

Implementation timeframes for the first set of National Planning Standards: submissions and some recommended variations



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| | Action sought: | Response by: |
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| To Hon David Parker, Minister for the Environment | For direction | 23/11/2018 |
| To Hon Eugenie Sage, Minister of Conservation | For direction | 27/11/2018 |

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| Actions for Minister's Office Staff | Return the signed briefing to MfE and DOC. |
| Number of Attachments 4 | Titles of attachments: <ol style="list-style-type: none"> Table assessing the pros and cons of implementation options District plans covering fewer than 15,000 residential ratepayers Expected council implementation timeframes of Standards Councils that would move to 7 years if the criteria were changed to include plans made operative in the 3 years proceeding gazettal |
| Note any feedback on the quality of the report | |

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Implementation timeframes for the first set of National Planning Standards: submissions and some recommended variations

Key Messages

1. This briefing informs you of submissions on proposed implementation timeframes for the first set of National Planning Standards (Standards). It sets out some changes to the implementation timeframes to respond to specific issues raised. Some timeframes are proposed to remain the same, some come forward, and some to be extended.
2. You previously agreed to amend the default Resource Management Act 1991 (RMA) timeframes¹ to five years for most councils for all but one standard² and a two-year extension (to seven years) for councils that recently completed a full plan review. This approach meant that many councils, but not all, would be in a position to implement³ the changes at, or close to, their next full plan review.
3. Even so, submitters raised concerns with the timeframes due to the costs and inefficiencies of implementation outside of a scheduled plan review and costs of eplanning. Most submissions on implementation requested more time, so implementation can occur at the next plan review.
4. We have considered the specific issues raised and identified some opportunities to think differently about the proposed timeframes. Recommended solutions to these specific issues and opportunities include:
 - An opportunity to manage the workload of regional and unitary councils by requiring that Regional Policy Statements (RPS) be implemented within three years (ie, bring the RPS forward), but provide a longer timeframe for all other regional plans and for unitary councils preparing unitary plans (ten years). RPSs being amended first gives some early wins, while the longer timeframe for regional plans provides councils with greater flexibility to decide how to implement the standards alongside the multiple plan changes anticipated to reflect other national direction.
 - We specifically recommend that Auckland Council be given ten years to implement the Standards, irrespective of decisions made for other unitary councils. Multiple submitters noted that significant investment in the Auckland Unitary Plan (AUP) meant that plan users should be allowed to benefit from the certainty provided for at least ten years.
 - District councils consider that the definitions will require further changes to many parts of their plans (these often cannot be considered consequential). We propose to retain the five and seven year implementation timeframes for all other standards for district councils, but propose a further two years be provided for definitions to provide flexibility.
 - We recommend councils collaborating on a combined district plan be given seven years to implement the Standards. This recognises the efficiencies gained while recognising the longer initial inception period of combined district plan processes.
 - Smaller councils also noted the cost of implementing an ePlan. We propose a longer

¹ RMA default timeframes for implementing the first set of planning standards: one year for mandatory directions and five years for discretionary directions.

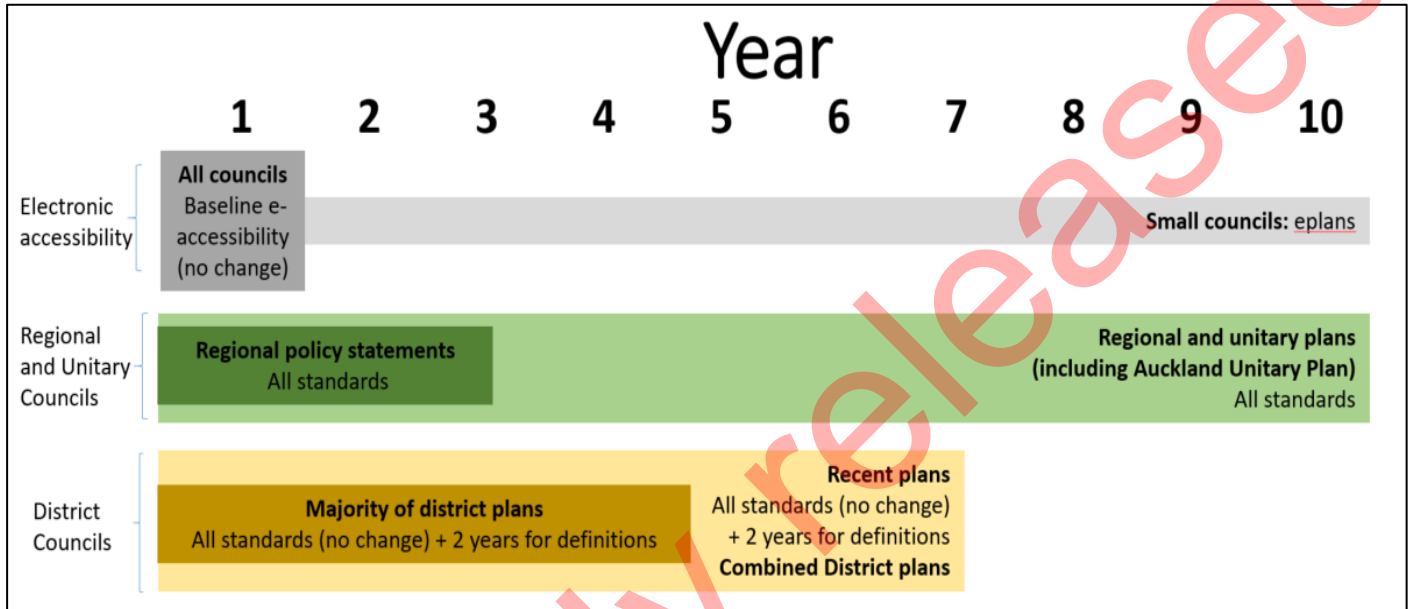
² Excluded the baseline electronic delivery standard which has a one-year timeframe for all councils.

