through further controls) are candidates for insurance. The framework also outlines how broking services are to be procured and periodically tested, and the overall effectiveness of the framework monitored and reported on.

Principles

The core principles on which this framework has been built are as follows:

- i. *Timely response:* Ensuring that Council is well-positioned to return to its pre-event state (or as close to it as possible) in a timely manner, regardless of the scale of an event.
- ii. *Structured decision-making:* Providing a structure for future decision-making about how we use insurance to provide cover for financial risks that, if realised, Council and the community would be unable to absorb. This includes defining alternative sources to rates to fund the restoration of community assets after damaging events.

³ For example, Treasury has indicated previously that Councils would need to take more responsibility for covering (through their own reserves and insurance) the cost of damage to underground and flood protection infrastructure from a natural disaster up to a Probable Maximum Loss, as a prerequisite for any central government contribution to the cost of repairing those assets.

- iii. *Cost-effectiveness*: Balancing the cost of insurance while ensuring adequate cover is in place for mitigating risks to achieving the organisations objectives as set out in the Long-Term Plan (LTP). This includes considering Council's ability to, and appetite for, absorbing a level of risk that matches the ability of the organisation's balance sheet to absorb financial losses from a damaging event.
- iv. *Knowledge*: Decisions relating to cover and deductibles will be informed by sound knowledge of our assets and their likely performance during a damaging event, or through consideration of advice provided by insurance specialists.

Approach to reviewing the framework

The framework is to be reviewed at least every three years to ensure that it remains fit for purpose in the context of changes in the insurance market, Council assets and activities, and the environment. The insurance programme that flows from the framework is renewed each year and is adjustable to meet Council's needs as identified during any given insurance year and as part of the framework's review.

The following should be considered when reviewing the framework:

Environmental scan

The impact of internal and external changes to the environment in which the Council operates needs to be considered as it will influence changes to cover, limits, and deductibles.

Internal changes might include those to the structure of the organisation or in the services delivered or investments made. External changes might include legislative amendments that place more responsibilities on local government (or take them away), or policy changes. This also includes changes in the insurance market brought on by the appearance or disappearance of providers, and the reaction of the market to natural disasters and pandemics e.g. removal of cover or increased premiums at renewal.

Risk appetite

As part of considering Council's context there is a need to ensure that the insurance programme matches Council's risk appetite. For example, Council currently transfers most of its natural disaster risk to the insurance market. Nevertheless, not all fixed assets are included because it has not been cost effective to do so (e.g. roading network assets). Therefore, this can be seen as a 'balanced' risk appetite. In comparison, a 'tolerant' risk appetite in this situation would involve retaining more risk through 'self-insurance' or not insuring more assets, which would then reduce premiums. However, taking that approach requires the organisation to have:

- A detailed knowledge of its asset base, especially existing levels of cover in relation to assets of critical importance to continued service delivery and a Probable Maximum Loss (PML),
- An understanding of how much financial loss Council is prepared to accept by not insuring all assets, and
- Confidence in the adequacy of other sources of funding available to Council should losses of uninsured assets be suffered.

The table below shows Council's current approach is to either transferring or retaining risk. It does not include the non-asset categories that are part of Council's insurance programme (Public Liability, Professional Indemnity, Travel, and Statutory Liability). Nevertheless the need for these types of cover – and any potentially new types of cover – to address emerging risks is considered each year as part of the renewal process.

Asset Category	Insurance status	
	Insured	Self-insured
Three Waters⁴		
Water	✓	
Wastewater	✓	
Stormwater	✓	
Flood protection	✓	
Resource Recovery	✓	
Transport		
Roading network ⁵		✓
Property		
Council facilities ⁶	✓	
Community halls ⁷	✓	✓
Forestry Joint Ventures	✓	
Papa Rererangi i Puketapu ⁸	✓	

⁴ The 'structures' included here tend to be below or in-ground assets, such as dams, intakes, treatment chambers, storage reservoirs, reticulation networks and outfalls. Although LAPP provides some 'catastrophe' cover, whether this is adequate is assessed in the lead up to the renewal of our insurance programme each year.

⁵ Includes the road surface, bridges and other roading infrastructure e.g. culverts. Although these assets are uninsured, as demonstrated during the recovery from the June 2015 flooding event Waka Kotahi (NZ Transport Agency) can provide a contribution to the cost of repairs to the roading network, refer to Appendix 2 for more information.

⁶ This covers the main Council facilities such as the Civic Centre, Puke Ariki, Aquatic Centre, and TSB Stadium.

⁷ Some community halls come under Council's programme because Council owns them, while others arrange their own insurance but apply to Council for a grant to cover the cost. Council has made the decision to remove coverage for clubs that own a building but have elected to come under Council's programme from 01 July 2024. There are some exceptions to this rule such as where the difference between the desired insurance cover and the minimum available cover are substantially different resulting in unmanageable premiums for the clubs.

⁸ Although Papa Rererangi i Puketapu is a separate entity, its significant assets (e.g. the terminal) come under Council's insurance programme.

Asset Category	Insurance status	
	Insured	Self-insured
Parks		
Tracks ⁹		✓
Structures ¹⁰	✓	
Arts		
Collections ¹¹	✓	
Other		
Motor vehicles	✓	

What to insure and how

In reviewing Council's insurance programme the treatment of specific assets needs to be considered so an appropriate response to loss can be applied e.g. replacement (like for like, taking into account building standards and technologies at that time), indemnity (no better or no worse), demolition costs only, or no insurance.

Decisions on this are informed by addressing the following questions and insuring buildings on that basis accordingly:

- i. Which buildings need to be replaced (i.e. those identified as essential assets to the ongoing delivery of services to our community)?*

Replacement value insurance is appropriate.

- ii. Which buildings need to be replaced but by something different (i.e. those identified as desirable but not essential in the short to medium term to the ongoing delivery of services to our community)?*

Functional replacement value (less than actual replacement) or indemnity value are options.

- iii. Which buildings would not be replaced?*

Indemnity value, demolition costs only, or no insurance are options.

- iv. Which buildings need to be held for future projects (e.g. acquired for roading)?*

Demolition costs or no insurance are options.

⁹ Although tracks are generally uninsured, the Coastal Walkway and other sealed tracks were covered under LAPP until recently when they were transferred to the Transport portfolio.

¹⁰ Significant structures are named in the Material Damage schedule e.g. pedestrian bridges.

¹¹ This includes collections at Puke Ariki and Govett-Brewster/Len Lye Centre, but not art in public spaces.

The annual review leading up to renewal of the insurance programme will capture additions or deletions to Council's asset holdings. It is also an opportunity to consider whether there are any significant asset groups e.g. roading, where cover should be implemented when it has not been previously because of the prohibitive cost.

Council's fixed assets are formally valued every three years. The most recent valuation was at 30 June 2022, and covered both asset and insurance values (the insurance valuation includes provisions for demolition and inflation). In between valuations, Council must identify a sound basis for calculating a percentage uplift in value, recognising that the insurers will scrutinise the values provided to confirm their accuracy. Insurance valuations for significant assets commissioned between fixed asset valuations will also be needed.

An alternative option to insuring for replacement value at asset level is to have a 'loss limit'. However, this approach requires a detailed understanding of Council's asset base and its ability (and appetite) to absorb potentially significant losses should the limit be proven to be inadequate. This approach has been considered several times previously and was rejected each time because the premium saving was insufficient to justify the increased risk Council would be taking on.

Nevertheless, at each renewal, options will be sought from the insurance market to explore whether having a loss limit will result in a material reduction of our premium. If that is the case, Council will then need to consider if the risk taken on by adopting that limit is acceptable relative to Council's risk appetite.

The deductible/premium balance

Council has a range of deductibles defined for its insurance programme. However, for its Material Damage policy (the most significant policy in terms of premium paid) Council defined its existing \$100,000 deductible as a result of a review in 2005 (increasing it from \$2,500 provided savings of \$100,000 per annum). This deductible has been reviewed multiple times since, however no changes were made because premium savings have consistently been outweighed by the financial risk of the assets that would no longer be insured.

Given the upward trend of premiums Council will continue to review the impact of increasing its deductible above \$100,000 and will also explore the potential benefits of increasing the self-insurance of assets. In each review, the categorisation of assets will be aligned with the below groups:

- i. Essential: includes predominately water and wastewater assets, office and administration facilities.
- ii. High community demand: includes mainly events, aquatic, regulatory and heritage buildings.

- iii. Moderate community need/commercial obligations: includes camp grounds, parks buildings, toilets and the like.
- iv. Non-essential: generally housing, rural halls, and clubs.
- v. Demolish-disposal: includes those assets that are to be sold or are for demolition.

The cost/benefit of reducing or increasing the natural disaster deductible is considered each year. After several renewals where the cost of reducing the deductible (if offered at all by the insurers) was considered too high for the potential savings, in 2021/22 Council determined that the increased premium was acceptable, and the deductible was reduced from five to two and a half percent of site sum insured accordingly.

Membership of LAPP

The Council has been a longstanding member of the LAPP mutual fund, which provided cover when commercial alternatives were either unavailable or not cost effective. Previously, commercial alternatives had been sought to confirm whether continued membership in LAPP represented best value for money. This was important given the impact on the fund of the Canterbury earthquakes and (to a far lesser extent) the Kaikoura earthquake, on the availability of LAPP funds for future events. The LAPP fund is now brokered by Aon, so Council has the benefit of access to Aon expertise while still benefiting from continued membership of LAPP.

As part of the Three Waters reform, it was anticipated that the transfer of Three Waters assets to another entity would result in LAPP being wound up. As future direction in this space under the new Local Waters Done Well plan is less prescriptive it is considered unlikely that the LAPP fund will become unavailable in the short term.

Aligning asset information with the insurance programme

As part of improving its asset management practice generally the Council is gradually improving the quality of its asset information to facilitate more effective management of its assets. This means that we are now better placed to complete the modelling needed to calculate the Probable Maximum Loss that will likely need to be covered (through a mix of insurance (external and self) and borrowing) potentially as a prerequisite for any central government assistance in the event of a natural disaster. Refer to Appendix 1 for further information on central government assistance.

Aside from improving decisions around asset maintenance, renewal, upgrade or replacement, higher quality information will lead to a better understanding of how resilient our assets might be during a significant natural event. This will, in turn, help our insurers to define their risk profile in this region and increase their comfort level about the accuracy of that profile.

Disaster Recovery Reserve

Council maintains a Disaster Recovery Reserve ('the reserve') as a 'self-insurance' fund that is available to be called on when uninsured losses are suffered e.g. to the roading network as a result of the June 2015 flooding event. The reserve seeks to smooth the impact on the community when the Council incurs significantly increased operating costs in recovering from a disaster.

The reserve has previously grown through a number of methods. The size of the reserve (and therefore its ability to absorb uninsured losses) contributes, along with other considerations such as Council's overall financial position, to decisions about which assets to insure and the level of deductible set. As part of the review of the framework, the purpose and size of the reserve is also considered to inform decisions about its potential use ahead of a significant event¹².

Trend Analysis

In the lead up to renewal of the insurance programme relevant Officers are asked whether their areas have suffered any notable 'below deductible' losses (when the loss is less than the applicable deductible so no claim is made) during the previous 12 months. This information will not be detailed or complete due to challenges differentiating between reactive maintenance required due to breakdowns and reactive maintenance or renewal works occurring as a result of insurable incidents.

The available information will be combined with that on claims made to inform the decision about the deductible level set, and to assist with risk management where any trends are identified, especially about losses in a given part of the organisation.

