



Regulatory Impact Statement: The National Policy Statement for Highly Productive Land

Decision sought	<i>Analysis produced for the purposes of seeking Cabinet decisions for public consultation on Phase 2 of RM reform for the National Policy Statement for Highly Productive Land</i>
Agency responsible	<i>Ministry for the Environment Ministry for Primary Industries</i>
Proposing Ministers	<i>Minister Responsible for RMA Reform Minister of Agriculture</i>
Date finalised	<i>07/04/2025</i>

Briefly describe the Minister's regulatory proposal

The National Policy Statement for Highly Productive Land (NPS-HPL) captures too much land that is suited for urban development. As part of the Going for Housing Growth (GfHG) work programme, the proposal is to remove Land Use Capability 3 land (LUC 3) from the NPS-HPL to better enable the development of greenfield land.

Summary: Problem definition and options

What is the policy problem?

1. Despite the provisions for urban development in the NPS-HPL, issues have been raised about the policy's impact on restricting urban development. Advice informing the Going for Housing Growth programme considers that the NPS-HPL is capturing too much land that is suited for urban development. The GfHG work programme is the Government's plan to get more houses built and work toward addressing the housing crisis. Principally, concerns have been raised that the inclusion of LUC 3 in the NPS-HPL may overly restrict the supply of greenfield land that may be suited for housing in some parts of New Zealand.
2. The Land Use Capability classification categorises land into eight classes based on its long-term potential for sustained primary production. LUC 1 land is the most versatile land and is suitable for a wide range of primary-production activities. Class 8 land is the least versatile for primary production and is typically set aside for conservation. Land in LUC 1, 2 and 3 is generally regarded as the most productive in Aotearoa New Zealand based on its versatility for a wide range of primary production activities that are reliant on the soil.
3. Government intervention is required to give effect to the proposal to remove LUC 3 class land from the NPS-HPL. The NPS-HPL is an operative piece of national direction

that came into effect in October 2022. To give effect to the proposal, options for implementation needs to be tested with the public.

4. Non-regulatory options such as updating the Guide to Implementation or support for councils would not address the policy problem or give effect to the proposal, as these are not legally binding.

What is the policy objective?

5. The objectives sought in relation to the policy problem are guided by the purpose of the RMA, the objective and intent of the NPS-HPL, the Government's GfHG work programme objectives, and the Government's agreed objectives for supporting a resource management (RM) system transition.
6. The intended outcome is that the proposal addresses the issues raised about the NPS-HPL and the restrictions it places on use or development that do not rely on the soil, whilst continuing to manage and protect a finite non-renewable resource (that HPL is) for current and future generations.

Monitoring and evaluation

7. The intended outcome outlined above will be monitored and evaluated based on how local authorities are giving effect to the direction in the NPS-HPL in their planning documents (e.g district and regional plans) and resource consent decision making. An objective metric to assess how the intended outcomes have or have not been met is difficult to implement and apply to all territorial authorities for a number of reasons, including:
 - housing pressures across the country are not the same, neither is the spatial extent of HPL in different regions the same. Therefore, how local authorities have provided for housing and protected HPL is difficult to measure.
 - the NPS-HPL is intended to allow for local context to be reflected in planning documents, e.g. the NPS provides exemptions for use or development that can locate on HPL, but it is at the council's discretion which activity status they apply to the range of uses or development in their plans (permitted, controlled, restricted discretionary, etc).
8. The intent of monitoring and evaluation is to provide a national level picture of how provisions of the policy are being applied. However, for the reasons outlined above, the monitoring and evaluation is likely to be done on a case-by-case basis. This information will be used to gather evidence and prepare advice to Ministers when appropriate and required to address any implementation issues resulting from the proposal.

What policy options have been considered, including any alternatives to regulation? **Option 1: Status quo – HPL is LUC 1, 2, and 3**

9. The status quo would mean LUC 3 remains included within the definition of HPL, and the NPS would continue to protect around 15 per cent of the country's landmass for land-based primary production (production, from agricultural, pastoral, horticultural, or forestry activities, that are reliant on the soil). This option would align with the intent and objective of the NPS-HPL to protect HPL for use in land-based primary production both now and for future generations.
10. The option would not align with the Government's commitment to exclude LUC 3 from the NPS-HPL.

Option 2: Strict removal of LUC 3 (HPL is limited to LUC 1 and 2 only)

11. This option removes all references to LUC 3 from the NPS-HPL. Prior to the mapping of HPL being completed, the definition of HPL would also be LUC 1 and 2 only – based on New Zealand Land Resource Inventory, if that land was zoned rural and was not identified for future urban development at the commencement date (October 2022).
12. This option would significantly reduce the land area subject to restrictions of the policy¹, which would better enable urban development in some regions, but means LUC 3 would no longer be protected for land-based primary production and would reduce the availability of a finite non-renewable resource.
13. The option would also mean rural-lifestyle development, which has resulted in the most significant loss of HPL, would be able to locate on LUC 3.
14. Consequential amendments would also likely be required if LUC 3 was removed from the mapping criteria e.g. removal of LUC 3 would make it difficult to identify ‘large and geographically cohesive’ areas of HPL and more detailed mapping may be required to determine if land was indeed LUC 1 and 2 and not LUC 3 and what parcels of land should be included in HPL maps and which shouldn’t be.

Option 3: HPL is LUC 1, 2 plus special agricultural areas (SAAs)

15. Under this option, HPL would include LUC 1 and 2 land as well as land identified as a special agricultural area (SAA). SAAs are intended to be subject to the same provisions as LUC 1 and 2. SAAs may capture land that is not LUC 1 and 2 but is important for land-based primary production. This would require additional criteria to be added to the mapping criteria, including details about how the mapping and identification of HPL will achieve ‘large and geographically cohesive’ areas² to mitigate reverse sensitivity issues (e.g odour).
16. SAAs would be a new category of HPL intended to align with the Government’s GfHG work programme to remove LUC 3 from the NPS-HPL. It recognises that areas important for food and fibre production may be compromised by the removal of LUC 3 and that these ‘special agricultural areas’ would require protection under national direction.
17. Ministerial direction on SAAs is that they be restricted to key food producing areas that are important for both domestic and international markets (eg, Pukekohe and Horowhenua), and are facing imminent urban growth pressures. The implementation issues relating to the criteria for identifying SAAs will be tested as part of public consultation. Some key considerations include ensuring that the criteria for SAAs:
 - are defensible and consistent with the objective of the NPS-HPL and future proofed (e.g allows for changes in climate and economic factors); and
 - would support robust decision making for why some productive areas of the country could be an SAA and not others; and
 - do not result in significant work for Councils ahead of wider RM system reform.

¹ Approximately 3.8 million hectares of New Zealand’s land area is HPL (LUC 1-3). LUC 3 land makes up around 64 per cent of the land area currently protected under the NPS-HPL.

² “Large and geographically cohesive area” in Clause 3.4(1) are intended to give regional councils the flexibility to define the spatial extent of HPL based on pragmatic geographic boundaries (eg, roads, rivers, property boundaries), instead of requiring that every area of LUC class 1, 2 and 3 land in the region is identified and mapped as HPL.

18. Key considerations relating to the decision-making responsibilities for defining SAAs are:
- access to relevant data
 - whether a Schedule One RMA process, which would enable opportunities for community input would be desirable considering the timeframes
 - whether the identification of SAAs should be integrated with the identification of future urban areas and /or consider freshwater implications
 - the capacity of Councils to undergo plan changes ahead of wider RM system reforms.
19. Alignment of this option with other national direction, for example:
- prescribing certain areas as an SAA will need to consider the interactions with the NPS-Freshwater Management. The commitment by Ministers is to test limiting SAAs to just Pukekohe and Horowhenua, could lock SAAs into being just for horticulture, particularly vegetable production, which is an intensive land use. This could be misaligned with efforts to address freshwater quality in both areas.
 - the option would also need to consider how this links with the NPS-UD, as there will be instances where providing for housing and protecting HPL could conflict.
20. Policy 2 of the NPS-HPL specifically states that *the identification and management of highly productive land is undertaken in an integrated way that considers the interactions with freshwater management and urban development*. Clause 3.2 of the NPS-HPL also specifies requirement for local authorities to take an integrated management approach to key interactions between HPL, subdivision, use and development of land, and freshwater management. The provisions also reiterate good practice in terms of taking a co-ordinated approach when working across administrative boundaries. Integrated management is not a new concept and is already a function of regional councils and territorial authorities under sections 30(1)(a) and 31(1)(a) of the RMA, respectively.
21. This option may require a fundamental refocus of the NPS-HPL including additional policies or changes to existing policies as currently the NPS-HPL is agnostic on the type of land-based primary production that can occur on HPL.

Option 4: LUC 3 is removed from urban rezoning decisions (Council led plan changes) only (HPL mapping continues to be LUC 1-3)

22. This option removes LUC 3 from urban rezoning restrictions only, meaning that LUC 3 is not subject to urban rezoning tests in the NPS-HPL.
23. This option would work with the GfHG programme to better provide for greenfield development, but may not align with the commitment 'to remove LUC 3' as LUC 3 would still be included in HPL mapping and would continue to place restrictions on non-urban development – including rural lifestyle development.
24. Public consultation will be used to test whether LUC 3 should also be removed for private urban rezoning plan changes noting that Councils may adopt private plan changes.

Implications of removing LUC 3 on timeframes for mapping HPL.

25. Removal of LUC 3 land means that NPS-HPL requirements for HPL maps to be notified in regional policy statements by October 2025, need to be extended or suspended. Whether timeframes for mapping are extended or whether mapping is paused depends on whether the preference is:

<ul style="list-style-type: none"> • for Councils to progress plan changes under the RMA ahead of the replacement RMA; (in which case an extension of timeframes via a separate legislative process³ would be more appropriate; or • to provide time for a longer-term solution to managing highly productive land to be developed in the replacement RM system. This would involve directing Councils to suspend mapping of HPL⁴. Giving effect to the NPS-HPL would be based on the interim definition of HPL. <p>26. Feedback from consultation will inform the pros and cons of either extending or suspending timeframes for mapping HPL.</p> <p>Using more detailed LUC information</p> <p>27. As noted above, the NPS-HPL is based on LUC classes 1-3. Within each LUC class there are LUC units that provide a more detailed description of the soil capability. Using LUC units (rather than classes) could inform decisions about which LUC 3 land could be removed from HPL and which could be retained. This may support implementation of options 2-4, and could have immediate effect for the interim definition of HPL (applies before HPL is mapped) which may influence decisions about whether to extend timeframes for mapping or suspend mapping. Use of LUC units will be tested during public consultation.</p>	<p>What consultation has been undertaken?</p> <p>28. Targeted engagement with regional councils and Post-Settlement Governance Entities (PSGEs) as part of early policy development was undertaken in September/October 2024. This engagement was limited to a select number of regional councils and PSGEs, due to time constraints, availability of participants, and scope of proposed amendments. From these pre-engagement sessions, participants raised that removing LUC 3 would:</p> <ul style="list-style-type: none"> • have differing costs and benefits for different regions depending on amount of LUC 3 in the region. Some noted that the change may not have the intended benefits for housing due to other constraints such as natural hazards, and others noted that the change would provide more flexibility for regions with higher proportions of HPL. • significantly reduce the amount of HPL in some regions. <p>29. Policy development has progressed relatively quickly since these hui were undertaken in late 2024. Some of the policy issues that were tested with stakeholders and partners are no longer being progressed as part of Phase 2 amendments, this is due to Ministers decisions to reduce the scope of Phase 2 amendments and avoid making changes to existing national direction that would more efficiently be progressed under a replacement RM system (CAB-25-MIN-0080 refers).</p> <p>Is the preferred option in the Cabinet paper the same as preferred option in the RIS?</p> <p>30. The Cabinet paper did not specifically recommend a 'preferred option' for implementing the proposed NPS-HPL amendments to remove LUC 3 as the national direction package went to Cabinet as a suite of amendments to existing legislation and or new proposed national direction. The paper covered the amendments to progress as part of Phase 2 RM public consultation. For the NPS-HPL this was</p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

³ extending timeframes would be considered in light of s 44(3)(d) a new section of the RMA 'to extend the time frame for implementation of any part of a national environmental standard' (inserted via the Resource Management (Freshwater and Other Matters) Amendment Act 2024).

⁴ One way of suspending the mapping could be to amend Part 4 of the NPS-HPL

described as a ‘*narrow change to the NPS-Highly Productive Land - remove Land Use Capability (LUC) class 3 from the definition of highly productive land*’.

31. The Ministers’ preferred option is to remove LUC 3 land and test the inclusion of Special Agriculture Areas in the definition of HPL as part of public consultation.

Summary: Ministers’ preferred option in the Cabinet paper

Costs (Core information)

Outline the key monetised and non-monetised costs, where those costs fall (e.g. what people or organisations, or environments), and the nature of those impacts (e.g. direct or indirect)

32. The costs associated with the proposal have not been monetised. The difficulties with monetising costs and benefits associated with placing or removing restrictions on the use of a finite resource (such as HPL) is the difficulty of valuing the loss of opportunities to use this land in the future.
33. Appendix One refers to the range of benefits that HPL provides which were identified as part of a Cost Benefit Analysis prepared as part of the development of the NPS-HPL⁵. Depending on how the Minister’s proposal is implemented there will likely be a significant reduction in the amount of land protected by the NPS-HPL (by up to 65%) relative to the status quo. A reduction in the amount of HPL protected is considered to result in a reduction in the benefits that HPL provides (ie costs). The costs of the proposal are outlined as follows:
- the removal of LUC 3 land will have differing impacts for different regions across the country. Regions with higher proportions of HPL and are facing housing capacity pressures may welcome more greenfield development, whereas others with little HPL, and or where their HPL is primarily LUC 3, may support keeping this class as protected under the NPS-HPL.
 - the proposal provides more flexibility for use and development that do not rely on the soil resource to occur on LUC 3 land. Depending on the outcome of public consultation, removing avoid policies in the NPS on lifestyle developments on LUC 3 land will likely result in the most significant reduction in the amount of HPL available for land-based primary production (as has been the case for HPL in the past, where lifestyle developments have resulted in the most significant loss of HPL).
34. Testing alternative ways to continue protecting additional areas important for food and fibre production (special agriculture areas) during public consultation will assist in assessing the costs of the final policy decisions.