³ The Standards are considered to be implemented when a plan change or plan review that meet the Standards is notified in accordance with clause five of schedule One of the RMA (not when a decision is made on the plan or change).

implementation timeframe (ten years) for ePlans for councils with fewer than 15,000 ratepayers.

- We also recommend exceptions from the ePlan requirements for plans prepared for the Chatham Islands, Outer Islands and Subantarctic Islands which, all have very small populations.

5. Accordingly, we propose the following implementation timeframes for the first set of Standards:



6. We seek your direction on this key issue of implementation timeframes so we can continue drafting amendments to the Standards. We would like to arrange a time to discuss the options with you before mid-December 2018.

Recommendations

Minister for the Environment and Minister of Conservation

We recommend that you:

- Note** the majority of submissions regarding the implementation timeframes of the Standards requested more time
- Agree** to retain the one-year implementation timeframe for the baseline electronic accessibility standards for RMA planning documents

Yes/No

- Agree** that regional councils must implement the Standards in their regional policy statements within three years, with the exception of the baseline electronic accessibility standards agreed in b

Yes/No

- Agree** that regional councils must implement the Standards in their regional plans at the next full plan review or within ten years, whichever is earlier, with the exception of the baseline electronic accessibility standards agreed in b

Yes/No

- e. **Agree** that all unitary councils must implement the Standards at the next full plan review or within ten years, whichever is earlier with the exception of the baseline electronic accessibility standards agreed in b

Yes/No

- f. **Agree** that Auckland Council must implement the Standards, at the next full plan review or within ten years, whichever is earlier with the exception of the baseline electronic accessibility standards agreed in b

Yes/No

- g. **Agree** to exempt the Outer Islands⁴, Chatham Islands and the New Zealand Subantarctic Islands from the level 5 eplan standard

Yes/No

- h. **Agree** to meet with officials for further discussion before mid-December 2018.

Yes/No

Minister for the Environment

We recommend that you:

- i. **Agree** that district councils implement the Standards at their next full plan review, or within five or seven years whichever is earlier (the seven-year councils are listed in Appendix 3 Group 3), except where altered by recommendations b above and j, k, and l below

Yes/No

- j. **Agree** that district councils be given an additional two years to implement the definitions standard over and above the timeframes in i above (either seven or nine years in total)

Yes/No

- k. **Agree** that district councils committed to a combined district plan (ie, there is a council resolution, MOU and/or similar statutory obligation) under s80(3)-(6) of the RMA, must implement the Standards within seven years

Yes/No

- l. **Agree** that district councils with under 15,000 residential ratepayers (as at 2018) have ten years to implement the level 5 eplan standard.

Yes/No

Minister of Conservation

We recommend that you:

- m. **Note** no draft Standards apply solely to the coastal marine area

⁴ The 'Outer Islands' are the islands where local authority functions are carried out by the Department of Internal Affairs or the Department of Conservation.

n. **Note** that recommendation d applies to Regional Coastal Plans because a Regional Coastal Plan is considered to be Regional Plan under the Resource Management Act.

Signature



Lesley Baddon
Director, Resource Management
Ministry for the Environment



David Speirs
Acting Director, Planning, Permissions and Land
Department of Conservation

Hon David Parker
Minister for the Environment

Date

Hon Eugenie Sage
Minister of Conservation

Date

Implementation timeframes for the first set of National Planning Standards: submissions and some recommended variations