Approach to procuring broking services

Council implements the framework through the placement of the insurance programme annually with insurance brokers. The brokers serve as a crucial conduit between the Council and the insurance market. As such, the procurement and monitoring of the broker's performance will be completed in accordance with the Council and central government's procurement requirements.

Since 2010, the Council has obtained insurance through a regional collaboration with South Taranaki and Stratford District Councils, and Taranaki Regional Council. For most of the programme, the collective uses Marsh to deliver broking services, with Aon providing the same service for LAPP cover. The broker market was tested for non-LAPP covers in 2017 using the All of Government process managed by the Ministry of Business, Innovation and Employment. This involved approaching a panel of providers with our required terms and accessing the pricing the Ministry had previously negotiated with them. The selection criteria for the broking service provider included:

- A proven record of placing insurance with local and global insurers for the full range of insurance cover potentially required e.g. natural disaster insurance;

¹² A section relating to the Disaster Recover Reserve Policy 2023 was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

- A thorough understanding of the risks facing this Council specifically as well as the local government sector generally;
- A proven record of delivering timely claims management services and responses to ad hoc requests for advice;
- A commitment to monitoring significant movements in providers and market conditions, and advising the Council of threats to existing cover (e.g. a downgrading of an insurer's credit rating) and opportunities that can be taken during the insurance year or at renewal; and
- The ability to deliver or refer the Council to expert loss modelling services as required.

As a result of the tender JLT (which has since merged with Marsh) was awarded the contract for the Taranaki Councils' insurance broker services for three years, which has since been extended to 30 June 2025. The intention is that the broker market will be approached again in time to implement any changes by 01 July 2025, while also accounting for any changes resulting from the Local Waters Done Well planning.

Monitoring and review

The framework is to be reviewed at least every three years to ensure that it remains fit for purpose in the context of changes in markets, Council assets and activities, and the operating environment generally. After each review the revised framework will be provided to the Finance, Audit and Risk Committee for approval.

An annual report will be provided to the Finance, Audit and Risk Committee that details the arrangements made in accordance with this framework and any environmental changes that could impact on those arrangements and the level of confidence that they remain appropriate. This report will be provided as soon as reasonably possible following renewal of the insurance programme in June/July each year.

The General Manager Corporate Innovation is responsible for implementing the framework and the insurance programme.

Glossary

<i>Term/Abbreviation</i>	<i>Definition</i>
<i>Broking services</i>	The core services provided by Council's broker includes risk financing, insurance management, advisory and broking services as per the Broking Contract (ECM 7362524)
<i>Deductible</i>	The amount Council must pay prior to the Insurer making a contribution toward costs, in comparison to an excess this amount is inclusive of the total payment. For example: if the deductible is \$100,000 and the policy limit is \$1M then Council pays \$100,000 and the Insurer will pay a maximum of \$900,000.
<i>Excess</i>	The amount Council must pay prior to the Insurer making a contribution toward costs. This amount is typically excluded from the policy limit. For example: if the excess is \$100,000 and the policy limit is \$1M then Council pays \$100,000 and the Insurer can pay up to a maximum of \$1M.
<i>Indemnity</i>	This is the underlying principle that determines that, following insured loss or damage, the Insured (or 3 rd party) shall be put back in the same position, no better nor worse, than immediately before the damage/ situation occurred.
<i>Insured</i>	The person or organisation that is insured. Within the scope of this framework the Insured is normally NPDC however this may also include contractors or other parties that are completing works for or on behalf of Council.
<i>Insurer</i>	The organisation that provides the insurance cover
<i>Liability</i>	Legal responsibility for something such as a physical asset or professional decision
<i>Loss limit</i>	Maximum amount of loss for which the Insurer will make a payment for a single event or year. For example: the Taranaki regional insurance group have a natural disaster loss limit of \$750M, this means that if a natural disaster occurs the maximum payment the Insurer may be required to make is \$750M cumulative across the four Councils.
<i>Operating costs</i>	Those expenses required to operate or maintain a service or existing asset. Capital expenditure on renewal or replacement of an asset is excluded. For example: If one of our community libraries burned down we would need to lease and maintain a second site in order to maintain existing Levels of Service while

	the original site is rebuilt. The rebuild is considered a capital expenditure but the costs associated with leasing and running a secondary site are primarily operational.
<i>Premium</i>	The monetary amount paid to the Insurer to secure Insurance against a given type of loss.
<i>Probable Maximum Loss (PML)</i>	A worst-case scenario loss of assets in which existing safeguards do not fail. Treasury recommends calculations in this space be based on a 1:1000 year event for earthquakes and 1:250 year event for other hazards.
<i>Risk appetite</i>	The amount of risk an organisation is willing to accept to achieve its objectives.
<i>Significant</i>	An event in which the financial consequence is graded as Moderate or Major within NPDC’s Corporate Risk Management Framework (losses between \$1M and \$10M) where more severe situations are likely to be managed through the use of long-term debt or the Perpetual Investment Fund (PIF).
<i>Subrogation</i>	The right of the Insurer to take up the position of the Insured to pursue recovery of costs from any potentially at fault third parties.

Insurance Types

The below list outlines the different insurance types that are available should Council wish to have protection of that type. Insurance types marked with an asterisk indicate types of cover that Council does not currently have.

<i>Type of Insurance</i>	<i>Description of coverage</i>
<i>Business Interruption</i>	Covers accidental physical loss or damage to insured assets and cost to the business from interruption or interference resulting from that damage. Insured assets primarily include commercial, community and residential property and plant and equipment items that are not already covered by LAPP.
<i>Corporate Travel</i>	Domestic and international travel insurance including cover for including for personal liability, baggage, medical, accident, delay and cancellation.
<i>Crime*</i>	Indemnity for loss of money or property arising through fraudulent or dishonest acts committed by any employees acting alone or in collusion with others.

<i>Cyber*</i>	Provides protection against internet and network exposures and liability to third parties using Council's IT systems. Note: Cyber insurance has extremely limited availability due to the Waikato DHB incident of 2021.
<i>Employers Liability*</i>	Indemnity from claims by employees against employers for injury or illness occurring in the workplace, where cover falls outside the scope of ACC.
<i>Environmental Impairment</i>	Indemnity for legal liability in relation to property damage, clean-up and natural resource damage resulting from pollution at, on, under or migrating from NPDC premises.
<i>Fine Arts and Collections</i>	Insures against accidental physical loss or damage to collection at the declared premises or other locations, and whilst in transit.
<i>Hall Hirers Public Liability</i>	Indemnity to community groups and individuals for legal liability in relation to claims of property damage or bodily injury arising as a hirer of Council facilities.
<i>Local Authority Protection Programme</i>	Provides cover for loss of three waters structures (generally underground) from natural disasters
<i>Material Damage</i>	Covers accidental physical loss or damage to insured assets and cost to the business from interruption or interference resulting from that damage. Insured assets primarily include commercial, community and residential property and plant and equipment items that are not already covered by LAPP.
<i>Motor Vehicle</i>	Direct loss or damage to vehicles and third-party liability in connection with the motor vehicles.
<i>Personal Accident*</i>	Supplements cover available under ACC. As an ACC-accredited employer NPDC have elected to pay a discounted ACC levy in favour of funding the costs associated with all claims for injuries at work. WorkAon has been engaged to assist with workplace injury management.
<i>Professional Indemnity</i>	Indemnity for breaching Professional Duty by reason of any act, error or omission arising out of NPDC business activities. Includes defence costs.
<i>Public/General Liability</i>	Indemnity for claims from third parties for property damage or bodily injury arising out of the NPDC business activities. Includes defence costs.

<i>Standing Timber (Forestry)</i>	Direct loss or damage to standing timber (forestry) from fire, impact, lightning strike and malicious damage.
<i>Statutory Liability</i>	Indemnity against liability for allegations/ unintentional breaches of certain statutes (currently specific to the Health and Safety at Work Act) including defence costs.

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¹³ A section relating to the Disaster Recover Reserve Policy 2023 was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

Appendix 2 – Government Contributions following an Emergency

When a Civil Defence emergency occurs, the Government may contribute to recovery, repair and rebuild costs through a number of mechanisms. For the purpose of providing clarity on the extent of Council's likely financial support during a major event these have been outlined below.

Essential Infrastructure Repair

Following an emergency the Government may fund eligible costs for the rebuild or repair of damaged essential infrastructure, river management systems and community assets. This includes: sewerage, water supply, stormwater, electrical and gas facilities and other structures such as essential service dependent retaining walls and tunnels.

Contributions are:

- 60% of the eligible costs, subject to cabinet approval
- Limited to the shortfall in funding after the Local Authority insurance settlement is paid.

Council's 40% funding contribution is generally made up of an insurance settlement and secondary funding for any shortfall. In order to receive a Government contribution toward repair/ replacement of above ground essential infrastructure the asset must have been comprehensively insured (where insurance is available) or Council must be able to clearly show it was unable to obtain insurance.

Eligibility is defined by the asset meeting the following criteria:

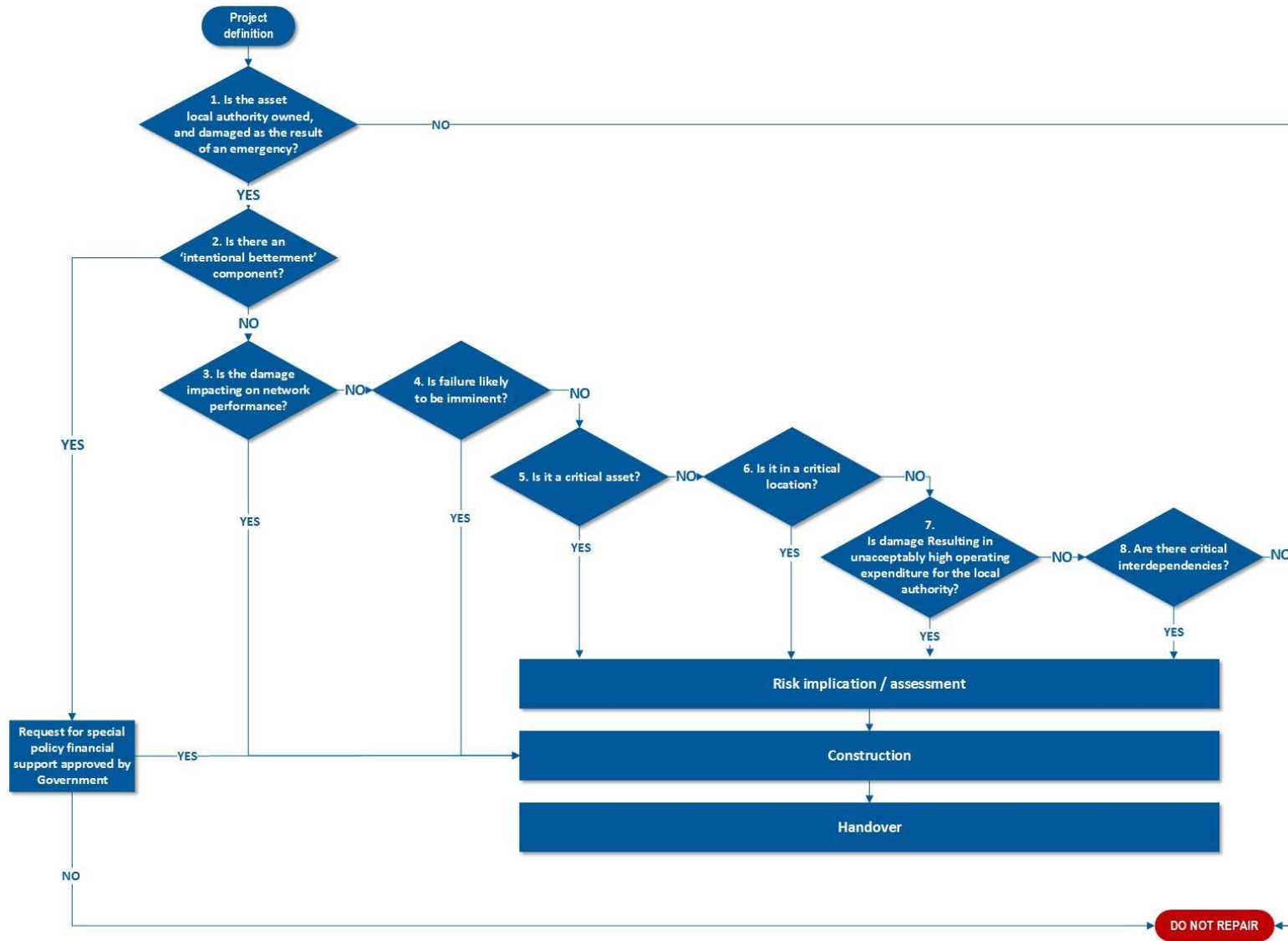
- The asset is local authority-owned and was damaged as a result of the emergency; and
- The damage impacts on the ability of the network/asset to perform and function as intended; or
- If the damage has not yet resulted in performance issues, failure of the asset is likely to be imminent