Benefits (Core information)

⁵ [National Policy Statement for Highly Productive land Cost-Benefit Analysis](#)

Outline the key monetised and non-monetised benefits, where those benefits fall (e.g. what people or organisations, or environments), and the nature of those impacts (e.g. direct or indirect)

35. As outlined above, monetised benefits of removing LUC 3 from the NPS-HPL have not been calculated, however some benefits of the proposal include:

- better enabling greenfield development. This would align with the Governments intent to address housing issues as removing LUC 3 land from the NPS-HPL will reduce restrictions on using that land for urban development. However, other planning restrictions such as natural hazards will continue to apply and rezoning land from rural to urban will still require a plan change process.
- more flexibility for regions facing difficulties of accommodating different land uses in their rural environments.

Balance of benefits and costs (Core information)

Does the RIS indicate that the benefits of the Minister's preferred option are likely to outweigh the costs?

36. Further consultation is required to fully unpack the trade-offs of removing large areas of HPL (LUC 3) from the protections of the NPS. The intent by Ministers is that removing this land class would enable more development of greenfield land (particularly urban development), however, this may not have the intended 'on the ground' practical benefits for urban development. Analysis undertaken to inform this interim RIS shows that some LUC 3 land;

- is subject to natural hazards such as flooding,
- is currently used for a wide range of primary production activities, which could impact new housing developments in and around LUC 3 land given reverse sensitivity issues such noise and odour.

37. The strict removing of LUC 3 land would also remove avoid policies of the NPS for rural lifestyle developments, which research has shown to have resulted in the most significant reduction in HPL available for land-based primary production with negligible benefits for addressing housing issues of New Zealand.

38. The use of HPL for urban development is almost always irreversible. The earth works, concreting, and paving over of HPL for urban development means that the land would no longer be able to support primary production activities.

39. It is possible that the balance of benefits and costs of enabling greenfield development on LUC class 3 land could be less than intended, particularly in some of our fastest growing urban areas (e.g Auckland and Waikato) that are surrounded by LUC 1 and 2 land first, and then LUC 3. For example, whilst LUC 3 land is relatively flat and the earth works to prepare the site is reduced compared with steeper land, if LUC 3 land is disconnected from established supporting infrastructure such as storm water management, the infrastructure costs could be significant and place added pressure on LUC 1 and 2 land to provide connectivity of services further reducing the amount of HPL available for land-based primary production.

Implementation

How will the proposal be implemented, who will implement it, and what are the risks?

40. Local authorities are responsible for implementation national direction in line with their responsibilities under the RMA. Testing of SAAs will include considering the role of central government in defining SAAs and also the possibility of suspending

mapping to allow a longer-term solution to managing HPL to be developed under the replacement RM system.

41. Changes to the definition of HPL would impact council work programmes to map HPL in their regions and if it is preferable for councils to continue mapping /plan changes under the RMA ahead of the RM replacement system then an extension to timeframes may be preferable.
42. Public consultation is intended to gather further information on implementation issues that could arise with the changes to the definition of HPL.

Limitations and Constraints on Analysis

Outline all significant limitations and constraints e.g. lack of data, other forms of evidence, constraint on the range of options considered, lack of time or freedom to consult

43. The NPS-HPL came into effect in October 2022 and requires that regional maps of HPL be notified in regional policy statements. No region has yet completed this mapping. Therefore, there is limited evidence on the extent the NPS has restricted urban development, relative to other factors such as funding and financing arrangements.
44. The pace of RM reform and policy development for the NPS-HPL has meant limited:
 - engagement opportunities beyond a select number of councils and PSGEs; and
 - data and testing on the costs and benefits of the proposed options; and
 - ability to consider how the proposal could be implemented alongside wider RM reforms including a replacement RMA given that this programme is still under development.

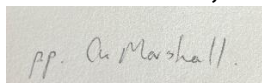
I have read the Regulatory Impact Statement and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the preferred option.

Responsible Manager(s) signature:

Tom Corser, Manager, Land Policy, MPI



Andrew Marshall, Acting Manager, MfE



Quality Assurance Statement

Reviewing Agency: Cross agency panel - (MfE, HUD and MPI)

QA rating: Partially meets

Panel Comment:

A quality assurance panel has reviewed the interim Regulatory Impact Statement (RIS) for the above regulatory proposal. The panel considers that it partially meets the Quality Assurance criteria. The interim RIS clearly sets out the context for the proposed changes. The language used in the document is appropriate for its audience. It is transparent about the limitations of the analysis undertaken to date given constrained timeframes. There are gaps in one or two key areas, such as consultation (particularly with iwi/PSGEs) and identification of a preferred option. However, we consider that there is sufficient information to undertake meaningful consultation at this stage and note that there will be an opportunity to revise the RIS in response to feedback received.

Section 1: Diagnosing the policy problem

What is the context behind the policy problem and how is the status quo expected to develop?

The National Policy Statement for Highly Productive Land and urban development

1. Despite the provisions for urban development in the National Policy Statement for Highly Productive Land (NPS-HPL), issues have been raised about the impact the policy has on restricting urban development. This is outlined in the Going for Housing Growth (GfHG) programme, which describes the NPS-HPL as capturing too much land that is suited for urban development⁶. The GfHG is the Government's plan to get more houses built and work toward addressing the housing crisis.
2. Principally, the inclusion of Land Use Capability 3 land (LUC 3) in the NPS-HPL may overly restrict the supply of greenfield land that may be suited for housing in some parts of New Zealand. These proposed amendments are to give effect to the Government's commitment made via the GfHG programme to remove LUC 3 from the NPS-HPL.
3. The NPS-HPL came into force in October 2022. The objective of the NPS-HPL is to protect Highly Productive Land (HPL) for use in land-based primary production⁷, both now and for future generations. Most provisions have immediate effect, placing restrictions on rezoning, subdivision and land-use proposals on HPL.
4. In the NPS-HPL, land must be zoned rural and not identified for future urban development to meet criteria for mapping HPL. It can include large and geographically cohesive areas of LUC 1-3 land plus any other land that has the potential to be HPL (based on current uses of similar land in the region), having regard to the soil type, physical characteristics of the land and soil, and climate of the area.
5. Until HPL mapping has been notified in a regional policy statement, HPL is:
 - *"Land Use Capability (LUC) class 1, 2, or 3 land"; and*
 - *zoned for rural activities; but*
 - *not identified for future urban development*
6. LUC 1, 2 or 3 land is defined as *'Land Use Capability Class 1, 2, or 3, as mapped by the New Zealand Land Resource Inventory (NZLRI) or by "any more detailed mapping" that uses the Land Use Capability classification'*. The NZLRI is a broad scale national map derived from field surveys generally carried out in the 1970s.
7. The interim definition of HPL (which applies until mapping is completed) was intended to avoid a 'gold rush' of applications on HPL occurring before mapping of HPL in accordance with criteria in the NPS-HPL had been carried out, noting that may include more detailed mapping than New Zealand Land Resource Inventory (NZLRI).
8. HPL is important for land-based primary production, export and domestic food production. A full list of key benefits of HPL is described in Appendix One.
9. LUC 1-3 land is typically flat or gently undulating, has inherently fertile soils and a good climate for growing a range of food and fibre. Approximately 15 per cent of New Zealand's land is considered highly productive based on the LUC classification system², with LUC 1 and 2 comprising approximately 5.2 per cent and LUC 3 approximately 9.2 per cent.

⁶ [Plan Going for Housing Growth.pdf](#)

⁷ **land-based primary production** is defined as: production, from agricultural, pastoral, horticultural, or forestry activities, that is reliant on the soil resource of the land

10. HPL is under pressure from the development of urban and rural lifestyle land. Policy work on the NPS-HPL began in 2019 in response to findings that there had been an ongoing reduction in the availability of HPL for primary production due to the urbanisation of rural land and fragmentation from ad hoc rural lifestyle property development.⁸ Between 2002 and 2019 there was a 54 per cent increase in the amount HPL with an urban or residential land use, therefore making it unavailable or restricted from use in primary production. The urbanisation of rural land is almost always irreversible.
11. At the same time HPL became increasingly fragmented with urban areas increasing by 31 per cent and rural residential land increasing by 109 per cent. Smaller blocks of HPL are often shifted from commercial primary production with little prospect of the land reverting back to primary production.
12. The NPS-HPL was developed alongside the National Policy Statement for Urban Development (NPS-UD) to address the ongoing, incremental loss of HPL and to provide clear direction on when urban rezoning of HPL may occur.
13. Under the status quo, rezoning HPL for urban development is provided for via clause 3.6(1) as follow:

Tier 1 and 2 territorial authorities may allow urban rezoning of highly productive land only if:

14. *the urban rezoning is required to provide sufficient development capacity to meet demand for housing or business land to give effect to the National Policy Statement on Urban Development 2020; and*
15. *there are no other reasonably practicable and feasible options for providing at least sufficient development capacity within the same locality and market while achieving a well-functioning urban environment; and*
16. *the environmental, social, cultural and economic benefits of rezoning outweigh the long-term environmental, social, cultural and economic costs associated with the loss of highly productive land for land-based primary production, taking into account both tangible and intangible values.*

How is the status quo expected to develop?

17. Under the status quo, approximately 15 per cent of New Zealand's landmass is subject to the provisions of the NPS-HPL (being approximately 3.8 million hectares, see Appendix Two). LUC 3 land makes up around 64 per cent of the land area currently protected under the NPS-HPL.
18. Retaining LUC 3 land in the definition of the NPS-HPL would continue the policy intent to protect this land for activities that rely on the soil. Use or development that do not rely on the soil resource of HPL are subject to certain tests and requirements in the NPS-HPL.
19. Retaining LUC 3 in the definition of HPL would have variable impacts nationwide depending on the total area and proportion of LUC 3 relative to the other protected LUC 1 and 2 land classes. Due in part to the distribution of HPL and development of existing urban areas, some districts and regions have more LUC 3 land than others. Therefore, retaining LUC 3 land in the NPS-HPL would mean areas that have a higher proportion of HPL would be more constrained as a result of the NPS-HPL in terms of enabling urban expansion than others. For example:

⁸ Documented in [Environment Aotearoa 2022](#) and [Our Land 2021](#).

- In the Auckland region, around 52 per cent of HPL is LUC 3. Retaining LUC 3 in the NPS-HPL means that 64,500 ha of land in this region is required to apply and meet the NPS-HPL urban rezoning tests in order to be rezoned for urban development.
 - In the West Coast region, LUC 3 makes up almost all HPL. Retaining LUC 3 in the NPS-HPL would mean provisions would apply to restrict the use of this land for urban development and would provide some protection for land-based primary production to use the most versatile soil in the West Coast.
 - Districts with high proportions of HPL (LUC 1-3 land) continue to be disproportionately impacted by needing to meet NPS-HPL urban rezoning tests as part of most urban rezoning. This includes Matamata-Piako District, Rangitikei District, Ashburton District, Waimate District, Timaru District, Carterton District, Stratford District and Hurunui District, that have more than 70 per cent of land within a 2 or 5km buffer being LUC 1-3.
20. The status quo would mean that all Councils would have to apply the NPS-HPL urban rezoning tests as part of rezoning LUC 3 land and that development could only occur on this land in limited circumstances as provided for in the NPS-HPL, which is likely to be misaligned with the Government's GfHG work programme.

What is the policy problem or opportunity?

21. As outlined in the GfHG work programme, the Government has committed to refocussing the NPS-HPL to exclude LUC 3 land. The intent to exclude this land category is chiefly concerned with the role the NPS-HPL might play in inflating urban land prices and contributing to unaffordable housing.⁹ Excluding LUC 3 land from the NPS-HPL is primarily driven by the GfHG work programme, to increase land available for greenfield development.¹⁰
22. The GfHG programme is also committed to protecting New Zealand's most agriculturally productive land from excessive development, and changes need to be considered within the context of the resource management system to achieve sustainable management of natural and physical resources, as well as ongoing RMA reforms.

Key underlying assumptions about the policy problem

23. The key underlying assumption is that removing LUC 3 from the restrictions of the NPS-HPL will enable more greenfield development and get more houses built.

⁹ A joint paper authored by Housing Technical Working Group (HTWG), a joint initiative of the Treasury, Ministry of Housing and Urban Development and Reserve Bank of New Zealand found that restrictions on the supply of urban land are estimated to have added \$378.4 per square metre to the price of urban land immediately inside of the Rural Urban Boundary line in Auckland in 2021. [Analysis of availability of land supply in Auckland - November 2024.](#)

¹⁰ Land supply plays a pivotal role in addressing the housing crisis, as such, constraints or restrictions placed on how land can be used are identified as drivers or contributing factors in exacerbating the housing crisis. There is recognition that these 'constraints or restrictions' play a role in ensuring that urban environments are appropriately reflective of the different needs and demands of people, such as, open spaces for leisure, and appropriate rules and regulations to manage reverse sensitivity from industrial pollution.

As outlined in the below papers:

- [Speech: Housing affordability in Aotearoa New Zealand: The importance of urban land supply, interest rates, and tax - 9 September 2022 \(treasury.govt.nz\)](#)
- [the price is right for treasury and mfe.pdf \(nzier.org.nz\)](#)

24. As the NPS-HPL only came into force in October 2022, and because Councils are yet to notify maps of HPL in Regional Policy Statements (RPS's), the role of the NPS in inflating urban land prices and extent it has restricted urban development is not fully understood. There is also limited evidence that the NPS-HPL has not enabled urban development where appropriate in the short time the policy has been in force.