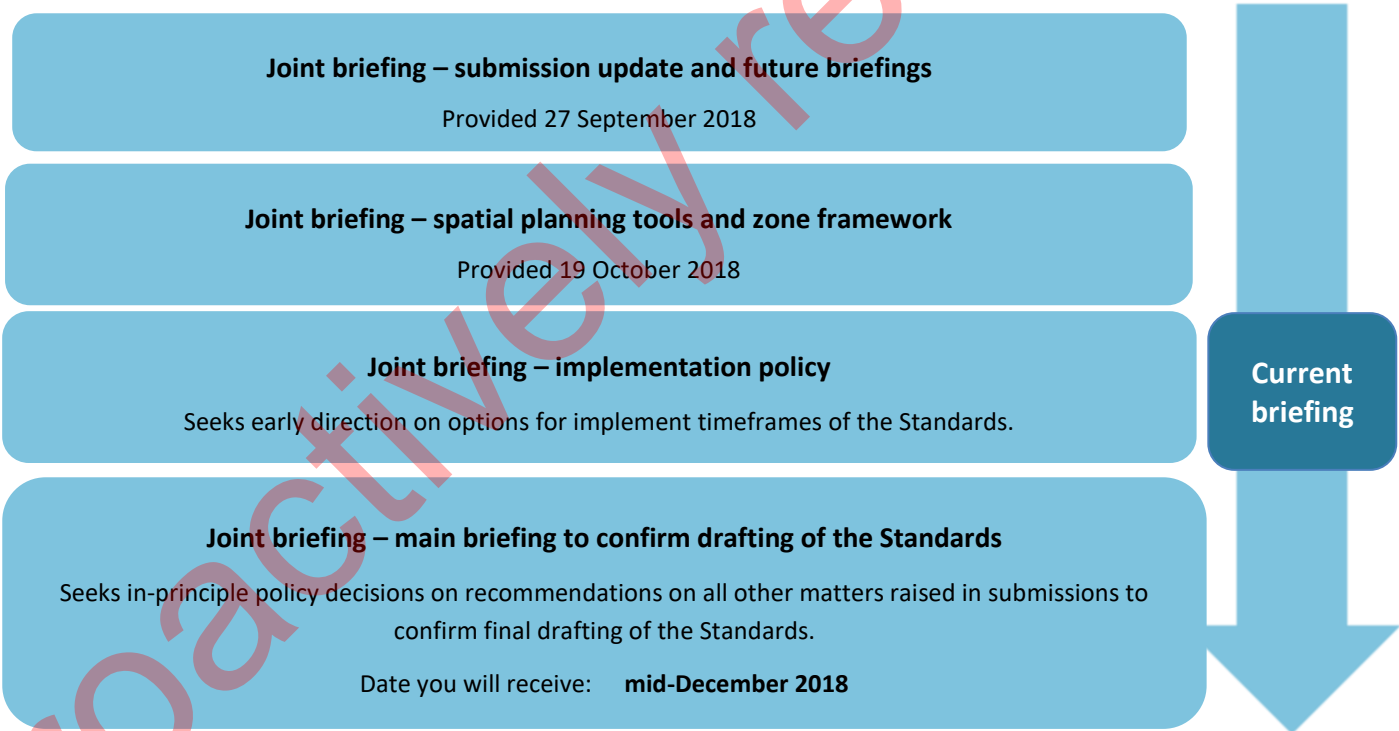
Purpose

1. This briefing informs you of submissions on the proposed implementation timeframes for the first set of National Planning Standards (Standards). It sets out some changes to the implementation timeframes to respond to specific issues raised. Some timeframes are proposed to remain the same, some come forward, and some to be extended.
2. We seek your direction on this key issue so we can continue drafting amendments to the draft Standards for your decisions in early 2019.

Context

3. This is the third of four briefings seeking your direction on the refinement of the Standards.

Figure 2: Briefing timeline



4. You previously agreed (2018-B-04172) to amend the timeframes to implement the first set of Standards from the default timeframes in the Resource Management Act 1991 (RMA)⁵:

Agree with Option 3 that there is a five year deadline for most councils to implement the mandatory and discretionary standards, except for baseline electronic accessibility standards (one year), and that a two year extension (ie, seven years) is offered to councils listed in Group E in Appendix II.

⁵ One year for mandatory content and five years for discretionary.

Many submitters were concerned about implementation timeframes

5. Of the 201 submissions on the draft Standards 70 included comments on the implementation timeframes. Of these, 59 submitters thought more time was needed. This view came from councils as well as professional bodies, nationwide companies and interest groups.
6. Submitters were concerned about:
 - the cost of early plan reviews triggered by the Standards for plans recently finalised, often after a long process
 - the level of external support that some councils will need to implement the Standards
 - increasing amounts of national direction resulting in councils delaying the implementation of the Standards or other national direction
 - policy statements and plans being amended to implement the Standards at once will not help councils maintain a proper plan hierarchy (ie, RPS directing district and regional plans) and will impact on the ability to achieve an integrated planning framework
 - the efficiencies of implementing some Standards, particularly definitions, before a full plan review
 - the costs and efficiencies of requiring smaller councils to implement an eplan within five years.
7. Five councils (Christchurch, Nelson, Wellington City, Taupo, Waitomo) and three national plan users (Spark, Vodafone, and Kiwirail) explicitly stated that they are satisfied with the proposed timeframes.

Analysis and Advice

8. We have re-assessed the Standards' implementation timeframe options. A full analysis of all implementation options considered can be found in Appendix 1. This briefing explains our preferred options and the rationale.

Submissions seek implementation timeframes “at next plan review”

9. A number of submissions asked for the ability to implement the Standards as part of their “next full plan review”. We do not consider this to be a satisfactory option as the “next full plan review” does not provide any certainty of when the Standards will be implemented. The RMA requires plans to be reviewed every ten years (section 79), but does not set a time limit to complete the review and then notify any revised provisions. Section 21 of the RMA only requires reviews to be carried out “as promptly as is reasonable in the circumstances”.
10. We do however, see value in referring to the concept of “next full plan review” as this clarifies the intent of some timeframes. For timeframes to be clear and enforceable we also propose to include a maximum timeframe (eg, next full plan review or ten years whichever is sooner).
11. Nothing within the Standards changes the existing council requirements of section 79 of the RMA. That is, all councils still have the obligation to review their plans within ten years. The Standards do not amend that requirement. We expect, the requirement to implement the standards will mean some councils will still have to notify a revised plan sooner than they may have otherwise anticipated.

Retain some previously agreed implementation timeframes

12. It is recommended that some previously-agreed implementation timeframes remain unchanged, these being:

- five years for most district councils and seven years for district councils who have recently completed a plan review to implement the majority of the Standards, and
- one year for all councils to implement the baseline e-accessibility standards.

Recommended variations to the implementation timeframes

13. Our recommended implementation timeframes are outlined in figure 3 below, further explained in Table 1 and detailed in the body of this briefing.
14. We consider that what we are proposing will address specific issues raised by submitters, while still maintaining progress to implement the Standards.