If damage does not meet the above criteria the following questions are considered as part of a risk assessment to further determine funding eligibility:

- Is it a critical asset? (e.g. main pipeline, lifeline or life safety asset)
- Is the asset in a critical location, or does it service critical community infrastructure? (e.g. hospital or school)
- Has the damage resulted in unacceptably high operating expenditure for the local authority?
- Are there critical interdependencies?

In general, government contributions may not be used for deliberate betterment (changing the asset over and above a like-for-like replacement) but may be used for unintentional betterment (such as using modern materials and construction techniques). However, there is an option to apply for special policy financial support or for Council to fund the betterment component of the work.

The below flowchart outlines the key eligibility criteria and considerations to be factored into any response.



Ref 1: [Eligibility for essential infrastructure repair or rebuild following an emergency » National Emergency Management Agency \(civildefence.govt.nz\)](#)

Ref 2: [Insurance cover and Government funding assistance relating to the rebuild or repair of damaged below ground and above ground essential infrastructure » National Emergency Management Agency \(civildefence.govt.nz\)](#)

NZTA/ Waka Kotahi Work Category 141: Emergency Works

Work Category 141 enables funding from the National Land Transport Fund (NRLF) to be used in response to a defined, major, short-duration natural event (a qualifying event) that has or will reduce customer levels of service significantly.

Events that are excluded from consideration include minor events of less than \$100k total cost, damage caused by cumulative effects (such as scour, degradation or land movements), repair of work under construction or within the post-construction maintenance period, damage resulting from human intervention or incident, improvements and costs to respond to damage that are not eligible for NRLF funding.

Contributions from NZTA are based upon the funding assistance rate (FAR) as follows:

- The organisations normal FAR up to 10% of the total cost of the maintenance programme for the year (per the approved National Land Transport Programme); or
- The organisations normal FAR +20% to a maximum of 95% (enhanced FAR). This is restricted to the portion of the emergency works total cost that exceeds 10% of the approved maintenance programme.

An applied example of the above is;

- The approved maintenance programme has a total cost of \$5M
- The normal FAR is 52%
- Cumulative claims for emergency works the same year total \$700,000
- The FAR for the first \$500k is 52%
- The FAR for the remaining \$200k is 72%
- 100% of State highway costs.

The emergency works investment policy is currently under review (as of May 2024) and it is proposed to reduce the enhanced FAR to normal FAR +10%. This proposal does not prevent a higher amount being offered in cases of financial hardship or for nationally significant events.

Work Category 140: Minor events: describes the funding available for the response to activities that would otherwise qualify as emergency works except that the total cost of the works is <\$100k per event. The FAR in this case is the organisations normal FAR.

Ref 1: [WC 141: Emergency works | NZ Transport Agency Waka Kotahi \(nzta.govt.nz\)](#)

Ref 2: [Emergency works policies - review and consultation | NZ Transport Agency Waka Kotahi \(nzta.govt.nz\)](#)

Ref 3: [WC 140: Minor events | NZ Transport Agency Waka Kotahi \(nzta.govt.nz\)](#)

Response and Recovery Claims

The government will fund eligible costs associated with response and recovery as follows:

- Response (welfare) costs (caring for directly affected people) – 100% funded by Government
- Other response costs (precautions and preventive actions to reduce danger to human life, where those actions were begun immediately before or during the response period of the emergency) – 60% Government (above threshold), 40% Local Authority
- Recovery costs (essential infrastructure recovery repairs) – 60% Government (above threshold), 40% Local Authority

The Local Authority Threshold for reimbursement for a District Council is 0.0075% of the net capital value, where net capital value is equal to the capital value of all properties in the District at the time of the emergency (\$24,170,000,000 as of NPDC Annual Report 2023). This threshold is based upon the combined expenditure for both 'other response' and 'recovery' costs.

Ref: [Response, other response and recovery claims following an emergency event » National Emergency Management Agency \(civildefence.govt.nz\)](#)

Relief Funds

Mayoral or Disaster Relief Funds are founded and administered by the Local Authority (Council) or CDEM Group. Government may contribute to a Relief Fund as an additional way to quickly help impacted communities recover from an emergency.

Contributions to the fund may be:

- Up to \$100,000 (GST excl) authorised by Minister for Emergency Management, Minister of Finance or Prime Minister.
- >\$100,000 (GST excl) with Cabinet approval.

The administering group determine their own criteria to disburse the Relief Funds but should be used to support the immediate needs of affected individuals, families, community organisations and marae. They must not be used to finance a local authority's administrative/ business costs or replace other existing funding sources.

Ref: [Government contributions to Relief Funds » National Emergency Management Agency \(civildefence.govt.nz\)](#)

Summary of proposed amendments to the Insurance Framework 2024

Section	Amendment
Changes that change application or interpretation of the document	
Principles	Reworded section to define four clear principles. This is aligned to the existing concepts but is now more transparent.
Risk appetite	Minor updates to notes relating to insurance of individual asset types within the Material Damages policy. Main point of note is that the Coastal Walkway, Te Rewa Rewa bridge and other sealed tracks were historically insured under the LAPP portfolio and since their 2023-24 transfer to the Transport portfolio are now self-insured.
Deductible/premium balance	Wording amended to encourage exploration of options to increase the deductible above \$100,000 and/or increase the amount of self-insurance for assets.
Trend analysis	Amended wording to clarify that a full analysis of below deductible losses is not achievable due to the way information in this space is recorded. It is likely that only specifically notable below deductible losses will be captured.
Monitoring and review	Amended wording to clarify the types and frequency of reports that will be provided to the FAR Committee.
Glossary	Added a glossary of terms to ensure clarity of interpretation.
Insurance types	Added a list of the different insurance types available to Council and the coverage provided under each policy.
Appendix 2 – Government Contributions following an Emergency	New appendix added to describe the contributions currently available to Council following emergency events and what restrictions are in place that may limit access to those funds.
Minor changes to layout, format or simple updates	
Summary	Moved to the start of the document to act as an overview.
Introduction	Amended wording to remove suggestion that framework is primarily associated with restoring assets/ material damages.
Introduction + Membership of LAPP	Replaced references to 'Three Waters Reform' with reference to 'Local Water Done Well' and amended discussion to align with current central government directions.
Approach to reviewing the framework	Cut-paste of framework review information from the Principles section.
What to insure and how	Summarised discussion regarding loss-limit as no recent financial comparison of premium saving was available to include.
Approach to procuring Broking services	Noted that current contract has been extended to 01 July 2025.

New Plymouth District Council

Insurance Programme Arrangements 2024-2025

Due to staffing changes the 2024-2025 Insurance Programme has remained largely identical to the 2023-2024 Insurance Programme. There are several potential changes to consider that would make small-scale changes to premium costs however to achieve meaningful reductions a review of Council's risk appetite within this space is required.

Description	Cost 23/24 (excl GST)	Cost 24/25 (excl GST)	Premium difference	Percent incr/decr since 23/24 (excl GST)	Comments
Material Damage – Commercial Assets (incl. levies)	\$1,459,912	\$1,791,996	\$332,084	23%	Market increase + changes to total sum insured
Material Damage – Residential Assets (incl. levies)					
Professional Indemnity	\$326,899	\$636,227	\$380,052	116%	Sector-wide increase, reflective of recent court cases and decision of London Market to withdraw from Local Govt insurance Limit of Indemnity has dropped from \$300M to \$20M and \$15M respectively
Public Liability	Included in PI figure (above)	\$70,724	Included in PI figure (above)	Included in PI figure (above)	
Public Liability (Hall hirers)	\$4,315	\$4,635	\$320	7%	Market increase
Business Interruption	\$36,370	\$27,543	-\$8,827	-24%	Removal of Trade waste component from coverage in recognition of stability of this income
Motor Vehicle (incl. levies)	\$97,435	\$107,533	\$10,098	10%	Market increase
Travel (International and Domestic)	\$1,823	\$2,518	\$695	38%	Premium increase reflects increase in travel days insured. (International: 75→150, Domestic: 700→930)

Description	Cost 23/24 (excl GST)	Cost 24/25 (excl GST)	Premium difference	Percent incr/decr since 23/24 (excl GST)	Comments
Forestry (Standing Timber)	\$7,569	\$7,785	\$216	3%	Market increase + small decrease in total planted area
Fine Arts (Collections) incl. placement fee	\$38,234	\$51,505	\$13,271	35%	Collections assets revalued midway through 2023/24FY
Statutory Liability	\$8,290	\$8,810	\$520	6%	Market increase
Environmental Impairment	\$6,545	\$7,004	\$459	7%	Market increase
Broker Fee	\$31,700	\$31,700	\$0	0%	The Taranaki Councils regional insurance group has renewed its agreement with Marsh for a further 12 months (until 01 July 2025) with the intention of testing the market in time for 2025/26FY renewals
Total	\$2,019,092	\$2,747,980	\$728,888	36%	

Note: This programme does not include the cost of the portion of our assets insured through the Local Authority Protection Programme (LAPP) (current cost \$780,000pa).

An official LAPP quote will not be expected until approx. September 2024, however due to the combined impacts from the Auckland Anniversary flooding events and Cyclone Gabrielle experienced in 2023 it is estimated that we could see an increase of ~70%-80% spread across the next two financial years (ie: 2024/25FY and 2025/26FY).

DEEP DIVE OF COUNCIL'S EMERGENCY MANAGEMENT PREPAREDNESS

PURPOSE/ TE WHĀINGA

1. This report provides a deep dive on the Council's emergency management preparedness including future actions and their timing.

RECOMMENDATION / NGĀ WHAIKUPU

That, having considered all matters raised in the report, the report be noted.