The distribution of LUC 3 may not yield immediate housing benefits

25. Some of our fastest growing urban areas like Auckland, Hamilton, and Christchurch are firstly surrounded by LUC 1 and 2, then further out by LUC 3 land (see figure 1). The removal of LUC 3 from the NPS-HPL would open up this land category for development, however due to its distribution it may be disconnected from established supporting infrastructure and could contribute to further development pressure on LUC 1 and 2 to enable connectivity of infrastructure and services. Therefore, it is unclear how the freeing up of more greenfield land for urban development through the removal of LUC 3 will lead to 'well-functioning urban environments'.¹¹

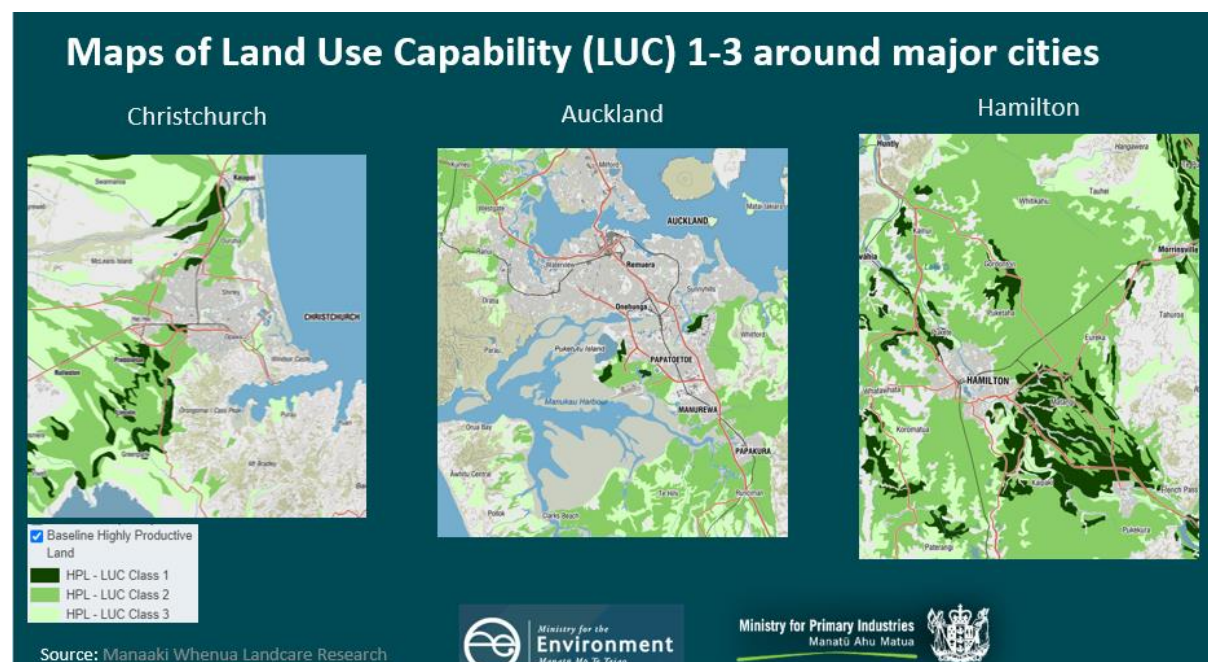


Figure 1: Maps of Land Use Capability (LUC) 1-3 around major cities

Constraints of using LUC 3 for housing

26. Not all LUC 3 land is suitable for urban development as illustrated by the analysis of areas at risk of flooding relative to LUC class 3. Key findings from this analysis are provided in Appendix Three.¹²

27. The results of this analysis suggest that some LUC 3 land may not be suitable for urban development due to other constraints such as natural hazards and that it may be appropriate to continue to protect some of this land for land-based primary production, particularly where it is important for domestic and/or export markets. Another consideration may be whether it is important to protect this land from fragmentation

¹¹ (Objective 1 of the NPS-UD) [National Policy Statement on Urban Development 2020 \(environment.govt.nz\)](https://www.environment.govt.nz/national-policy-statement-on-urban-development-2020)

¹² The analysis looked at distances of 2km, 5km, and 10km from the edge of major urban areas to assess how much LUC 3 land within the cited distances were prone to flooding and also outlines other constraints to urban development.

due to rural lifestyle subdivision which has negative impacts on both urban development and the viability of using that land for primary production.

28. These constraints present relevant considerations for informing how to implement LUC 3 removal.

How LUC 3 is currently used could impact new housing developments

29. An analysis of the existing use of LUC 3 shows that LUC 3 land is predominantly (90 per cent) used for land based primary production with some regional variation.¹³ The predominant current use of land based primary production on LUC 3 land is Livestock (55 per cent) and Dairy (35 per cent) though this also varies regionally.¹⁴
30. The majority of LUC 3 land that is not used for land based primary production is used for residential lifestyle. This is consistent with the findings from Our Land reports by the Ministry for the Environment and Stats NZ, which describe land fragmentation caused by residential lifestyle development. Land fragmentation impacts on the viability of that land to be used for land-based primary production but also makes it more difficult for urban development due to land assembly and multiple owners of land which contributes to increased land values. Another significant non-primary production use of LUC 3 land is infrastructure – refer Appendix Four for further information.
31. These current uses present reverse sensitivity implications for housing developments and may impact the appeal of locating in and around LUC 3 that is used for different primary production activities.

What objectives are sought in relation to the policy problem?

32. The objectives sought in relation to these policy problems are guided by the purpose of the RMA, the objective and intent of the NPS-HPL, the Government's GfHG work programme objectives, and the Government's agreed objectives for supporting a resource management (RM) system transition.

Purpose of the Resource Management Act 1991

33. The purpose of the Resource Management Act (RMA or the Act) is to promote the sustainable management of natural and physical resources.
34. In terms of the management of HPL the objective informed by s5 is to enable the use, development and protection of this resource in a way or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being and for their health and safety while —
- a. *sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
 - b. *safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
 - c. *avoiding, remedying, or mitigating any adverse effects of activities on the environment.*

¹³ The largest amount of LUC 3 land not used for land based primary production being in Auckland (29%) and the Nelson region (45%).

¹⁴ In Marlborough and Tasman there is a relatively high proportion of LUC 3 land used for intensive horticulture including vineyards (30%). In Bay of Plenty and Nelson Region there is also a relatively high proportion of LUC 3 land used for forestry (10% and 30% respectively). In Taranaki and West coast LUC 3 land approximately 80% of LUC 3 land used for land based primary production is used for Dairy. Whilst in Hawkes Bay and Gisborne approximately 80% of LUC 3 land used for land based primary production is used for livestock (sheep and beef farming).

35. HPL is not directly a matter of national importance under s6 of the RMA, however it is indirectly a matter of national importance in that the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga is a s6 matter and via consultation Iwi/Māori have told us they consider HPL to be a taonga.
36. HPL is a matter which should be given particular regard under of s7 of the RMA when achieving the purpose of the Act particularly in terms of:
 - (a) kaitiakitanga
 - (aa) the ethic of stewardship
 - (b) efficient use of natural and physical resources
 - (g) any finite characteristics of natural and physical resources:
37. Section 8 of the RMA also provides a clear objective in relation to the policy problem in that achieving the purpose of the RMA, the principles of the [Treaty of Waitangi](#) (Te Tiriti o Waitangi) must be taken into account.
38. At this stage, it is considered that 'the proposal' is an appropriate way in the interim to enable greenfield development whilst achieving consistency with the purpose of the RMA. Further information is needed to assess the details of 'the proposal' in terms of the purpose of the RMA, post consultation.
39. In general, 'the proposal' is considered consistent with the purpose of the RMA because it:
40. Makes it easier to undertake urban development on LUC 3 land whilst maintaining protection of LUC 1 and 2 land
41. Enables people and communities greater opportunities to use LUC 3 land in a way that provides for their social, economic, and cultural wellbeing by **being more enabling of urban development.**
42. The proposal provides an interim solution which will likely have some adverse effects on the availability of LUC 3 land for primary production. However the proposal also allows for a longer-term solution to managing HPL to be developed which:
 - Sustains the potential of natural and physical resources to meet the reasonably foreseeable needs of future generations
 - Safeguards the life-supporting capacity of air, water, soil and ecosystems
 - Avoids, remedies, or mitigates any adverse effects of activities on the environment.

Objective and intent of the NPS-HPL

43. The objective of the NPS-HPL 2022 is to protect HPL for use in land-based primary production, both now and for future generations. NPS-HPL policies provide direction on how to manage urban development on HPL and describe other activities that are exceptions to inappropriate use or development on HPL (clause 3.9(2)) as follows:

Clause 3.9(2)

A use or development of highly productive land is inappropriate except where at least one of the following applies to the use or development, and the measures in subclause (3) are applied:

(a) it provides for supporting activities on the land:

(aa) it provides for intensive indoor primary production or greenhouse activities:

(b) it addresses a high risk to public health and safety:

(c) it is, or is for a purpose associated with, a matter of national importance under section 6 of the Act:

- (d) it is on specified Māori land:*
- (e) it is for the purpose of protecting, maintaining, restoring, or enhancing indigenous biodiversity:*
- (f) it provides for the retirement of land from land-based primary production for the purpose of improving water quality:*
- (g) it is a small-scale or temporary land-use activity that has no impact on the productive capacity of the land:*
- (h) it is for an activity by a requiring authority in relation to a designation or notice of requirement under the Act:*
- (i) it provides for public access:*
- (j) it is associated with one of the following, and there is a functional or operational need for the use or development to be on the highly productive land:*
 - (i) the development, operation, or decommissioning of specified infrastructure, including (but not limited to) its construction, maintenance, upgrade, expansion, replacement, or removal:*
 - (ii) the maintenance, operation, upgrade, or expansion of defence facilities operated by the New Zealand Defence Force to meet its obligations under the Defence Act 1990:*
 - (iii) mineral extraction that provides significant national public benefit that could not otherwise be achieved using resources within New Zealand:*
 - (iv) aggregate extraction that provides significant national or regional public benefit that could not otherwise be achieved using resources within New Zealand.*

Objectives for supporting a resource management system transition

44. The Cabinet Economic Policy Committee has agreed a set of objectives for the wider reform of the resource management system being:

- *making it easier to get things done by:*
- *unlocking development capacity for housing and business growth;*
- *enabling delivery of high-quality infrastructure for the future, including doubling renewable energy;*
- *enabling primary sector growth and development (including aquaculture, forestry, pastoral, horticulture, and mining);*

while also:

- *safeguarding the environment and human health;*
- *adapting to the effects of climate change and reducing the risks from natural hazards;*
- *improving regulatory quality in the resource management system;*
- *upholding Treaty of Waitangi settlements and other related arrangements*

45. The goal is to have a replacement RM system in place by the end of 2025.

46. Trade-offs and tensions between objectives are inevitable. The overarching objective is to ensure the amendments continue to achieve the objective of protecting HPL (a finite resource) for use in land based primary production both now and for future generations whilst ensuring there are appropriate pathways for development to provide for social, economic, and cultural well-being. The purpose of the amendments to the NPS-HPL is to shift towards being more enabling of development to help deliver the Government's

goals to open-up greenfield land for urban development, whilst limiting the impacts on the availability of HPL for land-based primary production.

47. It is worth noting that there will be instances where protecting HPL and enabling urban development or managing freshwater interactions of the NPS-HPL with the NPS-FM may not always be a streamlined process. The intent however, is that councils take an integrated management approach to managing the interactions between these national directions¹⁵, specific direction is provided via policy 2 and clause 3.2 of the NPS-HPL, further information on balancing potential trade-offs between different national direction is discussed in the ‘what options are being considered’ section below.

What consultation has been undertaken?

48. Targeted pre-engagement with some regional council stakeholders and Post-Settlement Governance Entities (PSGEs) was undertaken as part of early policy development in September/October 2024. This engagement was limited to a select number of regional councils and PSGEs, due to time constraints, availability of participants, and scope of proposed amendments.

Pre-engagement with Post-Governance Settlement Entities (PSGEs)

49. In the time available, it has not been possible to engage with all relevant PSGE, iwi or Māori groups in relation to the potential impacts of the proposal. Groups that have either previously indicated that they wish to be consulted on further amendments to the NPS-HPL, or who have early engagement obligations arising from Treaty settlements or other arrangements were informed of the proposed changes and invited to hui. This may have partially met the pre-engagement requirements specified in Treaty settlement legislation and other relevant arrangements including relationship agreements and accords. The hui arranged for PSGE’s to engage with the proposal was attended by nine groups.
50. Removal of LUC 3 is likely to result in less costs to develop Māori land (not captured by the definition of specified Māori land)¹⁶ as restrictions imposed by the NPS-HPL will no longer apply.
51. Feedback from PSGEs that attended the hui were relatively comfortable or indeed supported the removal of LUC 3. Though it was also noted that removal of LUC 3 would not ‘solve’ the issue of managing the tensions when planning for future growth. Other important considerations raised were:
- Interactions with freshwater management noting nutrient levels in waterbodies were already high
 - Capacity of existing infrastructure as a limiting factor
52. One PSGE supported having central government direction on growth planning – but emphasised that it was very important for decisions to be made locally and involve tangata whenua.
53. Depending on the process for identifying SAAs, the determination of SAAs may diminish the opportunities to involve tangata whenua in deciding the criteria and/or mapping of these areas. A usual Schedule One process coupled with the existing policy 3.3 in the NPS-HPL would be similar to the status quo for mapping HPL, therefore costs related to

¹⁵ Considering regional or district priorities between the three NPS’s.

¹⁶ See clause 1.3

the changes are likely to be neutral. Other options involving a greater level of central government input and or board of inquiry options may result in less opportunities for tangata whenua involvement. It is unclear how these process options would interact with the replacement RM system.

54. Whilst it is not possible to fully assess impacts of these policies / options on existing Treaty settlements and iwi and hapū currently in Treaty settlement negotiations in lieu of fuller engagement and consultation:

- the policy proposals do not propose to change the mechanisms that provide for Treaty settlement or other arrangements in consenting and planning processes, (eg, statutory acknowledgements and participation and plan making processes).
- Requirements to notify relevant iwi-Māori groups as specified by the arrangements and RMA will continue to apply.
- PSGEs and other representative Māori groups will continue to influence decision making through council planning and consenting processes.
- Groups who participated in targeted consultation did not raise specific concerns related to impacts of these proposed options on their Treaty settlements.

55. Further consultation will be required to accurately reflect Māori rights and interests in this policy proposal and to meet the Crown's obligations under settlements.

Pre-engagement with councils

56. Based on pre-engagement with some councils, there will be some support for retaining LUC 3 in the definition of HPL, this is because:

- the removal of LUC 3 land may result in higher implementation costs for councils¹⁷. The interspersed nature of LUC 1, 2 and 3 means that more detailed site-specific assessment may be required by councils, as it is not currently possible to do from the resolution of NZLRI maps (which is at 1:50,000 and 1:63,360 scale).
- the removal of LUC 3 land would affect some districts more than others¹⁸. Many urban centres are surrounded by LUC 1 and 2 land (eg, Auckland, Hamilton and Hastings), therefore excluding LUC 3 from the NPS-HPL may not assist in enabling supply of land for housing in some of our fastest growing areas.
- there is limited evidence that the NPS-HPL has not enabled urban development in the short time the policy has been in force.