Figure 3: Recommended implementation approach

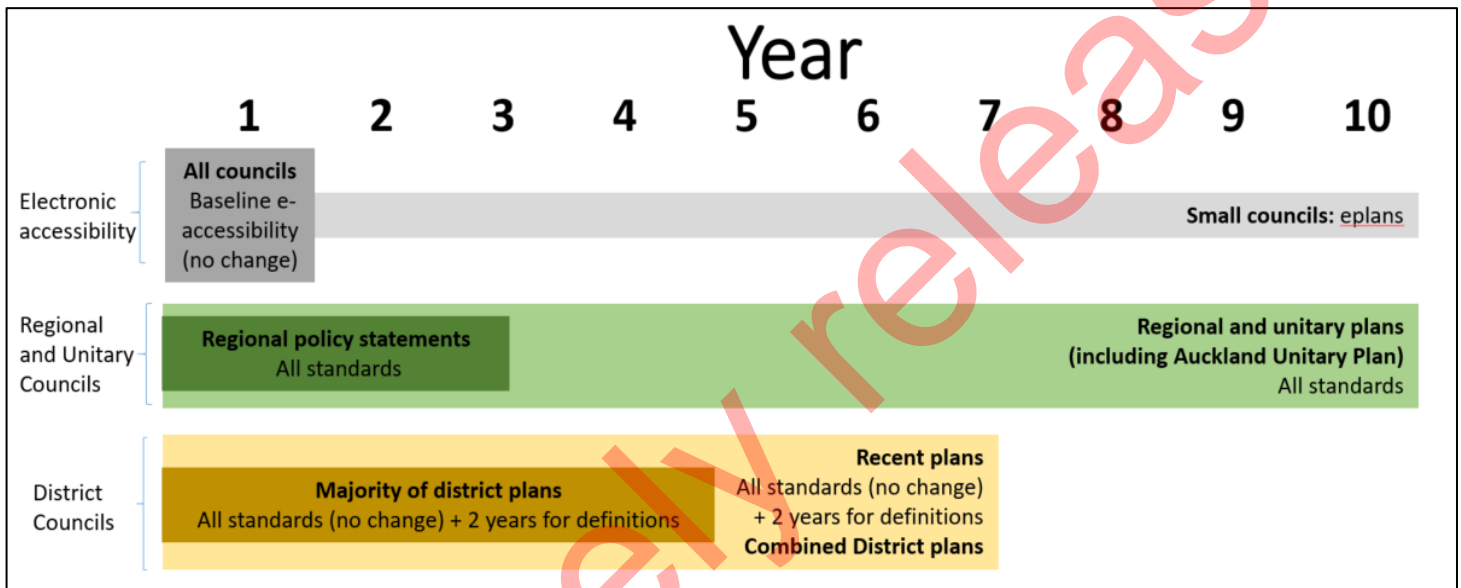


Table 1: Summary of changes to implementation timeframes and their rationale

| Changes | Explanation | Reasons |
|---|---|---|
| No change for most councils to previously agreed timeframes | 1 year for baseline e-accessibility standard. 5 years for most district councils to implement the Standards. 7 years for district councils who have recently completed a plan review. | <ul style="list-style-type: none"> • This was the option consulted on in the draft Standards. • This option presents efficiencies over and above the default timeframes in the Act as it brings most councils closer to planned plan reviews and allows integrated implementation of all standards. |
| Regional councils change RPS first Then regional plans and unitary | Regional councils have 3 years to amend their RPS to implement the Standards. Regional and unitary councils must implement the Standards in any new | <ul style="list-style-type: none"> • District and regional plans must give effect to RPSs. This is easier if these are already aligned with Standards (especially the definitions). • RPSs can be amended more quickly than other plans as they tend to be less complex and do not include rules. • Regional and unitary plans face significant changes from national direction and central government policy. |

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| <p>plans⁶ up to 10 years</p> | <p>plans, or within 10 years (whichever is earlier).</p> | <ul style="list-style-type: none"> • There are a wide variety, range and number of regional and unitary plans. The degree of change needed for some of them to comply with the Standards is high. • This option was tested with Regional Council policy managers in October 2018, and no wholesale disagreement was noted. |
| <p>Definitions in district plans have an extra 2 years</p> | <p>The definitions standard must be implemented in a new proposed plan.</p> | <ul style="list-style-type: none"> • Most councils are risk adverse and consider that a full Schedule 1 process will be required to implement the definitions (because they consider their ability to carry out consequential amendments to be narrow). All other standards and their consequential changes either will not need a Schedule 1 process, or the scope of the process will be limited (eg, zones). • Councils have expressed that implementing the definitions standard will be the most time consuming of all the Standards as identifying all of the flow on effect from a change to a definition will be resource intensive. • Regional councils already have 10 years to incorporate definitions into a plan review (as per recommendation above). • Requiring new plans to incorporate the new definitions ensures early implementation where this is efficient. |
| <p>7 years for councils developing a combined district plan</p> | <p>7 years from gazettal for councils who develop a combined district plan. (ie, there is a council resolution, MOU and/or similar statutory obligation) combined plans under s80(3)-(6).</p> | <ul style="list-style-type: none"> • Councils going through joint council processes to merge multiple RMA plans generally need more time. • Promotes the long-term efficiency of combined plans. • Currently applies to the Wairarapa and West Coast councils. |
| <p>10 years for small councils to develop an eplan</p> | <p>Gives district/unitary councils with plans serving fewer than 15,000⁷ residential ratepayers (Appendix 2) 10 years to implement level 5 eplan requirements excluding councils preparing combined district plans.</p> | <ul style="list-style-type: none"> • These councils have low ratepayer bases, often have a lack of eplanning and GIS expertise available, and also have low RMA plan use. • Allows more time for broadband-speed uptake in rural areas and small communities. • Gives these councils more time to fund eplans. |

⁶ 'Unitary plans' referred to here are combined regional and district documents prepared by Unitary Authorities

⁷ Both the Wairarapa and West Coast Council are preparing or have a combined plan. These serve more than 15,000 ratepayers. The cost of these eplans will be shared across the councils, so these they would be excluded from this extension.