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

2. Finance, Audit and Risk Committee endorsed the officer's recommendation.

SIGNIFICANCE AND ENGAGEMENT / TOHUTOHU KAI WHAKAHAERE

3. This report is provided for information purposes only and has been assessed as being of some importance.

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

4. Council officers have conducted a deep dive of emergency management preparedness actions undertaken in the past 12 months. The review has focussed on development of structures to deliver professional disaster risk and emergency management for the New Plymouth district.
5. NPDC has seen a decrease in trained Emergency Operations Centre (EOC) staff in the past 12 months. However, progress is being made on the training and appointment of Local Controllers and training and exercises for current staff have been provided in the past 12 months.
6. The Emergency Management Team have retained a strong focus on training and running of exercises. Several workshops, tabletops and full activation exercises have been held. The NPDC EOC activated for the National Exercise Rū Whenua, this was a fully operational stand up that was supported by trained staff alongside liaisons from agencies.
7. NPDC continued to support Ngā Iwi o Taranaki in developing a framework that will assess their infrastructure and ability to support communities during events. Owae Marae was utilised as the pilot for the development of this framework.

BACKGROUND / WHAKAPAPA

8. The purpose of this deep dive is to provide the Finance, Audit and Risk Committee (the Committee) with assurance in Council's preparedness for emergency situations. This is currently captured as a strategic risk:

In terms of Council services, we are unable to appropriately respond to, and recover from, an emergency because of inadequate emergency response and business continuity planning arrangements (includes alternative sites, organisational structure, resourcing, roles and responsibilities, and accountability), resulting in significant service disruption internally and externally.

9. NPDC has seen a decrease in trained Emergency Operations Centre (EOC) staff in the past 12 months. Retaining trained staff has been particularly challenging due to the organisational restructure. Core function manager roles have been re-appointed and have been undertaking the Response and Recovery Leadership Course. These Officers will be appointed formally through the Joint Committee and Coordinating Executive Group as Local Controllers.
10. The Emergency Management Team have retained a strong focus on training and running of exercises. Several workshops, tabletops and full activation exercises have been held. The NPDC EOC activated for the National Exercise Rū Whenua, this was a fully operational stand up that was supported by trained staff alongside liaisons from agencies.
11. Emergency Managers from Council and the Taranaki Emergency Management Office will be present at the Committee meeting.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

12. Given the prospect of more frequent extreme weather events as a result of climate change, it is crucial that Council is well prepared to respond to situations when delivery of Council's lifeline services is disrupted. The purpose of this deep dive is to provide assurance that Council is as prepared as possible for a range of disruptive scenarios.

REFORM IMPLICATIONS

13. The Emergency Management Bill, which was introduced to Parliament on 7 June 2023 has now been removed from parliament. Department of Prime Minister and Cabinet (DPMC) are presenting a paper to Cabinet with interim changes to emergency management while a new Bill is draft for a new Emergency Management Act.
 14. Council will respond to reform work streams relevant to Civil Defence and Emergency Management as their implications become more apparent.
-

NEXT STEPS / HĪKOI I MURI MAI

15. Emergency managers at NPDC and the Taranaki Emergency Management Office will continue planned work to ensure that the region is as well prepared as possible to respond and recover from disruptive events. This will include ongoing engagement with governance to provide assurance in line with current work programmes.

FINANCIAL AND RESOURCING IMPLICATIONS / NGĀ HĪRAUNGA Ā-PŪTEA, Ā-RAUEMI

16. There are no financial or resourcing implications in relation to this deep dive.

IMPLICATIONS ASSESSMENT / HĪRANGA AROMATAWAI

17. This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:
 - Council staff have delegated authority for any decisions made;
 - Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
 - Any decisions made are consistent with the Council's plans and policies; and
 - No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

APPENDICES

Appendix 1 Deep dive of Council's emergency management preparedness (ECM9290458)

Appendix 2 Taranaki CDEM arrangements (ECM9290460)

Report Details

Prepared By: Jessica Stokes (Manager Emergency Management)
Team: Emergency Management
Approved By: Sarah Downs (General Manager Operational Excellence)
Ward/Community: District Wide
Date: 15 July 2024
File Reference: ECM 9297004

-----*End of Report*-----



Date: 8 July 2024
 To: Finance, Audit & Risk Committee
 CC: Sarah Downs, General Manager Operational Excellence

Subject: Deep Dive – Emergency Management

The purpose of this deep dive is to outline the structures that New Plymouth District Council (NPDC) have developed (and continue to develop) to deliver professional disaster risk and emergency management for the New Plymouth District, and how these fit into the regional and national emergency management picture. Representatives from the Taranaki Emergency Management Office (TEMO) and Council will be present to answer elected member questions.

Risk Description

In terms of Council services, we are unable to appropriately respond to, and recover from, an emergency because of inadequate emergency response and business continuity planning arrangements (includes alternative sites, organisational structure, resourcing, roles and responsibilities, and accountability), resulting in significant service disruption internally and externally.

Analyse and evaluate the risk			
Risk	Consequence	Likelihood	Rating
Inherent	Moderate	Moderate	Medium
Residual	Moderate	Possible	Medium

Controls – Treat the risk

The Taranaki CDEM Group is made up of the Taranaki Regional Council (TRC), South Taranaki District Council (STDC), Stratford District Council (SDC) and NPDC. TEMO provides emergency management coordination to the areas contained within New Plymouth, Stratford, and South Taranaki districts boundaries. From Tongaporutu in the north to the Waitōtara catchment in the South (which includes the Waiinu Beach settlement). Its western boundary extends 12 nautical miles into the sea to align with the seaward boundary of the Taranaki Regional Council (TRC).

TEMO provides regional leadership, coordination, planning, and communications at a regional level for emergency management.

The territorial authorities provide emergency management service delivery to local communities, and business continuity planning through dedicated emergency management staff. NPDC currently employs two FTE for emergency management.

Overview of Civil Defence Emergency Management

Duties of local authorities are defined in the Civil Defence Emergency Management (CDEM) Act 2002; they include:

- S64(1) – A local authority must plan and provide for civil defence emergency management within its district.
- S64(2) – A local authority must ensure that it is able to function to the fullest possible extend, even though this maybe at a reduced level, during and after an emergency.

The CDEM framework across New Zealand consists of “4 R’s”:

- Reduction – how can we reduce the impact of hazards?
- Readiness – how can we be ready to respond to events?
- Response – actual response to events.
- Recovery – how do we recover from the event?

CDEM is not a first response agency – i.e. one that is to respond immediately to an emergency event, such as the Police or Fire and Emergency New Zealand. An event can become a CDEM emergency if:

- There is a need for coordination or support; and
- Responding agency has become overwhelmed.

CDEM is the lead agency for tsunamis, space weather, volcanic eruption, and earthquakes.

Taranaki CDEM Governance Structure

Emergency management governance in Taranaki is through the Joint Committee (JC), which sets strategic direction, and the Co-ordinating Executive Group (CEG), which is responsible for implementing the Group Plan and advising on decisions of the Group.

The JC has Iwi representation on it through the three waka representation - Aotea, Tokomaru, and Kurahaupō.

Regional Structure in an Emergency Response

Emergency response is regionally coordinated at the Emergency Coordination Centre (ECC) and locally delivered by council operated Emergency Operations Centres (EOC). The planned response to emergencies is outlined in the Groups’ Response Management Plan 2020.

Taranaki uses the Coordination Incident Management System (CIMS v3) as a framework for response. CIMS establishes a framework of consistent principles, structures, functions, processes and terminology for response and the transition to recovery.

Hazardscape

The Taranaki hazardscape was assessed by a sector collaboration to identify and analyse the region's hazards to inform the Group Plan 2018 - 2023. This was done through an assessment of the likelihood and consequence of a hazard occurring, and the manageability of the response to the hazard. This defined Taranaki's ten leading hazards as:

1. An eruption of Taranaki Maunga
2. Infectious human disease and pandemic
3. Earthquake
4. Flooding
5. Animal epidemic
6. A distant volcanic eruption
7. Infrastructure failure: dam
8. Tsunami
9. Infrastructure failure: water supply
10. Severe storm/cyclone/wind

An updated hazardscape has been completed by TEMO and an external provider. This will be released in the new Taranaki CDEM Group Plan currently being developed by TEMO.

New Plymouth District Council Emergency Management Preparedness and Capability

Staff Numbers and Training

NPDC has a current data base of 100 EOC staff although the past 12 months has been particularly challenging with retaining EOC staff due to the reorganisation. The drop in numbers also affected core function manager roles however these roles have since been reappointed.

Currently there two staff undertaking the Response and Recovery Leadership Course, with a further two staff who will begin this course by the end of 2024. The outcome of this training will lead to formally appointed Local Controllers.

Emergency Operations Centre (EOC)

The EOC was officially opened at TSB Stadium in October 2018 with significant capability to manage emergencies in the New Plymouth district. This includes a backup generator, three backup network connections, GIS capability and recently the installation of a satellite connection. When an event has escalated to the point it requires formal EOC activation, the Controller will activate at his/her discretion in discussion with the Chief Executive.

In May/June 2024 the D4H Operations system was rolled out regionally by TEMO and has been adopted for use within the EOC. This allows response staff to create a common operating picture, communicate objectives and collaborate using forms, tasks, locks and maps through one system. During a response, TEMO can maintain a regional oversight across all activated EOC's with this system, providing for better interoperability between Council and TEMO.

NPDC EOC will manage local level emergencies within the district and the impact to our local communities. Where wider coordination is required, the ECC will provide regional coordination, support, and direction.

Coordination Incident Management System

In addition to establishing the EOC and training volunteers, Council has adopted a CIMS approach for managing emergencies that is scalable depending on the nature of the emergency such as any significant incidents within Council, Business Continuity, Crisis Management, and local level emergencies. Overall risk is controlled by the following:

- Building capacity and resilience across the organisation through training, development, systems, processes, exercises and response experience.
- Risk reduction activity including the NPDC infrastructure resilience programme, which will directly reduce the potential impact of a significant event.
- Reviewing and updating NPDC's emergency plans on an annual basis.

Current state at NPDC

Appointments

Due to a resignation, NPDC has been without a formal Local Controller. Currently there are two officers undertaking the Response and Recovery Leadership Course and a further two will begin their training by the end of 2024. An endorsement will be forward to the JC and CEG in August to appoint Sarah Downs (General Manager of Operational Excellence) in this position.

In February 2024, Damien Clark (Manager Community and Economic Development) was endorsed and appointed through the JC and CEG to fill the position of Local Recovery Manager. In August it is anticipated that another endorsement will be put forward to support the appointment of an Alternative Recovery Manager.

Recruitment is current underway to fill the vacant Local Welfare Manager role.

Training and Exercising

Over the past 12 months, there has been a strong focus on exercising and training. In November 2023 a joint workshop was run with the NPDC Infrastructure team and contractors – Downers. This focused on the Transportation Incident Response plan and table top scenarios within this plan. This work has supported the development of the Downers Emergency Response Plan.

The NPDC EOC participated in the National Exercise *Rū Whenua*. Day one was held on 12 June 2024 which consisted of a full operational stand up of the EOC. Around 50 trained staff attended, as well as liaisons from Downers and New Zealand Red Cross (NZRC). Day two of the exercise was held as a tabletop, this was facilitated at the TEMO ECC and Day 3 of exercise was held on the 5 July.

In December 2023, a new response framework was presented to Te Ranga Urungi (TRU) and adopted. The new framework was then tested over three workshops in March 2024. The framework connects existing business continuity, incident management and emergency management arrangements in one structure when managing an emergency incident or event. It is now being embedded into NPDC emergency response and business continuity plans.