57. Other council feedback included how the proposals for HPL would work with or align with other changes being considered to national direction such as the National Policy Statements for Freshwater Management and Urban Development.

Section 2: Assessing options to address the policy problem

What criteria will be used to compare options to the status quo?

58. Drawing from the objectives above, the criteria outlined in table 1 are used to evaluate the options in this interim RIA.

¹⁷ These costs have not been quantified, but public consultation presents an opportunity to gather this information from councils.

¹⁸ Districts without LUC 1-2 land would lose the ability to protect their most productive land (e.g., Queenstown and Waitaki).

Table 1: Criteria used to assess option

Criteria	Approach for analysis
1. Effectiveness	<ul style="list-style-type: none"> Does the option achieve the objectives and provide regulatory certainty? Does it provide a solution to the identified problem?
2. Efficiency	<ul style="list-style-type: none"> Is it cost-effective?
3. Alignment	<ul style="list-style-type: none"> Does the option integrate well with other proposals and the wider statutory framework? Impact on existing objectives in current national directions. Is it reducing complexity and providing clarity for Local Government on how to address tensions/conflicts between national direction instruments?
4. Implementation	<ul style="list-style-type: none"> Does it support consistent decision making and management by councils, and provide clear direction on the role and responsibility of central government, tangata whenua, landowners and other stakeholders?
5. Treaty of Waitangi	<ul style="list-style-type: none"> Does the option take into account the principles of Te Tiriti o Waitangi? Does the option uphold Treaty settlement obligations?

What scope will options be considered within?

Ministers' direction and GfHG work programme

59. The scope of the options considered for this issue (LUC 3 restricts urban development) have been informed by Ministerial direction and alignment with Government priorities for the GfHG work programme.
60. Other matters that have influenced the scope the options have been considered within include the pace of reform; availability of information on the problem, alignment with Part 2 of the RMA, and extending/suspending mapping requirements

Pace of reform

61. The Government has agreed to make these policy changes through a co-ordinated National Direction programme and intends for these to be consulted on in 2025. This timeframe has limited the identification of options, and level of analysis, but more particularly engagement with iwi/Māori and stakeholders and collating/reviewing evidence.

Availability of information on the problem

62. As the NPS-HPL only came into force in October 2022, and because Councils are yet to notify maps of HPL in Regional Policy Statements, its role in inflating urban land prices and restricting urban development is not fully understood. There is also limited evidence that the NPS-HPL has not enabled urban development where appropriate in the short time the policy has been in force.

63. An analysis of caselaw (Westlaw) over the first two years showed there have been 32 relevant cases - 14 related to plan changes/rezoning, 10 to land use consents and eight relating to subdivision. Some areas of focus in these cases have been:
- how to apply the transitional definition of HPL clause 3.5(7)(b) in plan change appeals where councils have yet to map their HPL, specifically determining if the plan change was exempt from the provisions of the NPS-HPL based on land being already 'identified for future urban development' or subject to a 'council initiated, or an adopted, notified plan change'.
 - whether the NPS-HPL provisions apply in specific subdivision appeal cases.
 - whether primary production supporting infrastructure such as seasonal worker accommodation and crop protection structures, are deemed "consistent with the policies in the NPS-HPL" (*Horticulture New Zealand v Waikato District Council* [2024])
 - the use of site-specific assessments and detailed mapping when determining if a site is HPL or not.
64. A list of cases where the NPS-HPL was a relevant consideration (derived from an online legal search platform – 'Westlaw') is provided in Appendix Five.
65. We do understand from anecdotal feedback from some councils and private developers¹⁹ that in some cases, the NPS-HPL presents a high administrative burden when preparing and considering private plan changes and restricts the ability for councils to be responsive to providing additional land for housing.
66. The ability to gain additional insights was further restricted by the timeframe available for engagement. Limited levels of engagement have occurred to date and consequently feedback from stakeholders, Treaty partners, and councils is limited at this point.

Alignment with Part 2 of the RMA

67. It is the statutory function of the Minister for the Environment to propose and approve national direction following the processes set out in sections 46A and 52 of the RMA. This includes ensuring that the proposed national direction is consistent with the purpose of the Act (including considering the matters in Part 2). Failure to meet statutory requirements could result in judicial review or other legal challenge.

Implications of timeframes for HPL mapping and options being considered

68. Removal of LUC 3 would likely mean that notification requirements of HPL in regional policy statements need to be extended or suspended (current timeframes are for maps to be completed by October 2025, around the same time as new criteria for HPL mapping may come into effect).
69. . Whether timeframes for mapping are extended or whether mapping is paused depends on whether the preference is:
70. for Councils to progress plan changes under the RMA ahead of the replacement RMA; (in which case an extension of timeframes via a separate legislative process²⁰ would be more appropriate; or
71. to provide time for a longer-term solution to managing highly productive land to be developed in the replacement RM system. This would involve directing Councils to

¹⁹ Who have written to the Ministry or Ministers about the NPS-HPL.

²⁰ Extending timeframes would be considered in light of s 44(3)(d) a new section of the RMA 'to extend the time frame for implementation of any part of a national environmental standard' (inserted via the Resource Management (Freshwater and Other Matters) Amendment Act 2024).

suspend mapping of HPL²¹. Giving effect to the NPS-HPL would be based on the interim definition of HPL.

72. Feedback from consultation will inform the pros and cons of either extending or suspending timeframes for mapping HPL.

Options considered but not recommended

73. Non-regulatory options have not been considered by MPI and MfE policy officials (such as updating Implementation Guidance and support for councils), as they would not sufficiently address the policy issues described. Guidance is not legally binding and therefore cannot extend or amend the scope of a national policy statement.

What options are being considered?

Option One – Status Quo / Counterfactual - LUC 3 remains in the NPS-HPL

74. The status quo would mean LUC 3 remains in the definition of HPL, and the NPS would continue to protect around 15 per cent of the country's landmass for land-based primary production. This option would align with the intent and objective of the NPS-HPL to protect HPL for use in land-based primary production both now and for future generations.
75. See Appendix One for extracts of key benefits of HPL.
76. The option would not align with the Government's commitment to exclude LUC 3 from the NPS-HPL.

Option Two – HPL is LUC 1 and 2 only (strict removal of LUC 3)

77. This option removes all references to LUC 3 from the NPS-HPL. LUC 1 and 2 land is often closely located to LUC 3 land and in some cases LUC 1-3 have similar characteristics and topography. As such, updates to the *NPS-HPL: Guide to Implementation* would need to be undertaken to support council mapping of HPL.
78. Until such time as HPL has been mapped as part of the regional policy statement and these maps have been made operative, the definition of HPL would apply to land, that is at commencement date;
- (i) zoned general rural or rural production; and
 - (ii) LUC 1, 2, or 3 land; but
 - (b) is not:
 - (i) identified for future urban development; or
 - (ii) subject to a Council initiated, or an adopted, notified plan change to rezone it from general rural or rural production to urban or rural lifestyle.
79. The reference to LUC 3 land currently in this clause of the NPS-HPL would be removed under this option (as illustrated above).
80. Under the current NPS-HPL, mapping based on the NZLRI is conclusive of LUC status, meaning that site-specific assessments of HPL during this period (ie, before HPL has been mapped in accordance with clause 3.4) is not required unless a regional council accepts any more detail mapping²².
81. This option would significantly reduce land area subject to restrictions of the policy, which would better enable urban development in some regions, but means LUC 3

²¹ One way of suspending the mapping could be to amend Part 4 of the NPS-HPL

²² Note Blue Grass Ltd v Dunedin City Council and Otago Regional Council decision

would no longer be protected for land-based primary production and risks further losses for a finite non-renewable resource.

82. The option would also mean lifestyle developments, which has resulted in the most significant loss of HPL would be able to locate on LUC 3.
83. The removal of LUC 3 from the criteria for mapping HPL will have some implementation issues and consequential amendments to the mapping criteria maybe be required such as:
- Amend ‘large and geographically cohesive’ (clause 3.4(5)(b))
 - Amend whether small and discrete areas of LUC 3 should be included in HPL mapping clause 3.4(5)(c)(d)
 - Amend requirements for mapping scale and use of site-specific assessments (clause 3.4(5) (a))
 - Remove discretion for councils to map other land that has the potential to be based on current uses of similar land in the region), highly productive for land-based primary production in that region, having regard to the soil type, physical characteristics of the land and soil, and climate of the area as in clause 3.4(3).
84. The intent of the consequential amendments is to address implementation issues that could arise due to a change in the definition of HPL, what these changes entail, and their extent is subject to outcomes of consultation.

Option three - HPL is LUC 1 and 2 plus Special Agriculture Areas (SAAs)

85. Under this option, HPL would be LUC 1 and 2 plus special agriculture areas (SAAs). SAAs are intended to be subject to the same provisions as LUC 1 and 2. SAAs may capture land that is not LUC 1 and 2 but is important for land-based primary production. This would require criteria for identifying SAAs, including details about how the identification of HPL will achieve ‘large and geographically cohesive’ areas²³ to mitigate reverse sensitivity issues (e.g odour), as well as the process and decision-making responsibilities.
86. SAAs would be a new category of HPL intended to align with the Government’s GfHG work programme to remove LUC 3 from the NPS-HPL. It recognises that areas important for food and fibre production may be compromised by the removal of LUC 3 and that these ‘special agricultural areas’ would require protection under national direction.
87. Ministerial direction on SAAs is that they be restricted to key food producing areas that are important for both domestic and international markets (eg, Pukekohe and Horowhenua).
88. The implementation issues relating to the criteria for SAAs will be tested as part of public consultation. Feedback will also be obtained to inform the process for identifying SAAs including decision making responsibilities. The options include:
- mapped by local authorities following a Schedule 1 process; or

²³ “Large and geographically cohesive area” in Clause 3.4(1) are intended to give regional councils the flexibility to define the spatial extent of HPL based on pragmatic geographic boundaries (eg, roads, rivers, property boundaries), instead of requiring that every area of LUC class 1, 2 and 3 land in the region is identified and mapped as HPL.

- greater central Government involvement either introduced by direct insertion under the RMA via s55(2)(c)²⁴ or determined by a Board of Inquiry (BOI) or the Environment Court (EC) as a matter of national significance (via s142)²⁵.

89. Mapping of SAAs by local authorities would align with direction in the NPS-HPL to notify a plan change via Schedule 1 of the RMA. This option would provide discretion for landowners to submit on a councils proposed SAA mapping. Direction in the NPS-HPL would need to be clear how councils should undertake the mapping of SAAs to avoid implementation issues and challenges to inconsistent council decisions with the NPS-HPL. Consideration also needs to be given to the timeframes for completing mapping under a schedule one process and the importance or issues related to progressing plan changes under the RMA at the same time as plan changes are progressed to give effect to the replacement RM system.

90. Greater involvement of central Government would potentially lead to SAAs taking effect quicker than a Schedule 1 process. However, the potential legislative options under the RMA involving greater central government intervention to give effect to SAAs is complex. Section 55(2) of the RMA is usually limited to objectives and policies of an NPS to be directly inserted into lower order planning documents, or for environmental limits/constraints, usually provided by NES's. Therefore this option requires further work to test how feasible these legislative steps are for giving effect to SAAs. The BOI or EC option under s142 of the RMA as a matter of national significance is also a complex process where a request must be lodged by a local authority, and then the Minister decides to apply s142 as part of a matter of national significance, which is then, subject to discretion of the Minister, referred to a board of inquiry or Environment Court for decision.

Key considerations for this option

91. Some key considerations relating to the criteria for SAAs include ensuring the criteria:
- are defensible and consistent with the objective of the NPS-HPL and future proofed; and
 - would support robust decision making for why some productive areas of the country could be an SAA and not others.

²⁴ s55(2):

A local authority must amend a document, if a national policy statement directs so,—

(a) to include specific objectives and policies set out in the statement; or

(b) so that objectives and policies specified in the document give effect to objectives and policies specified in the statement; or

(c) if it is necessary to make the document consistent with any constraint or limit set out in the statement.

25 (s142) Minister may call in matter that is or is part of proposal of national significance

(1) This section applies if a matter has been lodged with a local authority and—

(a) the Minister, at his or her own initiative, decides to apply this section; or

(b) the Minister receives a request from an applicant or a local authority to make a direction for the matter under subsection (2).

92. In terms of the process for identifying SAA and where the decision-making responsibilities, key considerations are:

- access to relevant data
- whether a schedule one process will be desirable and the timeframes
- whether the identification of SAAs should be integrated with the identification of future urban areas and /or consider freshwater implications
- the capacity of Councils to undergo plan changes ahead of wider RM system reforms.

Alignment of this option with other national direction

93. The implementation of SAAs will need to consider how they are intended to work alongside changes to the NPS-FM. The commitment by Ministers is to test SAAs including limiting them to Pukekohe and Horowhenua. Limiting SAAs to these two areas could lock SAAs into being just about horticulture, particularly vegetable production, which is an intensive land use. This could be misaligned with efforts to address freshwater quality in both of these areas.

94. The option would also need to consider how this links with the NPS-UD, as there will be instances where providing for housing and protecting HPL could conflict.

95. The NPS-HPL was closely developed alongside the NPSUD with both objectives in mind. The instruments are intended to be given effect to by councils in an integrated way, considering regional and district priorities for protecting HPL, as well as direction for housing and freshwater matters.

96. Policy 2 of the NPS-HPL specifically states that *the identification and management of highly productive land is undertaken in an integrated way that considers the interactions with freshwater management and urban development*. Clause 3.2 also specifies requirement for local authorities to take an integrated management approach to key interactions between HPL, subdivision, use and development of land, and freshwater management. These provisions seek to ensure that decisions to protect HPL are made alongside managing freshwater quality and quantity, and that the management of both these resources are considered together as part of the plan-making process – for example, in setting water quality and quantity limits and allocations. The provisions also reiterate good practice in terms of taking a co-ordinated approach when working across administrative boundaries. Integrated management is not a new concept and is already a function of regional councils and territorial authorities under sections 30(1)(a) and 31(1)(a) of the RMA, respectively.

97. The intent of this option to prescribe certain areas as SAAs will need to be considered with the interactions with freshwater and urban development matters. Public consultation provides an opportunity to gather further information about the pros and cons of options to remove LUC 3 and include SAAs in the definition of HPL.