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| Eplan exemptions for plans serving very few residents | Exempt the Outer Islands (DIA and DOC-managed) Subantarctic Islands (DOC-managed) and Chatham Islands from the eplan level 5 standard. | <ul style="list-style-type: none"> • Recognises the very small populations (Outer Islands 37, Chatham Islands 640 and the Subantarctic Islands 0) and limited plan use in these areas. • The level 5 standard is not justified by the amount of use the plans gets. • These plans can be quickly read and understood. |
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Rationale for changes to implementation timeframes

15. Of all of the concerns raised by submitters we have identified five key implementation concerns. We consider that targeted solutions can address these issues.

Regional Policy Statements should implement the Standards before regional and district plans

16. Submissions highlighted that changes to Regional Policy Statements (RPS) have a flow-on effect to regional plans and district plans. Councils like Northland Regional Council and Environment Canterbury have a preference to align RPSs with the Standards before district plans implement the standards. We discussed the merits of early RPS alignment, in a meeting with regional council policy managers in October. The majority of councils were open to this provided they could test the RPS structure early.

Environment Canterbury

► Concurrent reviews of the [RPS and regional plan], which may also occur alongside reviews of district plans will hinder our ability to create an integrated planning framework. Councils are required, when developing a district plan or regional plan, to give effect to regional policy statements. If a regional or district plan is developed before the regional policy statement is settled, Councils will have difficulty in giving effect to that document. This risks regional and district plans being out of step with regional policy statements. ◀

17. It would be beneficial for regional and district plans to reflect the way the relevant RPS provisions incorporate the Standards, particularly the definitions.
18. We propose a shorter, three-year timeframe for RPSs to give effect to the Standards, combined with a longer, ten-year timeframe for all regional plans and unitary plans to give effect to the Standards.
19. The ten-year timeframe recognises:
- The structures of many regional plans are highly variable and will need considerable changes to reach national alignment.
 - Many councils will be combining multiple regional plans into one plan. There are a number of complex current and upcoming national directions that regional plans must give effect to.
 - As unitary councils have both RPS and regional and district plans they are able to ensure that any review is undertaken in a logical way that takes into account the requirements of the RMA. However, these councils also have complex plans that cover the whole suite of RMA plans, and are as affected by national direction as regional plans.
20. Two of the six unitary councils (Gisborne and Nelson) are in the process of reviews and likely to implement the Standards within the first five years.

Contributors to the Auckland Unitary Plan (AUP) do not want its structure and form to change early

21. The theme of AUP contributors wanting the AUP to 'rest' for a while before being changed significantly has been consistent and was noted in several submissions. For example, Housing New Zealand reiterated the extensive five-year process (including multiple appeals) for the AUP to become fully operative.

PSPiB/CPPIB Waiheke, AMP Capital Shopping Centres and Stride Property

▶▶ The AUP was developed using a bespoke and intensive statutory process with the aim of producing an integrated plan across the entire Auckland region. Submitters invested significant time and resources to ensure that the process resulted in quality planning outcomes. Implementing the mandatory directions in the National Planning Standards will require significant changes to be made to the structure of the AUP. A full plan review would be the most efficient way to implement the National Planning Standards in Auckland. ◀◀

22. Allowing Auckland Council ten years to implement the Standards recognises that the AUP is the largest and most complex RMA plan in the country. A ten-year timeframe also recognises the high growth and planning pressures on Auckland Council. From discussions with Auckland Council staff, we expect that some of the Standards will be incorporated into the AUP earlier than ten years as they progress various plan changes.

Implementing some standards, particularly the definitions standard, before a full plan review is not efficient for some councils

23. The costs of implementing the Standards outside of a full plan review was a main theme in submissions. Many councils believe that the new definitions will require an RMA Schedule One plan change process, as may other Standards. This will open up established plan provisions to new challenges.

Hauraki District Council

▶▶ The implementation timeframes mean that if we want to incorporate the standards in our district plan through our district plan review (the most cost effective way of implementation) ... this will put pressure on our staff to bring forward the review and will bring forward the costs associated with the review. It also means the cost of the last District Plan cannot be spread over ten years as anticipated. We do not have the resources to implement the standards within five years. ◀◀

24. Definitions will have a significant effect on existing plan provisions. Implementing definitions and identifying all of the flow on amendments to the plan will be time consuming and more efficient if carried out through a full plan review. Our economic analysis also shows that the benefit/cost ratio of the definitions standard is 1.2 with three and five-year implementation timeframes but 2.9 with a ten-year timeframe.

25. Councils consider the ability to make consequential amendments under the RMA without a Schedule One process to be reasonably narrow. Councils are often risk adverse and have told us they consider a Schedule One process will be necessary. We will prepare guidance on this issue to assist councils to make the appropriate decisions regarding consequential amendments.

Canterbury Mayoral Forum

▶▶ definitions...will mean that in many cases, details of rules and their activity status will need to be reviewed and adapted to reflect the new definitions. Further, the RMA limits consequential amendments only to those that avoid duplication and conflict with the mandatory amendment. As this exemption is relatively narrow in scope, and as many rules are likely to require significant amendments to reflect the amended definitions while retaining the original intention of affected rules, Canterbury Councils anticipate having to use Schedule One RMA processes as an invariable consequence of implementing much of the Planning Standards. ◀◀

26. For these reasons we recommend that district councils be given an extra two years to

implement the definitions standard. This allows implementation of the Definitions Standard to be better aligned with existing plan reviews.