The NZRC Disaster and Welfare Support team supported NPDC with two exercises held at the North Taranaki Sports and Recreation Centre and TET Stadium Inglewood. There are currently seven

identified Civil Defences Centres (CDC’s) within the district with formalised current memorandum of understanding (MOU). Owae marae is an identified site through the community resilience project with Ngā Iwi o Taranaki

Completed Exercises 23/24	
Workshop	4
Tabletop	1
Operational – EOC activated	1
Civil Defence Centres	2

NPDC have continued to support Ngā Iwi o Taranaki in developing a framework that will assist marae to assess their infrastructure and ability to support communities during events. Owae Marae was utilised as the pilot for the development and testing of the project, this has now finished. The result of this has assisted the marae in their readiness planning and capacity building, NPDC continues to work closely with the marae. NPDC will provide support to marae in the district who self-assess against the framework once this project has been finalised.

Events

On 11 April 2024 an Incident Management Team (IMT) was assembled alongside a small group of NPDC trained volunteers to support Rohutu Block residents due to an incoming high tide and swell alert. This team was further supported by Owae Marae and the marae was placed on standby to assist NPDC in the event residents were required to evacuate their homes. In the lead up to the evening of 11 April, emergency management staff attended several properties in Waitara and alerted residents to the incoming alert and potential risk. Throughout the evening the area was monitored and staff remained on standby. There were no calls for assistance during the evening, however there was damage to a seawall that was reported to NPDC the following day.

Future and additional treatments

There will be a new regional focus in 2024/25 in relation to the Civil Defence Centres, a new model will be introduced to the region that will empower communities to effectively own and manage the Community Hubs in response. This model will allow for growth of identified sites, and enable our communities to share information, skills and resources that already exist within communities. This model is currently being used within the Wellington region, and it is anticipated that it will be rolled out nationwide. There will be an initial focus on the Waitara and Inglewood communities, for the roll out of this model.

<https://www.wremo.nz/get-ready/community-ready/community-emergency-hubs/>

A cold debrief will be held on 2 July to focus on the EOC’s operational response to Day one of Exercise *Rū Whenua*. The focus of the debrief will be on the ability to stand up the EOC for response, technical/IT, communications and operating systems. All issues, risks and gaps will be used to form an after-action plan for Emergency Management that will assist in developing the 2024/25 work program and training and exercise schedule.

The emergency management team will continue to support work with residents at Rohutu Block in Waitara. Over the past 12 months this area has been closely monitored on a local and regional level for weather events and swell/wave warnings. A relationship has been built with the trust and

residents that will enable the emergency management team to work alongside each household to develop individual emergency response plans.

Monitoring, review and reporting

To ensure management is aware of how prepared the region is for an adverse event, performance monitoring, review and reporting occurs at both the Group and local level through the governance structure as discussed below.

CDEM Group performance monitoring

Performance monitoring for the CDEM Group is undertaken by both the Joint Committee and the Coordinating Executive Group. A quarterly report is prepared and provides an overview of progress against Group Plan objectives, and any significant project to build resilience and readiness for Taranaki, risks, performance against the Annual Plan (TEMO and Council's) and financial performance.

NPDC performance reporting

NPDC contributes to the Group with quarterly reports on activities that align with the Group Plan's objectives, quarterly local advisory groups, and bi-monthly emergency management meetings, which monitor progress and ensure objectives are being achieved.

Emerging Issues

The Emergency Management Bill has been removed from parliament with the new government. Currently the Department of Prime Minister and Cabinet (DPMC) are presenting a paper to Cabinet with interim changes to emergency management while a new Bill is drafted for a new Emergency Management Act.

Recent reviews from across Aotearoa, following significant events, have highlighted areas for improvement in the way that organisations respond to events from a national, regional and local level. The National Emergency Management Agency is currently undertaking a final review that will include recommendations on emergency management practices. On a regional and local level, these recommendations will be used to assess and identify gaps within current response and recovery processes, activities and plans.

Risk Assurance

Monitoring and Evaluation

An independent monitoring and evaluation report of Taranaki CDEM was conducted in 2020. This evaluation was undertaken by Malinda Meads in accordance with National Emergency Management Agency (NEMA) monitoring and evaluation guidelines and criteria. The corrective actions from this report have been implemented.

The evaluation resulted in an overall score of 67.8 per cent and having a rating of "advancing capability with organisational commitment to CDEM". This is an improvement on the 2015 score of 60.9 per cent, and the 2010 score of 45.7 per cent.

TEMO continues to work for the region on implementing change to better aid in resilience, readiness, response, and recovery to any adverse event.

Corrective Action Plan

The corrective actions and lessons from past events along with the monitoring and evaluation report continue to be owned by the Group office. This work is continually reviewed and reported to CEG and JC. This ensures that the Taranaki emergency management system improves to look after its communities during adverse events.

Progress on these actions is tracked and reported to the CEG and JC through the quarterly reporting process.

Conclusion regarding the management of this risk

The region and district continue to make progress towards more efficiently and effectively understanding the hazardscape, and preparing to respond and recover from emergencies, while planning for the unexpected. Gaps have been identified, for example in plan coverage and the limited pool of skill resources to deploy, especially for prolonged events, but actions are underway or planned to address them.



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**



TARANAKI
EMERGENCY MANAGEMENT

Taranaki CDEM arrangements

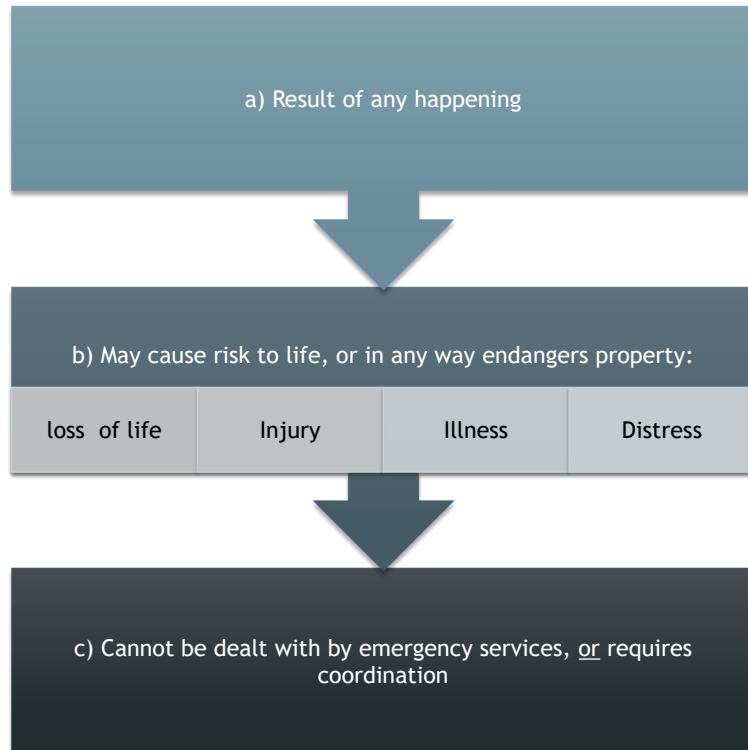
Presentation to NPDC's
Finance, Audit and Risk
Committee
30 July 2024

Outline

- *What is CDEM?*
- *Legislative framework*
- *Hazardscape*
- *Local CDEM arrangements*
- *NPDC responsibilities*

Definition of 'emergency' (section 4 CDEM Act)

5.2



Legislative framework

The image shows the cover of the CDEM Act 2002, which is a table of contents. It lists various sections of the act, including Part 1 (Purposes, objects, and principles), Part 2 (Provisional arrangements), Part 3 (Appointments, functions, and powers of the Director of Civil Defence Emergency Management), and Part 4 (Provisional arrangements).

CDEM Act 2002

The image shows the cover of 'The Guide to the National CDEM Plan 2015'. The cover is dark blue with white text.

The Guide to the National CDEM Plan 2015

National Plan

The image shows the cover of the National Civil Defence Emergency Management Strategy. The cover features a dark background with a tree and a yellow warning sign.

National Civil Defence Emergency Management Strategy

National Strategy

The image shows the cover of the Resilience Strategy Rautaki Manawarora Aitua ā-Motu. The cover is blue and white with a colorful illustration of a community.

Resilience Strategy Rautaki Manawarora Aitua ā-Motu

Resilience Strategy

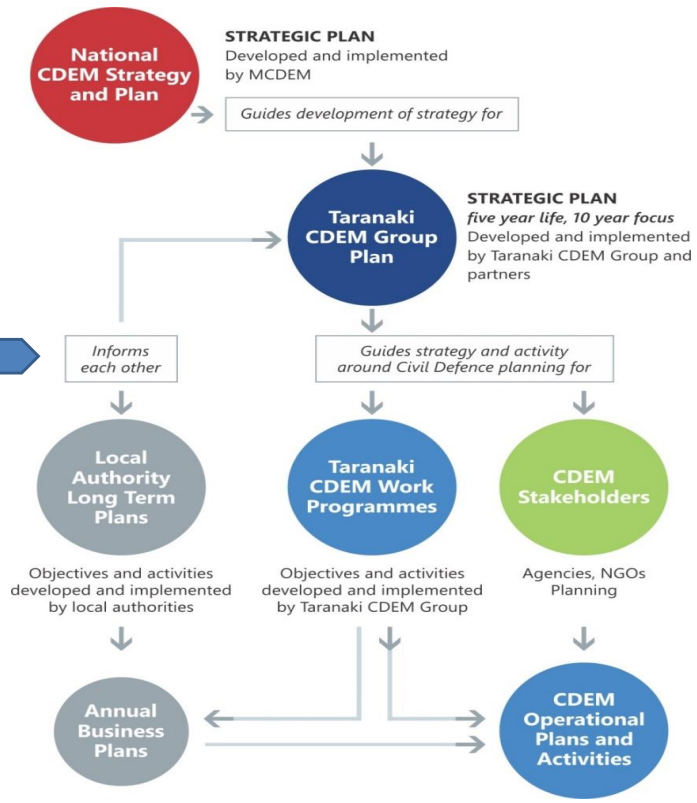
The image shows the cover of the Group Plan for Tararaki 2018-2025. The cover features a landscape with mountains and a blue sky.

Group Plan for Tararaki 2018-2025

Group Plan

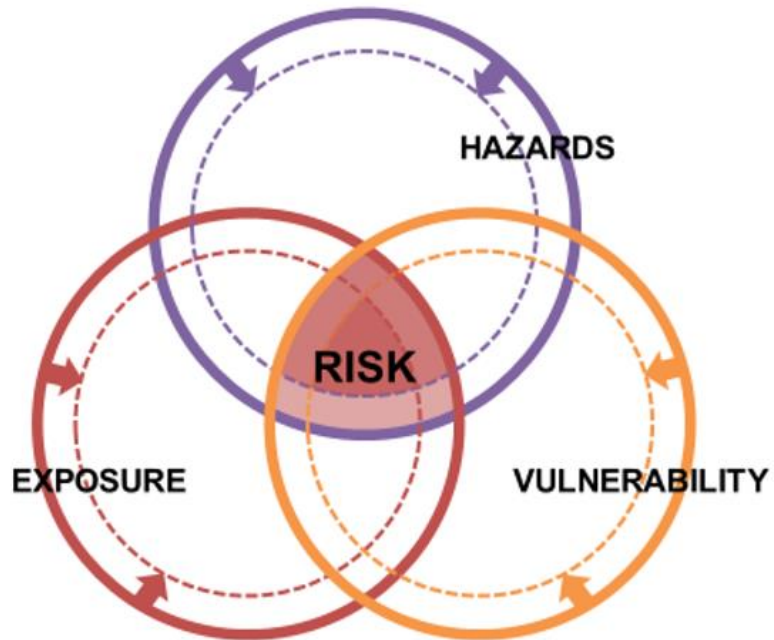
Business as usual

5.2

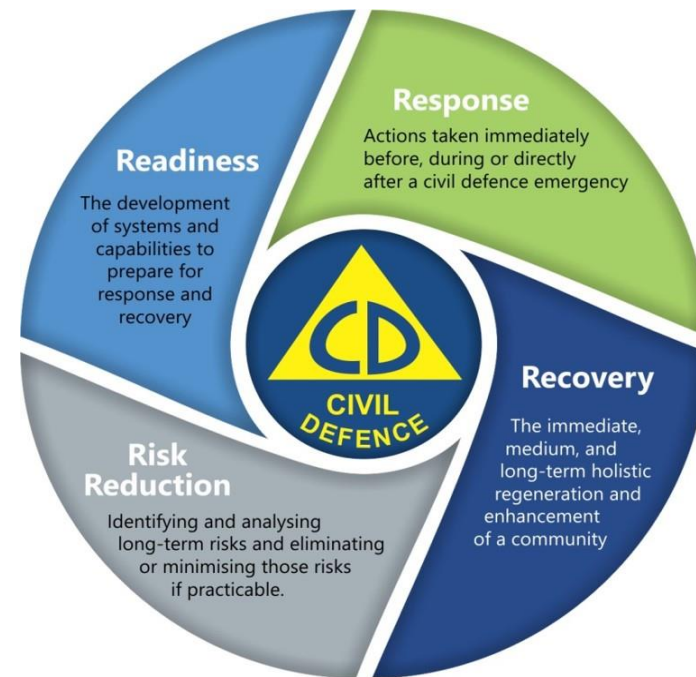


Comprehensive emergency management

Hazardscape



The '4 Rs'