Option four - LUC 3 is removed from urban rezoning decisions (Council led plan changes) only (HPL mapping continues to be LUC 1-3)

98. This option removes LUC 3 from Council led urban rezoning decisions only, meaning that LUC 3 is not subject to urban rezoning tests in the NPS-HPL. LUC 3 will continue to be mapped as HPL and avoid policies in the NPS on rural lifestyle developments on LUC 3 class land would be retained.

99. Rural lifestyle development is a particularly significant driver of the loss of HPL. This development often causes the fragmentation of productive land, resulting in irreversible

land use change, and the loss or underutilisation of land for primary production purposes. This type of development is also more sensitive to primary production effects (ie, noise, odour and dust) and leads to reverse sensitivity effects. Findings from Our Land reports have described how land fragmentation caused by increases in small parcels of land with a dwelling can overtime impact the use of HPL for land based primary production²⁶. It can also make it more difficult for urban development due to land assembly and multiple owners of land which contributes to increased land values.

100. This option may not align with the commitment ‘to remove LUC 3’ as LUC 3 would still be included in HPL maps. However, this option would work with the GfHG programme to better provide for greater development of greenfield land.

26 [Our-land-201-final.pdf](#) and [Environment Aotearoa 2022](#)

How do the options compare to the status quo/counterfactual?

	Status quo	Option 2 – HPL is LUC 1 and 2 only	Option 3 – LUC 1 and 2 plus special agriculture areas	Option 4 – LUC 3 is removed from urban rezoning decisions only (HPL mapping continues to be LUC 1-3)
Effectiveness	0	-	0	0
Efficiency	0	-	0	+
Alignment	0	-	+	0
Implementation	0	-	-	0
Treaty of Waitangi	0	0	0	0
Overall assessment	0	-	-	+

Table two: multi criteria table comparing proposed options relative to the status quo

Key:

++ much better than doing nothing/the status quo,

+ better than doing nothing/the status quo,

- worse than doing nothing/the status quo,

- - much worse than doing nothing/the status quo,

0 similar to making no change retaining the status quo

101. A detailed assessment of the above table two is provided in table three below. Due to the complexities and contingencies of the options being considered to timeframe extension/suspension of mapping HPL, it is not possible to fully reflect the nuances and trade-off of the options being considered in the multi criteria table.

Table three: Pros and cons of options relating to LUC 3 removal relative to the criteria used to assess options (see assessment criteria in table 1)

<i>Option 1 Status Quo/Counterfactual (retain LUC 3)</i>		
<i>Criteria</i>	<i>Pros</i>	<i>Cons</i>
1. Effectiveness	Retaining LUC 3 in the definition of HPL, alongside the pathways for enabling urban development on HPL is considered to be more effective at ensuring the availability of HPL for use in land based primary production for future generations.	The status quo is unlikely to address the cited problem, as retaining LUC 3 in the NPS-HPL would not provide easier pathways for housing and urban development whilst avoiding impacts on the availability of HPL for land-based primary production.
2. Efficiency	May not be as cost-effective for landowners or for urban development.	The status quo is unlikely to align with work being undertaken to reduce consenting barriers for urban and housing development, as part of the NPS-UD and GfHG programme.
3. Alignment	<p>The status quo aligns with the intent and objective of the NPS-HPL to protect HPL for use in land-based primary production both now and for future generations.</p> <p>Potentially more consistent with RMA s5 and s7 than Options 2 and 3 in that it safeguards the life supporting capacity of soil – subject to further testing.</p>	Given the status quo would not provide easier pathways for uses or development of HPL that do not rely on the soil resource of HPL in their districts (ie, without plan changes/rezoning) this option in some circumstances may not be cost-effective for some councils.
4. Implementation	The option is consistent with how some council plans and technical LUC handbooks refer to highly productive land (ie, generally associated with LUC 1-3 land ²⁶).	The misalignment with GfHG and wider system objectives could result in implementation issues for councils as the NPS-HPL

		<p>may become a barrier in meeting requirements under an amended NPS-UD.</p> <p>Requirements for HPL maps to be notified in regional policy statements will need to be extended or suspended by –up to three years (current timeframes are for maps to be completed by October 2025).</p>
5. Treaty of Waitangi	<p>During the development of the NPS-HPL Iwi/Māori were generally supportive of the intent of the NPS-HPL. Feedback received at that time highlighted:</p> <ul style="list-style-type: none"> the general support for protecting highly productive lands for primary production purposes the importance of highly productive land to the health and wellbeing of marae, hapū, whānau and the wider community the general support for the policy intent to give councils and their communities the flexibility to identify highly productive land based on a range of considerations. 	
<i>Option 2 (Strict Removal of LUC 3)</i>		
<i>Criteria</i>	<i>Pros</i>	<i>Cons</i>
1. Effectiveness	<p>Option 2 provides a solution to the cited problem– as well as potentially being more cost-effective as the area required to be mapped is significantly reduced.²⁷</p>	<p>Removal of restrictions on urban development on LUC 3 land would significantly reduce the land available for land-based primary production: by two thirds, from around 15% of New Zealand's landmass to less than 5%, which will affect some regions more than others.</p> <p>Removal of restrictions on rural lifestyle development on LUC 3 land would make it less viable to use HPL for either primary production or urban development due to land assembly (fragmentation) and reverse sensitivity issues.</p>
2. Efficiency		

		HPL is a finite resource and has faced a significant reduction in recent decades. Strict removal of LUC 3 may compromise the availability of HPL for land-based primary production.
3. Alignment	The option would align with work being undertaken across Government to reduce consenting barriers for urban and housing development, as LUC 3, which is around 9% of New Zealand's land area (or 65% of land currently protected by the NPS-HPL), would be removed.	<p>Option 2 is less aligned with the objective of the NPS-HPL compared with the status quo.</p> <p>Option 2 would be misaligned with the empirical work underpinning the LUC framework and technical guidance (eg, technical LUC handbook).</p>
4. Implementation	<p>Alignment with other national direction to support GfHG programme will potentially avoid implementation issues arising from conflicting national direction.</p> <p>As some councils have more LUC 3 land than others, implementation responsibilities for councils with minimal LUC 1 and 2 land would be significantly reduced.</p>	<p>Removal of LUC 3 from mapping criteria will require amendments to other mapping criteria eg difficult to define large a geographically cohesive areas of just LUC 1 and 2 areas given the distribution of LUC 1 and 2 and them being in dispersed with LUC 3 land. More detailed mapping may be required to determine which parcels of land are in and out – which may not align with natural features or boundaries.</p> <p>Requirements for HPL maps to be notified in regional policy statements will need to be extended or suspended by – up to three years (current timeframes are for maps to be completed by October 2025).</p> <p>Regions with primarily LUC 3 land (eg West Coast) would no longer have national level HPL protection which increases the risk that the amount of HPL available for use in land based primary production is significantly diminished. (Noting that this depends on the demand for urban development in that region which could be lower than other regions).</p>
5. Treaty of Waitangi	Removal of LUC 3 from the NPS-HPL is likely to result in reduced costs to develop land owned by Māori (not captured	Some iwi/Māori have raised concerns that urban development of land around Māori land impacts their enjoyment and use of

	by the definition of specified Māori land) as restrictions imposed by the NPS-HPL will no longer apply.	their land. Therefore, making it easier to develop LUC 3 for urban use may have impacts for Māori land.
<i>Option 3 (LUC 1-2 plus SAAs)</i>		
1. Effectiveness	<p>Provision for SAAs will provide opportunities for more protection of HPL for land-based primary production than option 2 whilst also being more enabling of urban development on LUC 3.</p> <p>Option 3 provides a solution to the cited problem as well as potentially being more cost-effective as the area required to be mapped is significantly reduced this is subject to outcomes of public consultation and is caveated with policy intent of this option to capture land that is not just LUC 1 and 2 (it could capture classes above these).</p>	<p>The addition of SAAs as HPL would provide certainty that some areas continue to be protected despite removal of LUC 3, however, a change to the definition of HPL and introduction of a new land category could impact regulatory certainty of SAAs, particularly the criteria for an area being an SAA.</p> <p>This option is likely to be impacted by changes to the RM system which are still under development though which may provide more effective/efficient methods for achieving objectives than proposed here.</p>
2. Efficiency	This option is potentially more cost-effective as the area required to be mapped is significantly reduced.	Depending on the criteria for areas that are mapped as SAAs, the option may not prove to be cost-effective if it results in councils facing appeals for their mapping of SAAs. Consultation and specific direction provided in the NPS for the areas that are required to be map SAAs is intended to mitigate potential implementation issues.
3. Alignment	<p>Likely to better align with the RMA (Part 2) in terms of sustainable management of natural and physical resources than Option 2 (strict removal of LUC 3) – subject to further testing.</p> <p>The option would better align (compared to the status quo) with wider Government work underway to reduce consenting barriers for urban development</p>	Further work is required to assess how SAAs would align with the NPS-UD and NPS-FM, as well as the ongoing changes to these other policies. SAAs, where the intent is to prescribe certain areas as protected for food production, could be misaligned with efforts to address freshwater quality in these areas (e.g Pukekohe and Horowhenua). Intensive vegetable production would lock these areas into use and development

		that could potentially make addressing freshwater issues unfeasible.
4. Implementation	If mapped by Central Government and introduced by direct insertion under the RMA (similar to Special Vegetable Growing Areas) or introduced via a matter of national significance (s146) it may be that SAAs could apply more quickly than if it was a Council led – schedule 1 process. Subject to public consultation. Specific direction in the NPS would also mitigate appeals to councils mapping of SAAs.	<p>Provision for SAAs and reaching agreement on the criteria and process for their identification may create more uncertainty for councils, private developers and landowners in the short term until they have been mapped.</p> <p>A new land category in SAAs is likely to add further complexity for councils in identifying HPL. As prescribing certain areas as an SAA inherently means a difference in decision making for councils, as only a select number of councils would need to map SAAs. An update to the Guide to Implementation will be important to ensure consistent direction for councils to mitigate implementation challenges.</p> <p>May create additional work for Council ahead of system wide changes resulting from replacement RMA legislation.</p> <p>Requirements for HPL maps to be notified in regional policy statements will need to be extended or suspended by –up to three years (current timeframes are for maps to be completed by October 2025).</p>
5. Treaty of Waitangi	Further consultation with treaty partners on the detail /alternative decision-making responsibilities associated with this option is required to inform this assessment.	Further consultation with treaty partners on the detail /alternative decision-making responsibilities associated with this option is required to inform this assessment.
<i>Option 4 (LUC 3 is removed from urban rezoning decisions) only (HPL mapping continues to be LUC 1-3)</i>		
<i>Criteria</i>	<i>Pros</i>	<i>Cons</i>

1. Effectiveness	Proposals for urban development on LUC 3 land will not be subject to restrictions of the NPS-HPL which will align with GfHG to enable more urban development.	May not fully align with commitment to remove LUC 3 from the NPS-HPL.
2. Efficiency	<p>Will maintain restrictions on rural lifestyle development which is an inefficient use of land and has adverse impacts on future opportunity of HPL and negligible benefits for housing.</p> <p>Will avoid implementation issues of removing LUC 3 from the mapping criteria</p>	Requiring councils to map LUC 3 but for this land class to be open for urban development may not be a cost-effective use of council resourcing.
3. Alignment	The option would align with cross Government effort to address housing issues of New Zealand, as it would free up LUC 3 for urban development.	Could increase complexity and alignment with other national direction, as keeping LUC 3 as HPL but being more enabling of urban development could make meeting objective of the NPS-UD of 'well-functioning urban environments' difficult to achieve, as reverse sensitivity issues would likely increase.
4. Implementation	This would support providing more flexibility for using LUC 3 land for use and development that is not land-based primary production, which would address issues raised by some councils that implementing the NPS-HPL alongside the NPS-UD can be difficult.	<p>Direction in the NPS-HPL would need to clear about interactions with other national direction such as the NPS-UD, as uncertainty would result in implementation issues for councils. Public consultation is intended to provide more information about the trade-offs and implementation considerations for these instruments.</p> <p>Requirements for HPL maps to be notified in regional policy statements will need to be extended or suspended by –up to three years (current timeframes are for maps to be completed by October 2025).</p>
5. Treaty of Waitangi	Further consultation with treaty partners on the detail /alternative decision-making responsibilities associated with this option is required to inform this assessment.	Further consultation with treaty partners on the detail /alternative decision-making responsibilities associated with this option is required to inform this assessment.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

102. There are no preferred options for addressing the policy issues covered in this RIA. The extent and scale of the potential changes to the NPS-HPL are fundamental changes that have been progressed relatively quickly by officials and tested with a targeted number of Treaty partners and local government stakeholders. The policy issues and potential options require wider consultation to fully unpack the trade-offs of the options for removing LUC 3 and including SAAs in the definition of HPL including; implementation considerations, and impact for local government, Māori, the primary sector, developers, and other stakeholders.

Is the Minister's preferred option in the Cabinet paper the same as the agency's preferred option in the RIS?

103. The Ministers preferred option in the Cabinet paper requires further consultation and information on implementation considerations and future role of legislation in protecting HPL.
104. Ministers agreed in the Cabinet paper to remove LUC 3 and test SAAs, limited to a select number of areas, where Pukekohe and Horowhenua have been posited as examples of SAAs that could be compromised by removing LUC 3.
105. As covered in this interim RIS, removing LUC 3 may not have the practical benefits for housing as some LUC 3 would be disconnected from established supporting infrastructure and or subject to natural hazards. Strictly removing LUC 3 would also mean that lifestyle developments which have resulted in the most significant loss of HPL with negligible benefits for housing would be able to locate on LUC 3.
106. The concept of SAAs, protecting important areas for food production that could be compromised by the removal of LUC 3, is an important way to continue protecting areas for food and fibre production. However, locking certain areas in as SAAs may be misaligned with efforts to address water quality in areas deemed to an SAA. Decision making responsibilities and how SAAs can be given effect to are also complex and requires further work and wider consultation.

What are the marginal costs and benefits of the preferred option in the Cabinet paper?