Requiring smaller councils to implement an eplan within five years can be costly and inefficient

27. Submitters, particularly smaller councils with low development and growth rates, highlighted the low efficiency of eplans for them. The proportional upfront and ongoing costs on ratepayers for these smaller councils is much higher, but their more rural and elderly populations will use eplans less. They consider the baseline e-delivery requirements are satisfactory for these people to interact with local RMA plans.
28. The upfront costs of eplans vary depending on the level of customer support required, but can range from \$40,000 to \$100,000+. Annual maintenance costs can range from \$7,000 to \$35,000 per council. The range relates to support requirements and the complexity of ensuring the plan is up to date and secure. One council staff member's time is generally dedicated to the eplan for the first 3-6 months, before efficiencies start to reduce this time requirement. For a small council this cost can equate to a rates increase of 1-2%.
29. Councils have expressed concern about the costs of Standards implementation competing with other increasing demands on revenue collected through rates, such as ageing infrastructure replacement, climate change adaptation, earthquake resilience, three waters costs, etc.
30. We accept these arguments for a more flexible eplan requirement for smaller councils with a small ratepayer base and low levels of plan interaction. Our economic analysis also supports this. We recommend giving small councils (with less than 15,000 residential ratepayers, as listed in Appendix 2) ten years to implement the eplan standards. 23 councils currently meet this criterion.
31. We also recommend exempting the Outer, Subantarctic and Chatham Islands⁸ from the eplan standards. This recognises their very small populations (Outer Islands ~37 permanent residents, Chatham Islands ~640 permanent residents, Subantarctic 0), and the very small level of plan use relative to eplan costs.

Longer processes are required for combined district plans across more than one district council

32. The Local Government Commission has decided that a combined district plan for the West Coast region will be prepared under guidance of a joint committee. Buller District Council expressed concerns about having to implement the Standards while this combined district plan is being prepared.
33. We support combined plans as an efficient way to standardise planning provisions and share costs across smaller councils with common interests. To provide more flexibility to facilitate combined plans, we recommend allowing seven years to implement the Standards for councils that will notify a combined district plan (ie, notification between April 2019 and April 2016).

Other issues influencing our recommendations

34. There are also two overarching concerns that we believe are addressed more indirectly by the package of recommendations proposed above.

The external support that some councils need to implement the Standards promptly may not be available

⁸ Outer Islands planning documents are prepared by Department of Internal Affairs and Department of Conservation. The Department of Conservation is responsible for planning in the Subantarctic. Chatham Island Council is responsible for the Chatham Island Resource Management Document, which Environment Canterbury staff prepare.

35. Our discussions with councils and submitters have clarified the clear need for sufficient time and support for councils to implement the Standards well.
36. Submitters stated that the draft timeframes released in June 2018 could only be achieved with significant support or risk delay particularly for smaller councils to implement the eplan standard.

Central Otago District Council

» The development of an eplan is new and different from normal work of the Council and will require significant additional expertise and resource. The Council therefore requests financial and technical support to implement these changes, as it is an unfair burden on an already stretched ratepayer base. «

37. Current Ministry work volumes, and the undetermined outcome of the Ministry for the Environment's proposed budget bids, means that we are unsure how much support can be offered to councils at this stage.

Increasing amount of national direction may force councils to delay Standards' implementation

38. Many submissions noted the increasing impact of implementing multiple forms of national direction, including:
 - National Policy Statements on Freshwater Management and Urban Development Capacity
 - National Environmental Standard for Plantation Forestry
 - Upcoming national direction on marine aquaculture, tyres, biodiversity, versatile soils, quality intensification, urban planning, allocation of freshwater resources and air
 - RMA review and reform
 - Urban Development Authority projects
 - Three waters review and management changes.
39. Tauranga City Council is preparing two plan changes for new urban growth areas to meet the requirements of the National Policy Statement for Urban Development Capacity. It is concerned that reallocating staff to work on implementation of the Standards will impact on its ability to provide urban growth areas.

Auckland Council

» It is also questionable whether [the timeframe] is in the national interest given that this would reduce the capacity of Auckland to undertake other necessary planning ... Specifically at risk would be the incorporation of the Hauraki Gulf Island district plan provisions into the Unitary Plan, the implementation of the national policy statement and national environmental standards programme and plan changes needed to provide for growth across greenfield and brownfield locations. «

40. Submitters perceive that the national direction listed above has on-the-ground positive effects on the built and natural environment, whereas the Standards provide efficiency benefits when using and making plans. Councils indicated they may have to prioritise implementation of other national direction over the Standards' implementation.