Taranaki CDEM Group structure



Taranaki Hazardscape



TEMO activity



TARANAKI
EMERGENCY MANAGEMENT

5.2

1. Website Upgrade

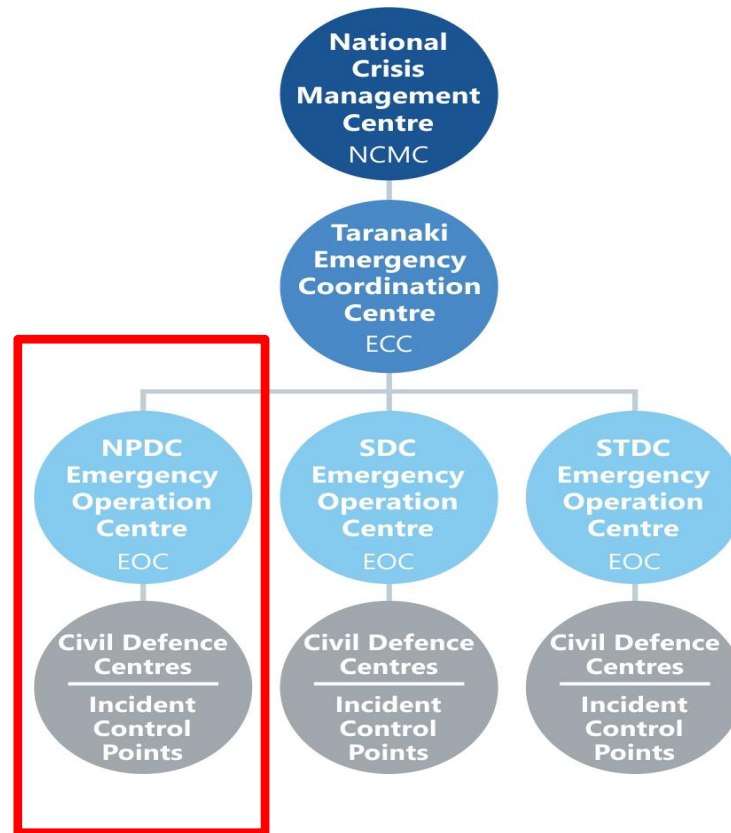
2. D4H - Common Operating Platform for response

3. RANA - Needs assessment tool for emergency events to support community

4. Group Plan - currently being rewritten for the region

Response

5.2



NPDC activity



1. NPDC Emergency Management and CIMS

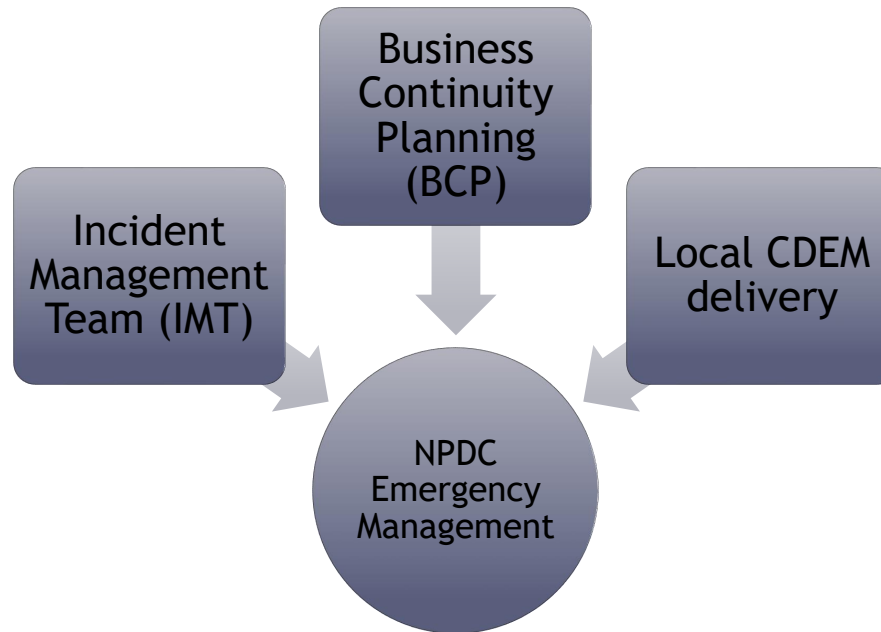
2. NPDC Business Continuity

3. NPDC Emergency Activations

4. Success / Challenges

NPDC Emergency Management Framework

5.2



Successes/challenges

5.2

Successes

- ▶ Uplift in training and exercising across council
- ▶ Supporting Ngā Iwi o Taranaki to build their framework for Marae Resilience
- ▶ Pilot project Community Resilience - Ovae Marae
- ▶ Strong relationships built with council contractors
- ▶ Emergency Centres - reengaged, updated MOU's in place and training held at two centres
- ▶ Development of new response framework
- ▶ Local Controllers - staff currently undertaking necessary training
- ▶ Support for Rohutu Block residences during weather events

Challenges

- ▶ Decrease in trained staff

Next steps

5.2

- ▶ Continued strong focus on staff training and exercising across the organisation
- ▶ Community Hub Model - community resilience and planning against hazardscape
- ▶ Development of training model for volunteers - Community Hubs
- ▶ Support for the marae resilience project and working with iwi/hapu
- ▶ Continued reviews of NPDC Emergency and Crisis Management Plans.

LOCAL GOVERNMENT (ELECTORAL LEGISLATION AND MĀORI WARDS AND MĀORI CONSTITUENCIES) AMENDMENT ACT

MATTER / TE WHĀINGA

1. The matter for consideration by Council is whether to retain or disestablish Te Purutanga Mauri Pūmanawa Māori Ward. The Local Government (Electoral Legislation And Māori Wards And Māori Constituencies) Amendment Act requires a decision by 6 September 2024.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, Council:

- a) **Resolve to retain Te Purutanga Mauri Pūmanawa Māori Ward.**
- b) **Determine that while the significance of this matter is Significant the timeframe does not allow community engagement to occur on this decision.**
- c) **Note that this decision will require the holding of a binding Poll on the question of Māori Wards in conjunction with the 2025 triennial election.**
- d) **Note that Te Purutanga Mauri Pūmanawa remains in place for the 2025-2028 triennium.**
- e) **Notes that the results of the Poll will take effect for the 2028 and 2031 triennial elections.**

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as Significant.
Options	<p>This report identifies and assesses the following reasonably practicable options for addressing the matter:</p> <ol style="list-style-type: none"> 1. Disestablish Te Purutanga Mauri Pūmanawa Māori Ward for the 2025 election onwards. (Draft motion attached in Appendix 1) 2. Retain Te Purutanga Mauri Pūmanawa Māori Ward, noting that a binding poll on the matter would be held in conjunction with the 2025 election.
Affected persons	The persons who are affected by or interested in this matter are the electors, residents and Councillors of the New Plymouth District.

COMPLIANCE / TŪTOHU	
Recommendation	This report recommends Option 2 – Retain Te Purutanga Mauri Pūmanawa Māori Ward.
Long-Term Plan / Annual Plan Implications	There are no Long-Term Plan implications unless an unscheduled Representation Review is required.
Significant Policy and Plan Inconsistencies	Yes

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

2. This report responds to Government’s proposed amendments to the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill which require Council to:
 - a) Resolve to retain Te Purutanga Mauri Pūmanawa Māori Ward; or
 - b) Resolve to disestablish Te Purutanga Mauri Pūmanawa Māori Ward.
3. A resolution to retain Te Purutanga Mauri Pūmanawa would result in a binding Poll (on the question of whether there should be a Māori Ward(s)) being held in conjunction with the 2025 triennial election.
4. A resolution to disestablish Te Purutanga Mauri Pūmanawa would result in Council reverting to its 2019 Governance Structure, or undertaking a shortened Representation Review. This has not been budgeted for.
5. Council Officers recommend that Council retain Te Purutanga Mauri Pūmanawa as:
 - a) It is consistent with Council’s previous decisions (including establishment of a Māori Ward and submissions on electoral matters)
 - b) A Representation Review has not been budgeted for or planned for in current work programmes.
6. Council Officers note that while the significance of this matter is deemed Significant, due to tight timeframes no consultation or engagement with New Plymouth District Council Community Boards, hapū, iwi or the community has been undertaken.
7. While the Bill refers to Māori Wards and Regional Council Constituencies, this report refers only to the impacts for New Plymouth District Council.

BACKGROUND / WHAKAPAPA

Prior to 2021

8. Prior to March 2021, Councils could decide to establish a Māori Ward but were required to hold a binding poll on the matter if a petition of at least 5 percent of electors requested it. Councils could also self-initiate a poll.
9. The result of a poll was binding on a Council for two local government terms.

NPDC established Te Purutanga Mauri Pūmanawa Māori Ward in 2020

10. New Plymouth District Council has considered establishment of a Māori Ward on several occasions. The first resolution to establish a Māori Ward in 2014 was overturned by a poll of electors in 2015.
11. In 2020, Council again resolved to establish a Māori Ward. The decision was not subject to a poll and influenced Council's representation review decision-making process in 2021.
12. Te Purutanga Mauri Pūmanawa Māori Ward was implemented for the 2022 local body elections.

The Government removes poll provisions in 2021

13. In 2021, the Government (elected in 2020) passed the Local Electoral (Māori Wards and Māori Constituencies) Amendment Act 2021. The Act removed the ability for a valid demand (elector petition) to force the holding of a binding poll on the decision of whether a Māori Ward should be established.

The Justice Committee recommends reinstating poll provisions in July 2024

14. On 20 May 2024 the Government (elected in 2023) introduced the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Bill to the House. The first reading was held on 23 May 2024 where it was referred to the Justice Committee.
 15. The stated aim of the Bill was to "enable local electors to take part in their local elections and decisions about their council's representation." This aim would be met through amendment to the Local Electoral Act 2001, the Local Government Electoral Legislation Act 2023, and the Local Electoral Regulations 2001.
 16. Following hearings and consideration of submissions the Committee recommended, by majority, that the Bill be passed (with some minor amendment).
-

17. The Bill:

- a) Reinstated poll provisions on the matter of establishing Māori wards.
- b) Removed the requirement for Councils that had not established Māori wards to consider them every 6 years during the representation review process.
- c) Required Councils that had established or resolved to establish Māori Wards since 2020 without a poll to hold a binding poll at the 2025 local elections.