Affected groups (identify)	Comment <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	Impact <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	Evidence Certainty <i>High, medium, or low, and explain reasoning in comment column.</i>
Additional costs of the preferred option compared to taking no action			
Regional councils	Removes ability of councils to protect a significant amount of LUC 3 for land-based primary production. We have anecdotal evidence and internal	High	High

	assessments that outlines the risks of removing LUC 3 for some regions, where HPL in some regions would either be significantly reduced or some regions would have little to no HPL if LUC 3 were removed.		
Farm operators and industry organisations	Increase in reverse sensitivity issues and reduction in future potential expansions or upgrades in primary production activities due to large areas of LUC 3 not being protected for use in land-based primary production.	High	Low
Central government	Depending on outcomes of consultation, and if SAAs are mapped by central Government, the risks could either high or low.	High (if central Government were to map SAAs). Low (if local Government were to map SAAs).	High (we have indicative non-monetised costs for giving effect to SAAs being complex, but more work is needed).
Treaty partners	More consultation is required to accurately reflect all views of treaty partners.	Medium to High (land is viewed as a taonga and removing LUC 3 may not align with this, nor would enabling intensive vegetable production in some areas align with freshwater efforts of iwi/hapu).	Medium
Landowners and developers	Landowners captured by LUC 1, 2 and SAAs would not be able to develop their land urban unless specifically provided for in the NPS-HPL. Developers could face increased costs if direction between	High	Low

	NPS-HPL and changes to NPS-UD are not aligned.		
Total monetised costs	Not available	NA	NA
Non-monetised costs	Not available	NA	NA
Additional benefits of the preferred option compared to taking no action			
Regional councils	Provides more flexibility of land use on LUC 3.	High	High
Farm operators and industry organisations	Provides more flexibility of land use on LUC 3.	Medium	Medium
Central government	Addresses Government commitment to remove LUC 3.	High	Medium
Treaty partners	More consultation is required to accurately reflect all views of treaty partners.	Medium to High (land is less subject to restrictions of the NPS).	Medium
Landowners and developers	Provides more flexibility of land use on LUC 3 however other restrictions may still apply and a plan change will still be required.	High	Medium
Total monetised costs	Not available	NA	NA
Non-monetised costs	Not available	NA	NA

Section 3: Delivering an option

How will the proposal be implemented?

107. The NPS-HPL was developed under the RMA, meaning it is administered by regional councils as part of their functions and roles under the RMA. Any amendments will need to be given effect to by councils through their resource management plan provisions.
108. Options for implementing the proposal depends on feedback on the preference for councils to continue mapping of HPL whilst RMA replacement is being developed/introduced or whether it is better for mapping of HPL to be suspended to allow time for a longer-term solution to managing HPL to be developed. Guidance will be updated as necessary to support the implementation of the full package of amendments to the NPS-HPL.

How will the proposal be monitored, evaluated, and reviewed?

109. MPI and MFE will gather data on the implementation of the NPS-HPL, including:
- obtaining data through collaboration with local government and relevant crown agencies
 - monitoring local government's progress with respect to completion of HPL mapping and the quality of HPL mapping to ensure that mapping is being completed within the timeframes set out in the NPS-HPL
 - using 'indicators reports' (eg, Stats NZ and Our Land reports) and regional council zoning layers (eg, FARMLUC, NZLRI database of land resource information) to obtain data.
 - gathering data of consent and appeal decisions including fast track consents.
110. As part of ongoing monitoring of how the proposals have been implemented by councils, this will be used to inform advice to Ministers about how the policy is being implemented and rather Government intervention is required.

Appendix One - Extracts of some of the key benefits provided by HPL described in the [Market Economics 2020 CBA](#):

- **Environmental** – direct and indirect ecological services such as water purification/filtration, water storage for plants to use and flood regulation, habitat for many different creatures (supporting biodiversity), nutrient cycling and climate regulation through carbon sequestration³⁸. Also, using HPL for land-based primary production is positive from an environmental perspective as HPL needs less intervention to be used efficiently and effectively to generate food and other natural resources³⁹. Conversely, less productive land requires more inputs such as fertilisers and irrigation that can lead to negative environmental outcomes.
- **Economic** – 81.8% of New Zealand's merchandise exports come from the food and fibre sector. A large proportion of New Zealand's position as a major food and fibre exporter is supported by the productivity of the land. Food and fibre export revenue for the year to 30 June 2022 is expected to reach \$52.2 billion and the sector accounts for 11.1% of New Zealand's gross domestic product (as at 31 March 2020)⁴⁰. Primary sector activities also support employment and businesses across the primary sector value chain and in the wider rural community. A total of 367,000 people were employed in New Zealand's food and fibre sector as of 2019, representing 13.8% of the total workforce⁴¹⁴².
- **Social** – there are numerous societal benefits to retaining HPL for land-based primary production, including contributing significantly to the social fabric of rural communities, supporting inter-generational employment and supporting and shaping the identity of rural communities, particularly for people who gain meaning and identity from living in a rural area used for land-based primary production. Locally sourced food also meets societal expectations that people will have access to produce from a local source that is in the freshest condition with a small carbon footprint. There are also societal benefits to be gained from taking steps to preserve our food producing ability and gifting a legacy of sustainable food production to the next generation.
- **Cultural** – Māori have had a long history and a close interdependent relationship with the natural environment, particularly soil resources⁴³. Feedback provided by various iwi through consultation on the proposed NPS-HPL confirmed that land and soil resources are a precious taonga for Māori as tangata whenua (people of the land)⁴⁴. As New Zealand's productive land and soil are important cultural and spiritual resources for Māori, the retention of HPL for land-based primary production often aligns with Māori aspirations for whenua. Another key aspiration is the ability to develop Māori land for a range of activities, including residential and commercial activities. Feedback from iwi submitters on the proposed NPS-HPL supported the protection of highly productive whenua, particularly the focus on restricting lifestyle development, which was recognised as a factor that compromises the productive potential of the land. Iwi submitters on the proposed NPS-HPL also noted the importance of protecting highly productive soils and land from the irreversible effects of uncontrolled urban rezoning. However, iwi submitters were also clear that Māori land should not be unduly constrained with respect to potential development options, as Māori land often has other limitations that make it difficult to develop.

In addition to the benefits outlined above, an important non-market value benefit of HPL is its option value. This is a non-use value that relates to the willingness of current generations to pay for retaining the option to use HPL sometime in the future. Option value in this context is

the opportunity to use HPL for land-based primary production as well as derive benefit from its air, water and climate regulating functions. If HPL is not protected, then this option value is lost (an opportunity cost).

Appendix Two – LUC 1-3 distribution in NZ Regions

Table 1: LUC 1-3 distribution in NZ Regions (hectares)

	LUC 1	LUC 2	LUC 3	
Auckland Region	4383	54850	64491	
Bay of Plenty Region	2834	53156	74639	
Canterbury Region	23132	270025	544793	
Gisborne Region	5631	15329	49746	
Hawke's Bay Region	17492	26426	137500	
Manawatū-Whanganui Region	33922	171435	185306	
Marlborough Region	2450	11396	48303	
Nelson Region	0	688	1942	
Northland Region	435	36165	91106	
Otago Region	3082	47244	342901	
Southland Region	1095	171396	377726	
Taranaki Region	36369	55667	93389	
Tasman Region	4712	4943	46504	
Waikato Region	46298	252338	279558	
Wellington Region	5194	29653	87599	
West Coast Region	0	0	14671	
NZ Total	187028	1200712	2440175	3827915

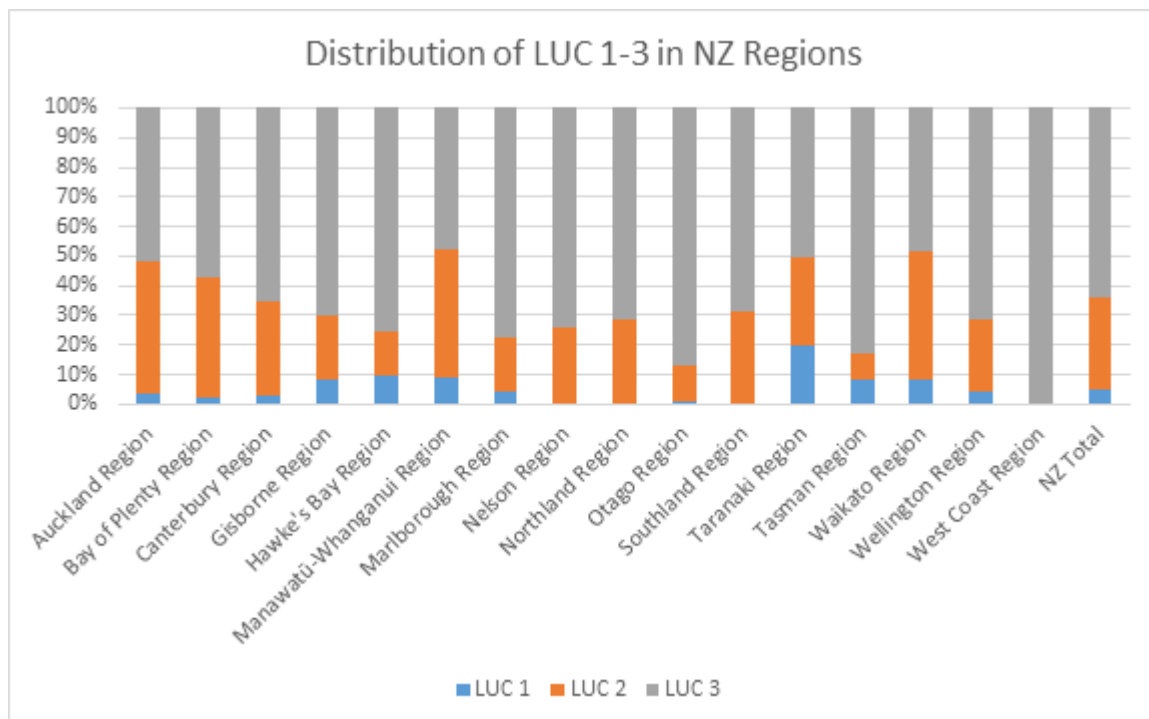


Table 2: LUC 1-3 distribution in NZ (percentage of total LUC 1-3)

	LUC 1	LUC 2	LUC 3
Auckland Region	3.5	44.3	52.1
Bay of Plenty Region	2.2	40.7	57.1
Canterbury Region	2.8	32.2	65.0
Gisborne Region	8.0	21.7	70.4
Hawke's Bay Region	9.6	14.6	75.8
Manawatū-Whanganui Region	8.7	43.9	47.4
Marlborough Region	3.9	18.3	77.7
Nelson Region	0.0	26.2	73.8
Northland Region	0.3	28.3	71.3
Otago Region	0.8	12.0	87.2
Southland Region	0.2	31.2	68.7
Taranaki Region	19.6	30.0	50.4
Tasman Region	8.4	8.8	82.8
Waikato Region	8.0	43.6	48.4
Wellington Region	4.2	24.2	71.5
West Coast Region	0.0	0.0	100.0
NZ Total	4.9	31.4	63.7

Source:

1. Definition query on New Zealand Land Resource Inventory (NZLRI) 2021 - LUC1-3
2. Intersected with 'Regional Council 2020 (Clipped generalised)'

Appendix Three – constraints and opportunities for urban expansion around towns and cities.

2km distance: areas of HPL and flood prone areas

1. For instance, all of the LUC 3 land within 2km of urban edge of Westport (Buller District) is flood prone⁴⁶. Rangiora (Waimakariri), Dargaville (Kaipara) and Carterton (South Wairarapa) all have high proportions of LUC 3 that is within the 2km buffer being flood prone, but have relatively low proportions of their 2km area that are LUC 3. For the Matamata Piako District, almost 90% of Matamata's 2km distance are flood prone.
2. Other regions within the 2km distance with notable constraints for urban expansion include:
 - Those with relatively high amounts of LUC 1 and 2 (eg 60-70%) are Matamata (Matamata Piako District), Cambridge (Waipa District), Marton (Rangitikei District), Amberley (Hurunui District) and Waimate (Waimate District). Which means that LUC 1 and 2 is a constraining factor for these areas.
 - Other towns and cities also have large areas of flooding within the 2km zone – indicating that LUC 1 and 2 is not the only constraint to urban expansion.

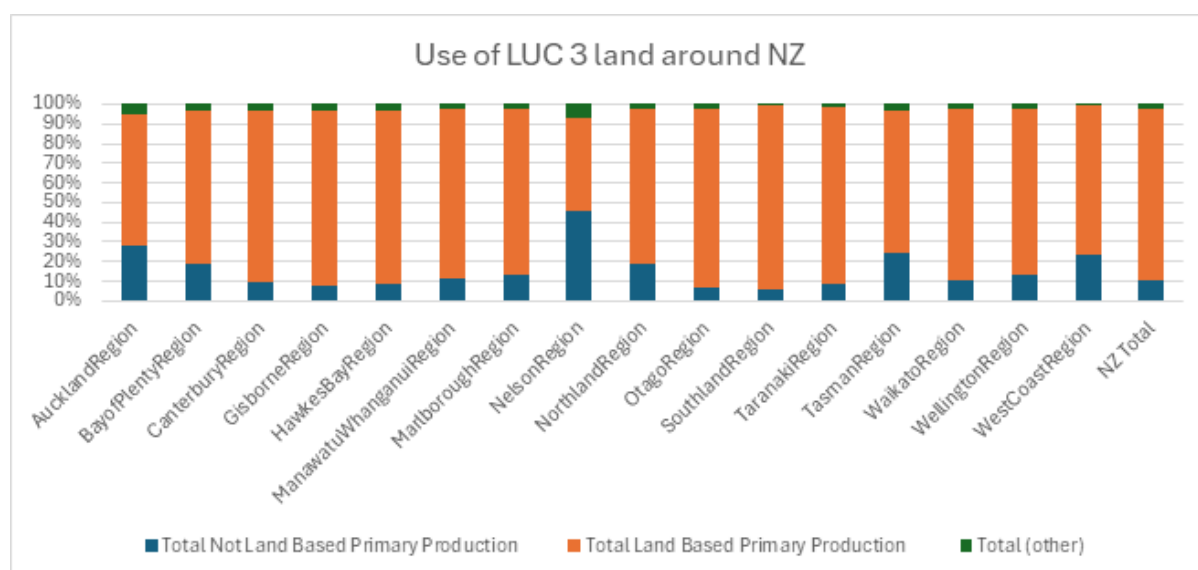
5km distance: areas of HPL and flood prone areas

3. In terms of LUC 3 land, there are higher proportions within a 2km zone than in the 5km (e.g. 20 towns and cities with more than 20% of area being LUC 3 within 2km zone, compared with 10 having more than 20% of area within 5km zone). However, less of LUC 3 land within the 5km zone is prone to flooding.
4. In the Waimate and Waitomo Districts, over half of their LUC 3 land is flood prone (LUC 3 land in these two districts makes up around 30% and approximately 20% of land in the 5km distance respectively).
5. All of Buller and Wairoa Districts LUC 3 land within 5km distance is flood prone, and almost all Thames-Coromandel District's LUC 3 land within this distance is flood prone.