Issues we do not consider necessitate changes to implementation

41. Waikato District Council (WDC) requested seven years to implement the Standards as it notified a new proposed district plan in July 2018. Decisions on this plan should be issued by July 2020 – after the April 2019 cut-off for a seven-year timeframe in the draft Standards. The council asked to extend the timeframe because:

- It is the only council that has notified a proposed plan between the release of the draft Standards and their final Gazetteal.
 - The new district plan is likely to have significant numbers of submissions and appeals due to high population growth and proximity to Auckland and Hamilton.
 - It will only have about a year, after appeals, to implement the Standards.
42. The standards have been signalled for a number of years, particularly since April 2017 when the Resource Legislation Amendment Bill 2017 was enacted and discussion documents released for public comment. Most councils due to notify a proposed plan during 2018 or 2019 have opted to align the notification to soon after gazettal of the standards. Many councils have also been preparing their plans to reflect the draft proposed standards.
43. We do not recommend amended timeframes for WDC. We note that if our recommendation to allow a further two years to implement the definitions is accepted, this should provide the flexibility required to support this council. We will work with council staff to explore options for implementing the standards alongside or soon after their current proposed plan process.
44. District councils undertaking rolling reviews may also find Standards implementation difficult. A number of councils are committed to rolling reviews of their district plans, to maintain affordability of ongoing updates, even though this may result in somewhat disjointed and poorly integrated plans for a period of time.
45. No change to the timeframes are recommended in this instance. We will continue to advise councils that have rolling plan reviews about which standards can be implemented earlier and which are better done as a separate plan review.

Consultation and Collaboration

46. This briefing was prepared by the Ministry for the Environment and the Department of Conservation. The Department of Corrections, Ministry for Social Development, Ministry of Health, and Ministry of Housing and Urban Development have been consulted on this briefing.

Risks and mitigations

47. The main risk is to the effectiveness and timeliness of Standards implementation. The mitigations to this risk are discussed in this briefing.

Legal issues

48. No legal issues have been identified.

Financial, regulatory and legislative implications

49. There are no regulatory or legislative implications. If timeframes for certain councils are not extended, there will be an increased demand for support from central government. This support will have financial implications reflected in the Ministry for the Environment's budget bids.

Next Steps

50. We will refine the Standards subject to your direction. You will receive a further briefing in

December 2018 providing advice on other issues raised in submissions, including plan structures, coastal plan provisions, approaches to integrated management, definitions and specific ePlan requirements.

Proactively released

Appendix 1 Tables assessing the pros and cons of implementation options

Table 1: Pros and cons of timeframe options

| Option | Explanation | Advantages | Disadvantages |
|--|--|--|---|
| <p>Option 1: Existing timeframes in draft Standards</p> <p>Recommended to remain for district councils</p> | <p>1 year for baseline eDelivery. 5 years for all councils to implement all other standards except 7 years for councils in Group E in Appendix 4.</p> | <ul style="list-style-type: none"> • Future content standards can still be implemented within a 5-7 year timeframe. • Plans structure aligns quickly = early benefits for multiple plan users. | <ul style="list-style-type: none"> • Risk of perception of unfairness by giving extensions to only some councils. • Many councils have to review their plan outside of schedule review. • May lead to rates increases to cope with extra demands. • May lead to councils making trade-offs between National Direction and choosing not to implement it all within the timeframes. |
| <p>Option 2: Implement RPS first</p> <p>Recommended</p> | <p>Regional councils (not unitary councils) have: 1 year for baseline eDelivery. 3 years for regional policy statements. ten years for regional plans.</p> | <ul style="list-style-type: none"> • Will allow most district and regional plans to more clearly give effect to the relevant RPS when implementing the Standards.. • The RPS has no rules, so there is less risk of content change triggering an RMA Schedule 1 process during Standards implementation. • Regional plans cover more resource management themes and are more diverse. ten years allows more effective alignment of content to Standards over time. • Any planning system reform may catch up with the regional plan implementation of the standards. • Standards that are not working well can be corrected with less disadvantage. | <ul style="list-style-type: none"> • Regional councils that don't like the Standards may take a decade to implement them. • The benefits of the Standards will take longer to accrue. • Some Regional Coastal Plans are already overdue for review, this timeframe may lead to further delay. |
| <p>Option 2: Implement RPS first</p> | <p>Regional councils (not unitary councils) have: 1 year for baseline eDelivery. 3 years for regional policy statements.</p> | <ul style="list-style-type: none"> • Will allow most district and regional plans to more clearly give effect to the relevant RPS when implementing the Standards. • The RPS has no rules, so there is less risk of content change triggering an RMA Schedule 1 process during Standards implementation. | <ul style="list-style-type: none"> • Regional councils that don't like the Standards may take a decade to implement them. • The benefits of the Standards will take longer to accrue. |

| Option | Explanation | Advantages | Disadvantages |
|------------------------|--|---|--|
| Recommended | ten years for regional plans. | <ul style="list-style-type: none"> Regional plans cover more resource management themes and are more diverse. ten years allows more effective alignment of content to Standards over time. Any planning system reform may catch up with the regional plan implementation of the standards. Standards that are not working well can be corrected with less disadvantage. | |
| Recommended | <p>Option 3: 7 years for new combined plans</p> <p>1 year for baseline eDelivery. 7 years for councils that notify a combined plan between April 2019 and April 2026 for all other standards.</p> <p>This would currently apply to Buller, West Coast and Grey Districts.</p> | <ul style="list-style-type: none"> This recognises the process that these councils will be going through as recommended by the local government commission. This option recognises the benefits of combining planning documents and encourages this practice. Gives more lead in time for councils to figure out how to work together and then to combine multiple plans. Councils undertaking this option generally have low resources, even when combined their resources are still relatively low compared urban councils. | <ul style="list-style-type: none"> Benefits of national standardisation delayed. |
| Not recommended | <p>Option 4: ten years for Auckland only</p> <p>1 year for baseline eDelivery. ten years for Auckland Council for all other standards.</p> | <ul style="list-style-type: none"> Recognises the additional pressures on the Auckland region from central government, UDA, light rail etc. Means the largest plan in the country does not need to be reviewed outside of the plan review cycle. Reduces the costs to all involved in the AUP processes. | <ul style="list-style-type: none"> Benefits of national standardisation delayed. Future content standards may need to be adapted for Auckland until the Standards are implemented. |
| Recommended | <p>Option 5: ten years for all Unitary Councils</p> <p>1 year for baseline eDelivery. ten years for unitary councils for all other standards.</p> | <ul style="list-style-type: none"> Regional and unitary plans face significant changes from national direction and central government policy. There are a wide variety, range and number of regional and unitary plans. The degree of change needed for some of them to comply with the Standards is high. Recognises the additional pressures on the Auckland region from central government, UDA, light rail etc. | <ul style="list-style-type: none"> Benefits of national standardisation delayed. Future content standards may need to be adapted for Unitary Councils until the Standards are implemented. |