The Government releases an Amendment Paper in July 2024

- 18. On 24 July 2024, the Government released an amendment paper on the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill.
- 19. The Amendment Paper proposed amendments to the transitional provisions set out in the Schedule of the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill. The purpose of the amendments was stated as "to clarify the obligations of local authorities under those provisions and to provide certainty as to the workability of the transitional arrangements".

The Amendment Paper requires a Council decision by 6 September 2024

- 20. The Justice Committee's recommendation provided an ability for Councils to disestablish an existing Māori Ward(s) or hold a binding poll on whether there should be a Māori Ward(s) in conjunction with the 2025 elections. If a Council did not formally consider the matter (by Council resolution), the default position was a poll in conjunction with the 2025 election.
 - 21. The Amendment Paper removes the default position and now requires Council, by 6 September 2024, to:
 - a) Resolve to retain Te Purutanga Mauri Pūmanawa Māori Ward; or
 - b) Resolve to disestablish Te Purutanga Mauri Pūmanawa Māori Ward
 - 22. A resolution to disestablish Te Purutanga Mauri Pūmanawa Māori Ward would take effect for the 2025 and 2028 elections and would continue in effect until a resolution [under s19Z] takes effect or a poll of electors [under section 19ZF] takes effect.
-

23. A resolution to retain Te Purutanga Mauri Pūmanawa Māori Ward would result in a binding poll being undertaken in conjunction with the 2025 triennial election. The outcome of the poll would take effect from the 2028 and 2031 triennial elections.

REPRESENTATION REVIEWS

24. Council is required to review its representation arrangements at no more than six yearly intervals.
25. In 2020, Council resolved to establish a Māori Ward. This preceded Council's most recent representation review in 2021. The next representation review is due in the 2025-2028 triennium.
26. The 2021 Representation Review was a significant change from the previous representation structure and:
- a) Introduced a mixed-model of representation (ward based and at-large Councillors); and
 - b) Amended the electoral boundaries.

IMPLICATIONS OF RESOLUTION TO RETAIN TE PURUTANGA MAURI PŪMANAWA MĀORI WARD FOR THE 2025 ELECTION

27. The outcomes of a resolution to retain Te Purutanga Mauri Pūmanawa Māori Ward are as follows:

Decision	Outcome
Retain Te Purutanga Mauri Pūmanawa Māori Ward	Binding Poll required
If Poll is Yes	Regular Representation Review in 2027/28. Māori Wards remain in place for (at least) 2028 and 2031 elections
If Poll is No	Regular Representation Review in 2027/28. No Māori Wards for (at least) 2028 and 2031 elections.

There are financial considerations for the holding of a Poll

28. Council’s Electoral Officer has indicated that the additional cost of holding a poll in conjunction with the 2025 election is in the vicinity of \$0.20 per elector. Based on the 2022 election (61,278 electors (an increase of 3,807 from the 2019 election)) this would be in the vicinity \$12,000 - \$13,000.
29. In comparison, the 2015 stand-alone poll on establishing a Māori Ward was \$71,418¹.

IMPLICATIONS OF RESOLUTION TO DISESTABLISH TE PURUTANGA MAURI PŪMANAWA MĀORI WARD FOR THE 2025 ELECTION ONWARDS

30. If Council disestablishes Te Purutanga Mauri Pūmanawa there are two subsequent options to consider. Council must resolve, by 6 September 2024, which of these subsequent options it will proceed with.

Decision	Outcome
Disestablish Te Purutanga Mauri Pūmanawa Māori Ward	No Māori Ward option for 2025 election.
<i>Subsequent Option 1</i> Revert to 2019 representation structure	Roll back to 2019 representation arrangements (provided fair representation limits still met). No Māori Wards for (at least) the 2025 and 2028 elections. Representation review required in 2027/28.
<i>Subsequent Option 2</i> Shortened Representation review early 2025	No Māori Wards for (at least) the 2025 and 2028 local elections Representation Review due by 2030/31.

¹ The 2015 poll had a 45 per cent voter return.

Return to 2019 Governance Structure not recommended

31. Council has the option to revert to the representation arrangements that applied at the 2019 triennial election. For New Plymouth District Council this structure was:

Ward	Number of Councillors
New Plymouth City Ward	10
North Ward	2
South-West Ward	2

32. Council Officers do not recommend that Council revert to this option for two reasons:
- a) An extensive Representation Review was undertaken in the 2019-2022 triennium resulting in a significant change to Council’s representation structure including moving from a ward based model to a mixed model (with both ward-based and at-large councillors). The review involved a statutory consultation process, hearings, a final proposal. Appeals were received and determined by the Local Government Commission. To return to the 2019 model would be confusing for the public.
 - b) At the time of writing this report, Officers have been unable to evaluate the population numbers for the 2019 structure and it is unclear whether that model is compliant with the fair and effective representation requirements (the +/- 10 per cent rule) in the Local Electoral Act 2001.

Undertaking a shortened Representation Review not recommended

33. Council could decide to undertake a shortened representation review in 2024.
34. Indicative dates for a review are:

Action	Statutory Deadline
Resolution on initial proposal	Must be passed by 13 September 2024.
Public notice of proposal	Within 7 days [of making a resolution on the initial proposal] and not later than 20 September 2024.
Submission period	Not less than 3 weeks from the public notice date and no later than 11 October 2024.
Response to submissions	Within 6 weeks after the end of the submission period.

-
35. Council Officers do not recommend this option for the following reasons:
- a) At the time of writing this report, Officers have been unable to evaluate the population numbers for the current structure (without a Māori Ward) and it is unclear whether that model is compliant with the fair and effective representation requirements (the +/- 10 per cent rule) in the Local Electoral Act 2001.
 - b) Enabling development of options and undertaking meaningful consultation within the shortened timeframe would be difficult to achieve within current workloads.
 - c) Due to the shortened timeframes, no consultation has been undertaken with New Plymouth District Council Community Boards. Community Boards would likely be affected by a Representation Review.
 - d) There has been no budgetary allocation for the undertaking of a Representation Review.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

36. There are no climate change applications in relation to this matter.

NEXT STEPS / HĪKOI I MURI MAI

37. If Council resolves to retain Te Purutanga Mauri Pūmanawa Māori Ward, the Ward will remain for the 2025 election. In conjunction with the 2025 election, a Poll on whether Council should have a Māori Ward will be held. The Poll will be binding and will determine whether or not there is a Māori Ward for the 2028 and 2031 elections.
38. If Council resolve to disestablish Te Purutanga Mauri Pūmanawa Māori Ward, Council will need to commence a Representation Review. Officers would report back to Council to determine an initial proposal before 13 September 2024.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

Significance is assessed as Significant

39. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being Significant for the following reasons:
- a) Council's decision will impact the Community outcome of Trusted/E whakaponotia ana by strengthening (or weakening) Te Tiriti partnerships with hapū and iwi to improve well-being.

- b) Disestablishing Te Purutanga Mauri Pūmanawa Māori Ward would not align with:
- i) The Council resolution to establish a Māori Ward (ECM8220641 – July 2020).
 - ii) Council’s submissions/feedback on Māori Wards/ electoral structure:
 - To the Justice Committee Local Government (Electoral Legislation and Maori Wards and Maori Constituencies) Amendment Bill 2024 (ECM 9261100 – May 2024).
 - To the Internal Affairs Discussion Document (ECM 8597940 – August 2021).
 - On the Local Electoral (Maori Wards and Maori Constituencies) Amendment Bill 2020 (ECM 8469599 – February 2021).
- c) The decision impacts disproportionately on Māori and the timing constraints do not enable an opportunity for the involvement in Council’s decision-making on the matter.
- d) There may be financial implications for undertaking a representation review (should Council decide to disestablish Te Purutanga Mauri Pūmanawa) which are unbudgeted.
- e) The matter is irreversible. Should Council disestablish Te Purutanga Mauri Pūmanawa, there would be no Māori Ward for (at least) the 2025 and 2028 local elections.
- f) There is high public interest in this matter. The Justice Committee called for submissions on the original bill on Friday 24 May 2024 with submissions closing on Wednesday 29 May. The Committee received over 10,000 direct submissions.

Engagement is not recommended

40. Matters which are assessed as Significant or Critical would typically trigger public engagement. However, given the timing constraints imposed in the Amendment Paper, Council Officers believe that meaningful engagement on the matter of revoking the 2020 decision is impractical.

41. If Council chooses to engage it would need to:

Action	Date
Resolve to consult on whether Council should disestablish or retain Te Purutanga Mauri Pūmanawa.	6 August
Undertake a consultation process.	Estimated Monday 12 – Friday 16 August
Hold hearings	Estimated Week of 19 August or 26 August
Decision on whether to: a) Retain Te Purutanga Mauri Pūmanawa; or b) Disestablish Te Purutanga Mauri Pūmanawa;	Before Friday 6 September

42. Should Council resolve to disestablish Te Purutanga Mauri Pūmanawa, following a consultation period, by 13 September, it would need to either:

- i) Determine to return to the Governance Structure in place for the 2019 election (assuming it is compliant with the fair and effective representation rules) ; or
- ii) Determine to run a shortened Representation Review. An indicative timeframe for a shortened Representation Review follows:

Action (for Representation Review)	Date
Adopt an Initial Proposal for a shortened Representation Review.	By 13 September 2024
Open consultation on the Initial Proposal	Within 7 days of making a resolution Not later than 20 September

Action (for Representation Review)	Date
Consultation Period	Not less than 3 weeks Closing no later than 11 October 2024
Determination of Final Proposal	Within 6 weeks of submission period No later than 22 November 2024
Appeal Period	At least three weeks Closing no later than 13 December 2024

43. Should Council decide to retain Te Purutanga Mauri Pūmanawa, a binding poll on the question of whether Council should have a Māori Ward would be held in conjunction with the 2025 election. The outcome of that Poll would be binding for (at least) the 2028 and 2031 elections.

OPTIONS / KŌWHIRINGA

44. There are two reasonably practicable options:

- Option 1 Disestablish Te Purutanga Mauri Pūmanawa Māori Ward for the 2025 election onwards. (Draft motion attached in Appendix 1)
- Option 2. Retain Te Purutanga Mauri Pūmanawa Māori Ward, noting that a binding poll on the matter would be held in conjunction with the 2025 election.

45. The options have been assessed in the body of this report and in the sections below.

Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi

46. Funding for a full Representation Review has been budgeted for in the 2025-2028 triennium. This includes funding for consultation and analysis and public notices. A comprehensive Representation Review typically requires significant staffing resource to prepare options, undertake consultation and analysis of submissions.
47. Should Council decide to disestablish the Māori Ward, a shortened Representation Review would need to be held. No funding has been budgeted for this work, and it is not currently within work plans.

Risk Analysis / Tātaritanga o Ngā Mōrearea

48. Council's 2021 Representation Review resulted in a significant change to New Plymouth District Council's Governance Structure.
49. "Rewinding" to the 2019 structure would likely cause confusion at election time. At the time of writing this report, Council Officers have been unable to determine whether the 2019 Governance Structure, or the 2022 Governance Structure (minus Te Purutanga Mauri Pūmanawa Māori Ward) are compliant with the Local Electoral Act 2001 requirements for fair and equitable representation. This work would need to be completed by 6 September to enable commencement of a Representation Review should Council decide to disestablish the Māori Ward.
50. The third reading of the Bill is scheduled to be held before the Council meeting on 6 August. This report has been prepared on the basis that the Bill will pass. Any changes as a result of the third reading would need to be updated at the Council meeting.