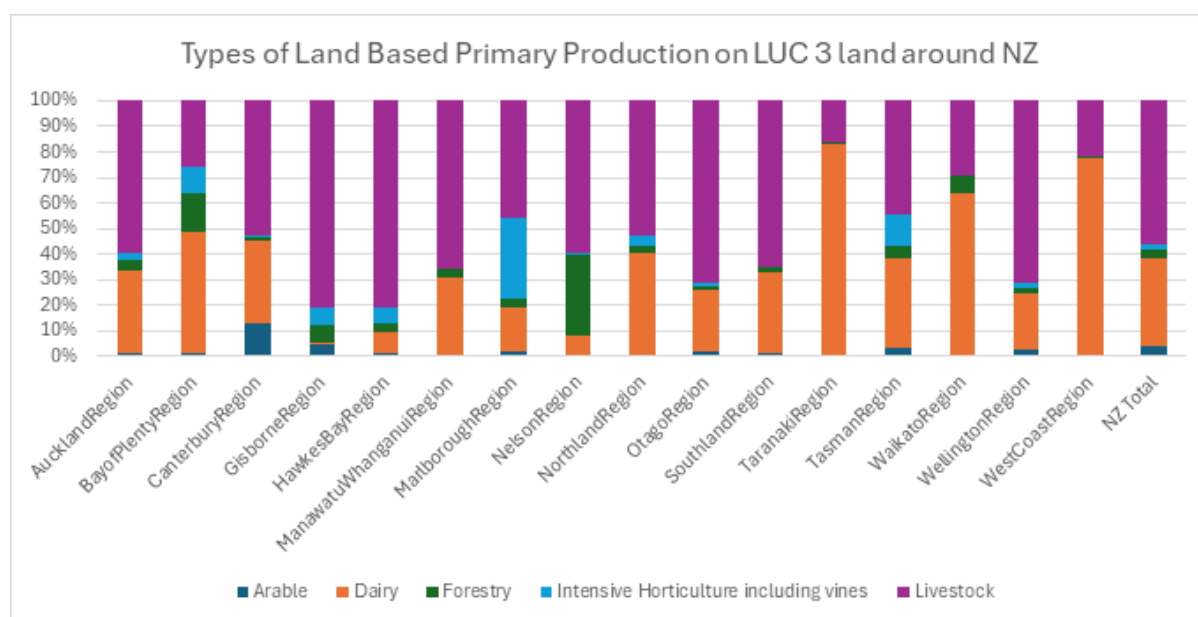
10km distance: areas of HPL and flood prone areas

6. Of approximately 20% of area within the 10km distance that is LUC 3 in the Gisborne District, around 15% is flood prone.
7. Across most districts in the country, LUC 3 land that is flood prone is a common theme in the analysis, with some exceptions for the likes of Central Otago, South Waikato, and Stratford District.
8. For these towns and others, making LUC 3 available for urban expansion may not provide significant opportunity for urban expansion without detailed flood risk assessment and/or mitigation.

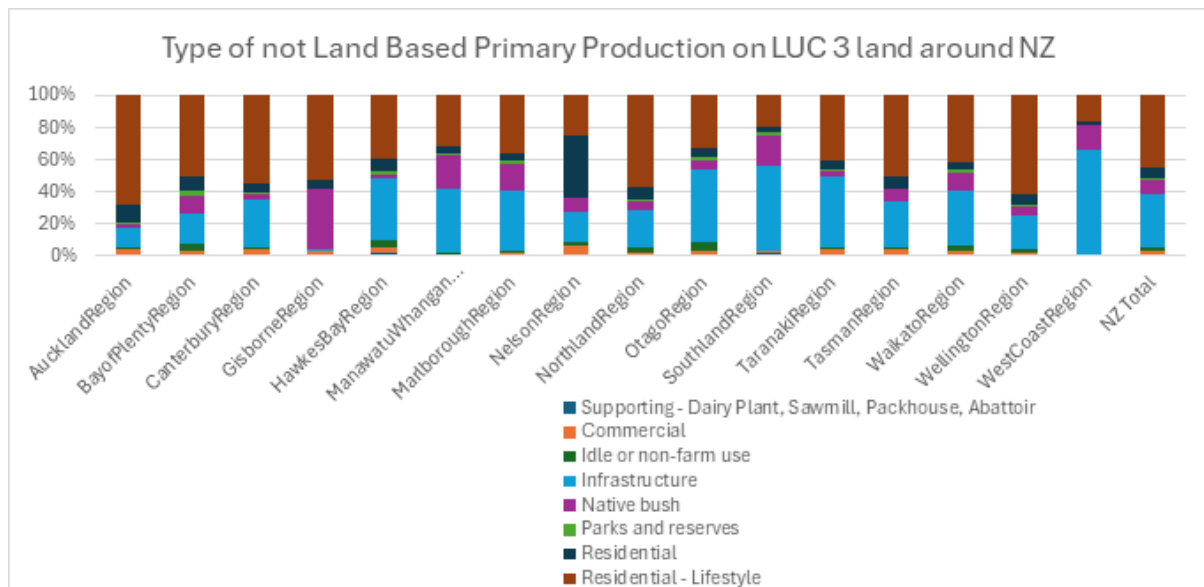
Appendix Four - existing use of LUC 1-3 land



LUC 3 land is predominantly used for land based primary production. There is some regional variation with largest amount of LUC 3 land not used for land based primary production being in Auckland (29%) and the Nelson region (45%).

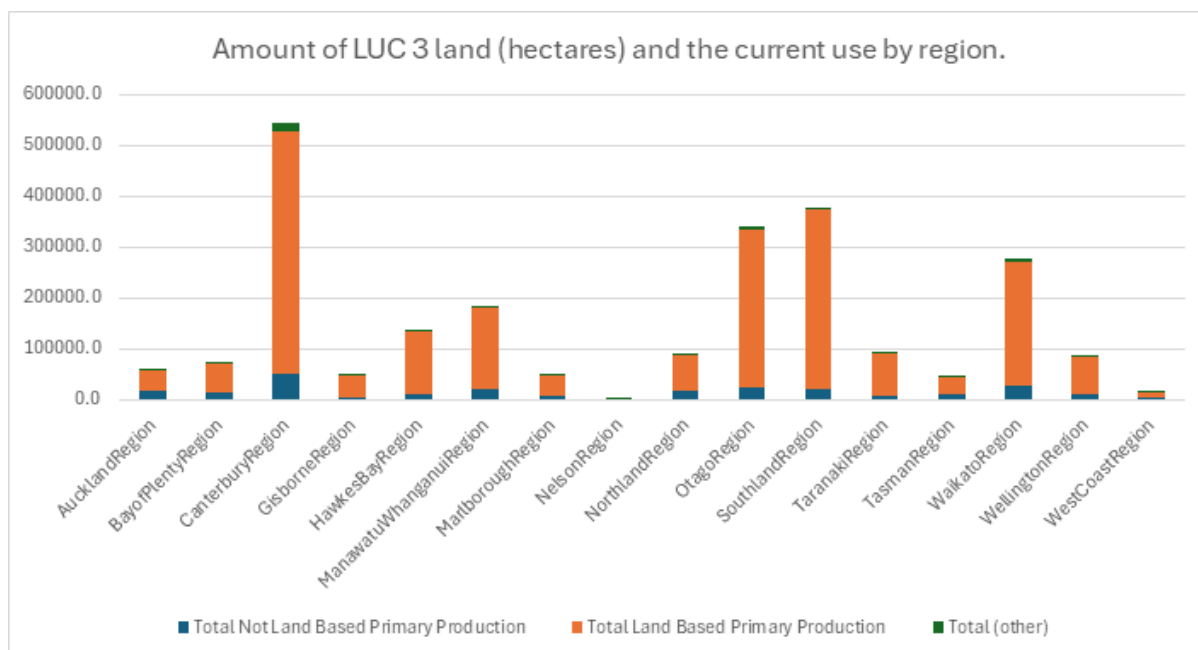


The predominant current use of land based primary production on LUC 3 land is Livestock (55%) and Dairy (35%). In Marlborough and Tasman there is a relatively high proportion of LUC 3 land used for intensive horticulture including vineyards (30%). In Bay of Plenty and Nelson Region there is also a relatively high proportion of LUC 3 land used for forestry (10% and 30% respectively) in comparison to other regions. In Taranaki and West coast LUC 3 land approximately 80% of LUC 3 land used for land based primary production is used for Dairy. Whilst in Hawkes Bay and Gisborne approximately 80% of LUC 3 land used for land based primary production is used for livestock (sheep and beef farming).



The majority of LUC 3 land that is not used for land based primary production is predominantly Residential lifestyle. This is consistent with the findings from Our Land reports describing the land fragmentation caused by residential lifestyle development which impacts on the viability of that land being used for land-based primary production but also makes it more difficult for urban development due to land assembly and multiple owners of land which contributes to increased land values.

Another significant use of LUC 3 land (not used for land based primary production) is infrastructure. There is a pathway in the NPS-HPL (recently amended) to allow specified infrastructure on HPL.



In total there is 2.8 million hectare of LUC 3 land in NZ. Of this 2.5 million hectares (89%) is used for land based primary production (Agribase 2024⁴⁵). The regions with the largest amount of LUC 3 land is Canterbury (626,000 ha), Southland, Otago and Waikato (405,000, 376,000 and 318,000 hectares respectively). Auckland has relatively small amount of LUC 3 approximately 62,000 hectares and is one of the regions with the highest proportion of activities o LUC 3 that is not land based primary production (33%) second only to Nelson (53%).

‘Other’ category includes land where it has not been possible to conclude whether the use is land based primary production or not eg – unclassified ‘enterprises’, insufficient information provided, or activities that may support land based primary production eg Dairy Plant, Sawmill, Packhouse, Abattoir, or pig and poultry production.

Appendix Five - list of cases that relate to NPS-HPL since gazettal (September 2022- December 2024).

Glossary:

Proposed District Plan (PDP)

Operative District Plan (ODP)

Key:

Subdivision

Land use consent

Related to plan changes/rezoning

Case Name	Case Number	Court	Decision Date (oldest to newest)	Content Summary	Relevant to NPS-HPL	Decision and Relevant Comments
CASES IN YEAR ONE						
Gock v Auckland Council	NZHC 3126	High Court, Auckland	28 November 2022	<p>Appeal against Council decision on land zoning determining where the Rural Urban Boundary (RUB) should be drawn.</p> <p>Independent Hearings Panel recommended this land should be on the urban side of the RUB. However, the Council excluded the</p>	<p>Yes</p> <p>LUC 1-3 but case prior to Gazettal of NPS-HPL</p>	<p>Appeal dismissed.</p> <p><u>Of relevance:</u></p> <p>The court “expressed concern over the accelerating regional rates of “urbanising” of the most productive soil types... the elite and prime soils on the Pūkaki Peninsula were found to be not suitable for urbanisation”</p>

				Pūkaki Peninsula from the urban side of the RUB.		
Hankins on v Central Otago District Council	NZEnvC 9	Environment Court, Christchurch	30 January 2023	Appeal against Council decision to refuse subdivision on LUC3 in Rural Zone.	Yes	Appeal allowed. <u>Of relevance:</u> S3.8(2)(a)- The proposal is not contrary to the NPS-HPL as productive capacity maintained.
Gray v Dunedin City Council	NZEnvC 45	Environment Court, Christchurch	14 March 2023	Appeal against Council decision to decline resource consent for residential development on an undersized lot in Dunedin City District Plan and restorative indigenous vegetation planting offsite (that results in loss of HPL)	Yes	Appeal allowed.
Balmoral Developments (Outram) Ltd v Dunedin City Council	NZEnvC 59	Environment Court, Christchurch	4 April 2023	Preliminary question of whether the Court should have regard to NPS-HPL when considering the site-specific zoning matters.	Yes	The court finds that the NPS-HPL will apply. <u>Of relevance:</u> The NPS-HPL will apply because the land that is the subject of the appeals does not come within the exemption under cl 3.5(7)(b) of the NPS-HPL.
Barbican Securities	NZEnvC 174	Environment Court	14 August 2023	Appeal against Council decision to decline	Yes	The appeal is declined under the AUP. <u>Of relevance:</u>

Limited v Auckland Council		, Auckland		consent for subdivision of HPL. LUC 2 and 3 soils which are identified as prime soils under the Auckland Unitary Plan (AUP). The proposal is contrary to those objectives and policies of the AUP which seeks to avoid subdivision of HPL other than in specified circumstances.		NPS-HPL Policies 7 (Subdivision) & 8 (Inappropriate Use and Development) provisions do not apply in this case.
Drinnan v Selwyn District Council	NZEnvC 180	Environment Court, Christchurch	25 August 2023	Appeal against Council decision to exclude the appellants' HPL land from a plan change to rezone land for residential development. The gazetting of the NPS-HPL occurred after the notice of appeal was lodged.	Yes	Appeal declined. <u>Of relevance:</u> LUC1 land, Rural zoned, not identified for future urban development. So cl 3.6 of the NPS-HPL applies and the land is not rezoned for residential development.
Wakatipu Equities Ltd v Queenstown Lakes	NZEnvC 188	Environment Court, Christchurch	5 September 2023	Appeals in Topic 31 in review of PDP. All concern LUC 1, 2 & 3 land & issues for determination are zoning of land for the	Yes	Decision of Court on Topic 31: NPS-HPL: The Wakatipu Basin Rural Amenity Zone (WBRAZ) of the PDP is not General Rural Zone or Rural Production Zone for the purposes of cl 3.5(7)(a)(i) of the NPS-HPL.