Statutory Responsibilities / Ngā Haepapa ā-ture

51. The Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill initially had a default position that Councils who did not make a determination on whether to disestablish or retain their Māori Wards would automatically default to a binding poll at the 2025 election.
52. The Amendment Paper has removed that requirement and an amendment to Schedule 1 Clause 11(2) will require Council to make a decision by 6 September 2024.
53. The Amendment Paper was released on Wednesday 24 July, necessitating a Council decision.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

54. This decision is inconsistent with the engagement requirements in Council's Significance and Engagement Policy – providing insufficient time to engage with hapū and iwi. It is also inconsistent with the principles outlined in the "Working with Tangata Whenua" section of the Long-Term Plan 2024-2034.

Participation by Māori / Te Urunga o Ngāi Māori

55. Due to the short timeframes, there has been no participation by Māori in the preparation of this report.
56. The following submissions to the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill, demonstrates that hapū and iwi strongly oppose the proposed legislative change. Council Officers believe that opposition would apply to the matters set out in the Amendment Paper.
 - a) [Nga Iwi o Taranaki - New Zealand Parliament \(www.parliament.nz\)](http://www.parliament.nz);
 - b) [Te Kahui o Taranaki Trust - New Zealand Parliament \(www.parliament.nz\)](http://www.parliament.nz);
 - c) [Te Kotahitanga o Te Atiawa Trust - New Zealand Parliament \(www.parliament.nz\)](http://www.parliament.nz);
 - d) [Te Kahui Maru Trust Te Iwi o Maruwharanui - New Zealand Parliament \(www.parliament.nz\)](http://www.parliament.nz);
 - e) [Te Runanga o Ngati Mutunga - New Zealand Parliament \(www.parliament.nz\)](http://www.parliament.nz)

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

57. Due to the short timeframes, there has been no Community engagement in the preparation of this report.
58. Previous informal engagement particularly following the release of the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill, indicates mixed views on the reinstatement of the poll provisions in the Local Electoral Act.
59. Council Officers expect there would be mixed views on the matters set out in the Amendment Paper.
60. New Plymouth District Council Community Boards have not had an opportunity to consider this matter. Community Board boundaries could be affected by a resolution to revert to the 2019 boundaries or undertaken a shortened Representation Review.

Recommended Option

This report recommends option [Option 2 – Retain Te Purutanga Mauri Pūmanawa Māori Ward, noting that a binding Poll will be held in conjunction with the 2025 triennial election for addressing the matter.

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Draft Motion to disestablish Te Purutanga Mauri Pūmanawa Māori Ward for the 2025 election onwards. (ECM9304580)

Report Details

Prepared By: Julie Straka (Manager Governance)
Team: Governance
Approved By: Bernie O'Donnell (General Manager Te Tiriti Partnerships)
Ward/Community: District Wide
Date: 28 July 2024
File Reference: ECM9304580

-----*End of Report*-----

**APPENDIX 1 DRAFT MOTION TO DISESTABLISH TE PURUTANGA
MAURI PŪMANAWA**

That having considered all matters raised in the report Council:

6.1

- a) Resolve to disestablish Te Purutanga Mauri Pūmanawa Māori Ward.**
 - b) Determine that while the significance of this matter is Significant the timeframe does not allow community engagement to occur on this decision.**
 - c) Note that this resolution takes effect for the 2025 and 2028 triennial election and continues in effect until:**
 - i) A resolution under section 19Z of the Local Electoral Act 2001 takes effect; or**
 - ii) A poll of New Plymouth District Council electors held under section 19ZF of the Local Electoral Act 2001 takes effect.**
 - d) Note that this decision will require:**
 - i) Council's Governance Structure to revert to the 2019 Governance Structure; or**
 - ii) Council to undertake a shortened Representation Review.**
 - e) Instructs Council Officers to report back before 13 September with:**
 - i) A recommendation to revert back to the 2019 Governance Structure; and/or**
 - ii) Proposed options for determining an initial proposal for a shortened Representation Review.**
-



(no subject)

1 message

Gordon Brown

23 July 2024 at 12:12

Sent from Mail for Windows

Date 24/7/2024

To Chief Executive

Notice of motion for ALTERATION of a previous resolution

1. New Plymouth District Council Standing Order 24.1 provides elected members with the ability to revoke or alter all or part of a previous resolution of the Council.

2. I therefore provide this Notice of Motion to alter part of the resolution passed at the full Council meeting on 27 May 2024 in relation to the Fees and Charges Schedule.

Original Resolution (C/2024/069 – ECM9250943):

3. The Council resolution of 27 May 2024 was:

That having considered all submissions received and matters raised in the report Council:

a) *Notes that the draft Schedule of Fees and Charges was adopted as supporting information for the Long-Term Plan 2024-2034 Consultation Document on 13 March 2024.*

Gmail - (no subject)

- b) *Note that the urban dog fees require updating to reflect the 12 December and 13 March Council Resolutions regarding the \$1.50 increase only applying to 2025/26.*
- c) *Approve increasing the opt in kerbside collections for businesses, community groups and clubs from \$265 to \$305 to more accurately reflect the cost of providing the service.*
- d) *Approve removing the fee for NPDC Transfer Stations whole tyres for (car tyres only, others not accepted) from 1 September 2024 – the fee will change from \$11.50 per tyre to no charge.*
- e) *Approve removing the fee for commercial waste sorting facility for tyres (car tyre, 4x4 and ute, light truck, heavy truck, super single, off the road/tractor) from 1 September 2024 – the fees will change to no charge.*
- f) *Approve inserting duty manager hours (“from 8am-6pm”) for TSB Stadium commercial event venue hire for Commercial expos/trade shows/sales; conference dinners and mezzanine meeting room, to ensure cost recovery.*
- g) *Approve moving “events” fees and charges for events on Council owned/managed parks and reserve spaces from Parks and Open Spaces to Venues and Events.*
- h) *Approve the proposed changes in items b) to g) above to the draft Schedule of Fees and Charges for 2024/25 shown as tracked changes including other minor updates within Appendix One, and adopt the draft Schedule of Fees and Charges for 2024/25 as per appendix 2, subject to:*
- i) *Increasing the Downtown carpark weekly lease from \$36 to \$49 to align with the Courtney Street carpark.*
 - ii) *Noting that fees and charges will take effect from 1 July 2024.*

Notice of motion (Recommendation):

4. This Notice of Motion recommends

That having considered all matters raised in this Notice of Motion, Minute C/2024/069 (27 May 2024) be altered by adding the following clause:

- i) Update the Schedule of Fees and Charges for 2024/25 to reinstate the following charges from the 2023/24 year:

SuperGold card holder – swim x 50 \$130.00

Gmail - (no subject)

BACKGROUND / WHAKAPAPA

5. On 12 December 2023, Council approved the Schedule of Fees and Charges for 2024/25 (ECM9124315 and ECM9119486) as supporting information for the LTP for review by Audit.

6. Council's resolution noted that pool entry charges were at an estimated revenue loss of \$80k per annum as inflation was not proposed to be added.

7. A tracked changes version of the proposed fees and charges was appended to the report. That document showed the removal of SuperGold Card holder fees and charges including 50 visit concession passes.

8. The covering report did not explicitly reference the removal of the SuperGold Card fees, but a footnote in the appendix stated that the SuperGold discounts were proposed for removal as "Only one other pool in NZ offers a SuperGold discount as most already have senior rates that are discounted from the adult rate".

9. On 27 May 2024, and following a public consultation process, Council deliberated on the Long-Term Plan 2024. At the same meeting, Council adopted the Schedule of Fees and Charges for 2024 (ECM9230386). That schedule did not reference SuperGold Card fees and charges.

10. On 4 July, the Taranaki Daily News published an article "[Council cancels SuperGold Card concession at Aquatic Centre](#)". The article specifically referenced the removal of the SuperGold card 50-swim concession of \$130.

Review of Council decision

11. The reasons for the revocation are obvious. Super Gold card holders are people who are 65 and over. For health reasons we want them to be healthy and exercise is one way to help achieve that. Having a reduction for multiple-swim tickets is an obvious way of attaining that. Taranaki is the ultimate aquatic region with a 90-km coastline and numerous rivers and lakes suitable for swimming. With drowning statistics rising to an all-time high, we need, as a council to be proactive in doing our bit to combat those statistics.

This Notice of motion is supported by:

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EXCLUSION OF THE PUBLIC FOR THE REMAINDER OF THE MEETING

PURPOSE/ TE WHĀINGA

1. This report details items that are recommended to be considered with the public excluded, and the reason for that recommendation.

RECOMMENDATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, Council hereby resolves that, pursuant to the Local Government Official Information and Meetings Act 1987, the public be excluded from the following parts of the proceedings of this meeting:

- a) **Remuneration Review of Directors of Council Organisations**
The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons. This particular interest being protected by section 7(2)(a) of the Act.
- b) **CE Performance Review and KPI settings**
The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons. This particular interest being protected by section 7(2)(a) of the Act.

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987.

COMPLIANCE	
Significance	This matter has been assessed as being of some importance.
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter: <ol style="list-style-type: none"> 1. Exclude the public. 2. Not exclude the public.
Recommendation	This report recommends Option 1 for addressing the matter.
Long-Term Plan / Annual Plan Implications	There are no budget considerations.
Significant Policy and Plan Inconsistencies	This report is consistent with Council’s Policy and Plans.

BACKGROUND / WHAKAPAPA

2. The exclusion of the public is permitted, for specific purposes, under Section 48 of the Local Government Official Information and Meetings Act 1987.

SIGNIFICANCE AND ENGAGEMENT / TOHUTOHU KAI WHAKAHAERE

3. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of some importance because the exclusion of the public is a statutory procedure that will have a little or no impact on the Council's strategic issues.

OPTIONS / KŌWHIRINGA

Option 1 Pursuant to the Local Government Official Information and Meetings Act 1987, good reason exists to exclude the public for consideration of the items listed.

Option 2 The Council can choose to consider these matters in an open meeting.

Risk Analysis

4. Release of information which meets the statutory tests for withholding (under the Local Government Official Information and Meetings Act 1987) may expose the Council to legal, financial, or reputational repercussions.

Recommended Option

This report recommends **Option 1**: Exclusion of the public for addressing the matter.

Report Details

Prepared By:	Carol Allen (Governance Advisor)
Team:	Governance
Approved By:	Julie Straka (Manager Governance)
Ward/Community:	District Wide
Date:	29 July 2024
File Reference:	ECM 9305510

-----*End of Report*-----

CLOSING KARAKIA

TE WHAKAEATANGA

Te whakaeatanga e,
Tēnei te kaupapa ka ea,
Tēnei te wānanga ka ea,
Te mauri o te kaupapa ka whakamoea,
Te mauri o te wānanga ka whakamoea,
Koa ki runga,
Koa ki raro,
Haumi e, hui e, tāiki e.

It is completed, it is done,
We have achieved our purpose,
Completed our forum,
Let the purpose of our gathering rest for now,
Let the vitality of our discussions replenish,
We depart with fulfilled hearts and minds,
Bonded in our common goal and unity.

This karakia is recited to close a hui or event. It takes us from a place of focus and releases us to be clear of all the issues or tensions that may have arisen during the hui. We are now free to get on with other things.