District Council		tchurch		purposes of cl 3.5(7)(a)(i) of NPS-HPL.		<p>Nor is the Lifestyle Precinct (LP) sub-zone of the WBRAZ.</p> <p>Nor is land notified as LP, but downzoned to WBRAZ by PDP first instance decisions, and now subject to an appeal seeking LP.</p> <p>Therefore, cl 3.5(7)(a)(i) NPS-HPL does not apply to or affect our consideration of relief in any of the Topic 31 appeals.</p>
Re Masterton District Council	NZEnvC 211	Environment Court, Wellington	26 September 2023	<p>Masterton District Council, Carterton District Council and South Wairarapa District Council applied under s86D of the RMA for orders that specified rules in the proposed Wairarapa Combined District Plan have legal effect from the date of public notification.</p> <p>Current operative plan approach to rural subdivision has resulted in the fragmentation, and in some cases complete loss, of HPL to small lot/rural lifestyle development.</p> <p>“With approximately 66% of properties within the Wairarapa already less than 10</p>	Yes	<p>Under s 86D of the RMA the rules listed in Appendix A of take immediate legal effect on the date that the proposed Wairarapa Combined District Plan is notified, incl. definition of HPL.</p>

				ha... avoiding further fragmentation is of significant importance".		
Gibbsto n Vines Ltd v Queenst own Lakes District Council	NZEnvC 265	Envir onm ent Court , Chris tchur ch	7 December 2023	Subdivision involving two lots with HPL. LUC3 land in General Rural zoning so deemed HPL under the NPS-HPL.	Yes	Consent granted. <u>Of relevance:</u> Any future development on the land would be considered in future consenting processes so "simple" subdivision allowed. The Modified Proposal would not materially impede the intentions of the NPS-HPL. In terms of the PDP, it was significant that the Modified Proposal was a non-complying activity (rather than discretionary, as the original proposal had been) and no associated development purpose was identified.
CASES IN YEAR TWO+						
Kelsey v Radio New Zealand Ltd	BSA 2023- 098	Broa dcast ing Stan dard s Auth ority	16 January 2024	Complaint about one sided interview regarding a solar farm on a North Canterbury & lack of consideration for NPS-HPL in radio interview.	Yes	Authority did not uphold the complaint. <u>Of relevance:</u> Discussion of legal barriers to development due to NPS-HPL. Also, discussion that proposals to provide a clear consent pathway for undertaking new specified infrastructure on HPL are underway.
Duffy v Dunedin City Council	[2024] NZEnvC 13	Envir onm ent Court , Chris tchur ch	13 February 2024	Consent order concerned an appeal about zoning under the Dunedin City Second Generation District Plan (2GP). In notified 2GP Council proposed a transition	Yes	Appeal allowed to extent that Council is to amend provisions of plan. <u>Of relevance:</u> Settlement included avoiding areas of HPL.

				<p>overlay to progress to residential zoning once release criteria were met. But in the decisions version Council retained rural zoning with no transition.</p> <p>Appeal sought Residential Transition Overlay Zone enabling the land to be released for development once amended certification process had occurred.</p>		
Caseley v Hastings District Council	[2024] NZEnvC 15	Environment Court, Auckland	15 February 2024	Consent order concerned two appeals regarding the conditions of a land use consent granted by Council for the establishment of a screen production studio on land in the rural zone in Te Awanga. Mediation led to agreement of pre-development conditions.	Yes	<p>Agreement of pre-development conditions reached</p> <p><u>Of relevance:</u></p> <p>Prior to any earthworks or construction activities commencing on the site, a soil scientist must be engaged to prepare report. If land is HPL further application for consent required.</p> <p>“For the avoidance of doubt, this resource consent does not authorise any built development or impermeable surfaces (other than access roading) on LUC 1, 2 or 3 land as defined in the NPSHPL”</p>
Aarts v Waikato	NZEnvC 17	Environment	19 February 2024	Appeal against Council zoning decision in PDP. Land zoned	Yes	<p>Appeal Successful.</p> <p><u>Of relevance:</u></p>

District Council		Court, Auckland		<p>Rural in ODP and proposed in General Residential Zone in notified PDP. IHP decided it should remain as Rural Zone as contained HPL.</p> <p>Land excluded from definition of HPL.</p>		<p>The land was excluded from the definition of HPL under cl 3.5(7)(b)(i) of the NPS-HPL because it had been 'identified for future urban development'.</p> <p>It was also excluded under cl 3.5(7)(b)(ii) because, having been rezoned from the Rural Zone in the operative plan to GRZ in the notified PDP, it was subject to 'a [c]ouncil initiated, or an adopted, notified plan change to rezone it from general rural or rural production to urban or rural lifestyle'</p>
Hughes Developments Ltd v Waikato District Council	NZEnvC 18	Environment Court, Auckland	19 February 2024	<p>Appeal against Council zoning decision in PDP.</p> <p>Land zoned Rural in the ODP and proposed to be General Residential Zone in the notified PDP.</p> <p>IHP decided it should remain as Rural Zone as contained HPL.</p> <p>Land excluded from definition of HPL.</p>	Yes	<p>Appeal successful.</p> <p><u>Of relevance:</u></p> <p>the land was excluded from the definition of HPL under cl 3.5(7)(b)(i) of the NPS-HPL because it had been 'identified for future urban development'. It was also excluded under cl 3.5(7)(b)(ii) because, having been rezoned from the Rural Zone in the operative plan to GRZ in the notified PDP, it was subject to 'a [c]ouncil initiated, or an adopted, notified plan change to rezone it from general rural or rural production to urban or rural lifestyle'.</p>
WST Company (2016) Ltd v Auckland Council	[2024] NZEnvC 22	Environment Court, Auckland	28 February 2024	<p>Direct referral to the Court of an application by WST Company (2016) Ltd for resource consents for the future operation of the existing Woodhill Sands Equestrian Centre near Helensville.</p>	Yes	<p>Consent granted.</p> <p><u>Of relevance:</u> LUC2 land- as this case does not involve rezoning, subdivision or development for any urban purpose, or would otherwise compromise the long-term values of the land, the proposal is not deemed to be contrary to the NPS-HPL.</p>

Hamilton City Council v Waikato District Council	[2024] NZEnvC 51	Environment Court, Auckland	25 March 2024	Appeal by HCC on proposed Waikato District Plan zoning of rural land at Puketaha to allow commercial activities.	Yes	Parties reached agreement. <u>Of relevance:</u> Site not defined as HPL under clause 3.5(7) and so is not subject to NPS-HPL.
Horticulture New Zealand v Waikato District Council	[2024] NZEnvC 63	Environment Court, Auckland	5 April 2024	Appeals against Council decisions on the PDP seeking amendments relating to rural activities in the General Rural Zone.	Yes	Consent order approved. <u>Of relevance:</u> Seasonal Worker accommodation deemed “consistent with the policies in the NPS-HPL, especially with respect to the policy direction on prioritising and supporting the use of HPL for land-based primary production” & crop protection structures “facilitates the productive use of HPL and helps to give effect to the NPS-HPL”
Diamond Creek Farm Ltd v Waikato District Council	[2024] NZEnvC 73	Environment Court, Auckland	10 April 2024	Appeal regarding zoning of the appellant's property in Te Uku in the proposed Waikato District Plan. Case Pre-Gazetted of NPS-HPL.	Yes	Appeal allowed. <u>Of relevance:</u> The environmental and economic 'loss' of primary production land has been considered through the assessment of the agreed amendments against the NPS-HPL and it was concluded that the benefits of the rezoning outweigh the loss. This is as the larger, contiguous area of LUC 2 land on the Property (3.55ha) is to be retained within one parcel, meaning it can still be used for rural purposes.
Blue Grass Ltd v Dunedin	NZEnvC 83	Environment Court, Christchurch	18 April 2024	Case concerning definition of LUC 1, 2 & 3 during transitional period prior to regional councils mapping HPL.	Yes	Court ruled in favour of Council's interpretation. <u>Of relevance:</u> Court found that land classification at commencement date stands, and this interpretation accorded with the

City Council		tchurch		<p>Could more detailed mapping undertaken since the commencement date (17 October 2022) prevail over the identification of land as LUC 1, 2, or 3, as mapped by the NZLRI, for the purposes of the transitional definition of HPL in cl 3.5(7)?</p> <p>The proper process for determining what land would ultimately be mapped as HPL was the sch 1 RMA process, not 'an ad-hoc process undertaken by private landowners' as suggested by the appellants</p>		intention of the NPS-HPL to protect HPL for primary production, particularly during the transitional period.
Crafar v Taupō District Council	[2024] NZEnvC 91	Environment Court, Auckland	26 April 2024	Unsuccessful appeal against Todd Generation Ltd building a solar farm on existing dairy farm.	Yes	<p>Unsuccessful appeal.</p> <p><u>Of relevance:</u> Land did not qualify as HPL so not relevant to NPS-HPL.</p>
Anderson Branch Creek Ltd v Queenst	[2024] NZEnvC 115	Environment Court, Christchurch	16 May 2024	Appeal against Council decision to decline resource consent for subdivision.	Yes	<p>Appeal allowed.</p> <p><u>Of relevance:</u> Land LUC4 so case not relevant to NPS-HPL.</p>

own Lakes District Council		tchur ch				
Second Star Ltd v Queenst own Lakes District Council	[2024] NZEnvC 129	Envir onm ent Court , Chris tchur ch	30 May 2024	Unsuccessful appeal vs Council decision to decline resource consent for lodge within the Mt Alpha Outstanding Natural Landscape.	Yes	Unsuccessful appeal: declined. <u>Of relevance:</u> For completeness court addressed NPS- HPL. Lodge site was LUC3 land and development deemed contrary to NPS-HPL.
Re New Zealand Transpo rt Agency- Waka Kotahi	[2024] NZEnvC 133	Envir onm ent Court , Welli ngto n	7 June 2024	Direct referral to the Court of proceedings concerning the resource consents and notices of requirement sought for the Ōtaki to North of Levin project.	Yes	During the hearing, the Court had indicated that it did not see any reason why it should not confirm the notices of requirement and grant the consents, provided adequate conditions were set. <u>Of relevance:</u> Some of site is HPL but infrastructure proposal not deemed contrary to the NPS-HPL. Alternatives process resulted in preferred route affecting least amount of HPL. Exception in Clause3.9(2)(j)(i) “the maintenance, operation, upgrade, or expansion of specified infrastructure”
Cooper v Kaipara District Council	[2024] NZEnvC 143	Envir onm ent Court , Auckl and	21 June 2024	Appeal against Council decision to approve subdivision of 67 rural residential allotments. Soil testing proved no HPL.	Yes	Appeal allowed in part. <u>Of relevance:</u> Land did not qualify as HPL so not relevant for NPS- HPL.

Neil Construction Ltd v Far North District Council	[2024] NZEnvC 142	Environment Court, Auckland	21 June 2024	Appeal against Council decision to decline rural residential subdivision.	Yes	Successful appeal. <u>Of relevance:</u> NPS-HPL did not apply as land not in General Rural or Rural Production zones.
Save the Maitai Inc vs Nelson City Council (Also see final decision below)	NZEnvC 155	Environment Court, Christchurch	3 July 2024	Appeal against Council decision to approve Private Plan Change 28 ('PPC28'). Two areas of PPC28 land are identified as LUC3. The appellant submits that the NPS-HPL precludes the rezoning of these areas as residential.	Yes	A partly successful appeal. <u>Of relevance:</u> HPL area retained current Rural zoning instead of being rezoned as Residential (as per below).
Barbican Securities Ltd v Auckland Council	[2024] NZEnvC 164	Environment Court, Auckland	10 July 2024	Costs case (see case details above: This was an unsuccessful appeal by Barbican Securities Ltd against a decision of Auckland Council to decline Barbican's application for consent for a three-lot subdivision.).	Yes	The Court found that an award of costs was warranted; The council had been required to defend its original decision and had been successful in its defence of the AUP objectives and policies, and their interface with the relatively recent NPS-HPL.
Tasman District Council v Schaeffner	[2024] NZEnvC 180	Environment Court, Christchurch	31 July 2024	Council vs tiny homeowner. Tiny home ruled as "fixed to land" and therefore considered an unauthorised dwelling.	Yes	Successful application by Council. <u>Of relevance:</u>

		tchurch				Under the Tasman Resource Management Plan dwellings are discretionary or restricted discretionary to protect HPL from fragmentation.
Save the Maitai Inc v Nelson City Council	[2024] NZEnvC 281	Environment Court, Christchurch	11 November 2024	<p>Court's final decision in an appeal against Council decision to approve Private Plan Change 28 ('PPC28').</p> <p><u>NB:</u> PPC28 was approved prior to the NPS-HPL coming into effect.</p> <p>Court followed decision in <i>Balmoral Developments (Outram) Ltd v Dunedin City Council (Balmoral)</i>: no practical nor jurisdictional limitations impacting its ability to ensure that the granting of PPC28 did not... give effect to the NPS-HPL.</p>	Yes	<p>Appeal led to zoning changes in PPC28 due to land being considered HPL under the NPS-HPL.</p> <p><u>Of relevance:</u></p> <p>Changes were required to be made to PPC28: Land that was "Rural" zoned (Walters Bluff) retained that zoning as it was considered HPL under NPS-HPL. Urban rezoning was restricted under cl 3.6.</p>
M & L Taylor Partnership v Queenstown Lakes District Council	NZEnvC 282	Environment Court, Christchurch	11 November 2024	Appeal against Council decision to decline subdivision application.	Yes	<p>Appeal allowed.</p> <p><u>Of relevance:</u> Site contains LUC3 but was exempt from cl 3.8 under cl 3.10(a) due to permanent or long-term constraints making the site unproductive.</p>

Second Star Ltd v Queenstown Lakes District Council	[2024] NZEnvC 318	Environment Court, Christchurch	4 December 2024	Costs case. NB: The party awarded costs considered the appellant's case lacked merit: "pursuing the appeal was misguided, given the court's decision on <i>Balmoral</i> regarding the NPS-HPL."	Yes	Costs were awarded to Longview Environmental Trust, a s274 party to the appeal.
Horticulture New Zealand v Selwyn District Council	[2024] NZEnvC 323	Environment Court, Christchurch	6 December 2024	Appeals by Horticulture New Zealand, Transpower New Zealand Limited, Fonterra Limited, Orion New Zealand Limited and Christchurch International Airport Limited against council decision concerning PDP to manage effects of or on important infrastructure.	Yes	The appeal is allowed to the extent that Council is to amend the PDP.