| Option | Explanation | Advantages | Disadvantages |
|---|--|---|---|
| | | <ul style="list-style-type: none"> Means the largest plan in the country does not need to be reviewed outside of the plan review cycle. Reduces the costs to all involved in the AUP processes. Recognises the volume of planning work at unitary councils. | |
| <p>Option 6: ten years for councils with plans recently made operative</p> <p>Not recommended</p> | <p>1 year for baseline eDelivery. 7 years for councils whose plan became operative within 3 years before the Standards are gazetted (as well as plans that had decisions released).</p> | <ul style="list-style-type: none"> Gives recognition of the appeal process and the time and cost it involves. Appeals are out of control of the council Would reduce the costs of the councils added to the 7 years. | <ul style="list-style-type: none"> Some plans have taken a long time to become operative, in the first place additional time (see appendix 4) additional implementation time add to this Would require the Ministry making a judgement call on what is an appropriate timeframe in which a plan should be made operative. Could be seen as unfair to councils who 'more actively manage' plan processes Benefits of standards delayed |
| <p>Option 7: ten years for small councils' eplans</p> <p>Recommended</p> | <p>ten years for councils (which do not have a combined plan) with fewer than 15,000 residential ratepayers to meet the eplan standard.</p> | <ul style="list-style-type: none"> Gives more time for councils with small rating bases to gather the money and resources for an eplan. Reduces risk of rates rises in these areas. The Wairarapa Councils have one plan that serves more than 15,000 ratepayers, and the West Coast Councils will be the same. The cost of their respective eplans will be shared across the councils, so these councils are not included in this recommendation. | <ul style="list-style-type: none"> These plans will not be as useable in the short term, however most of these councils can provide an appropriate level of service with PDF plans and counter inquires as their plan usage is often not high. |
| <p>Option 8: No eplans for small authorities</p> <p>Recommended</p> | <p>Exempt the Chathams Council, and DIA and DOC as authorities for the Outer and Subantarctic Islands, from the eplan standard.</p> | <ul style="list-style-type: none"> This would reduce the cost of producing plans for areas with very small population (Outer Islands 37 Chatham Island 640 and Subantarctic 0). | <ul style="list-style-type: none"> Councils may see DIA and DoC as having enough resources to fund an eplan despite the very low population of the Outer and Subantarctic Islands. |
| <p>Option 9: 2 extra years for definitions, or next notified proposed plan (whichever is earlier)</p> | <p>District councils listed in Group E have: ten years to implement the definitions standard.</p> | <ul style="list-style-type: none"> Plans structure aligns quickly = early benefits for multiple plan users. Definitions being included at the next full plan review significantly reducing costs for councils in group E. | <ul style="list-style-type: none"> Some councils could consider their plans twice for structure and then definitions. May still lead to an increase in rates and costs for first changes for structure (but less than option 1). |

| Option | Explanation | Advantages | Disadvantages |
|---|--|--|---|
| Recommended | If councils in Group E notify a proposed plan earlier than ten years, the plan must give effect to the definitions standard. | <ul style="list-style-type: none"> • The structure, form and zones being put in place will assist with future content standards being able to be implemented within a 5-7 year timeframe. • Contributors to multiple plans (iwi authorities, industry sector groups etc.) can space out submission workloads. • The government is assured that national standardisation won't drag on unnecessarily. • Greatly improves the benefit cost ratio (BCR) of the Standards as the definitions have a BCR of 2.9 at ten years but only 1.2 at 3 and 5 years. • Still allows councils to implement all Standards at once if they wish. | |
| Option 10: ten years for all Not Recommended | <p>1 year for baseline eDelivery. ten years for all other standards.</p> <p>If councils notify a proposed plan earlier than ten years, the plan must give effect to the Standards.</p> | <ul style="list-style-type: none"> • Cost to councils is the lowest. • Gives Councils the most ability to implement other national direction. • The overall BCR for the Standards would be the highest possible. • Would reduce the implementation support the Ministry needs to provide. • Any planning system reform may catch up with the Standards implementation. Councils won't have to amend their plans twice, unless this is beneficial. • Standards that are not working well can be corrected with less disadvantage. | <ul style="list-style-type: none"> • Councils that don't like the Standards could take a decade to implement them. • May take longer for councils to implement other national direction. • Alignment does not occur quickly. • Future content standards will be more difficult to implement for longer (compared to options 1 & 3). • Some of the Standards, particularly e-delivery, are even more likely to become out of date and need updating before all councils complete implementation. • The benefits of the Standards will take longer to accrue. |

Appendix 2: District plans covering fewer than 15,000 residential ratepayers⁹

Notes:

- Chatham Island Council is proposed to be exempt from the eplan requirements.
- Carterton, Masterton and South Wairarapa District Councils have a combined district plan that covers more than 15,000 residential ratepayers, so they are not included in this list.
- The Local Government Commission is requiring that the Grey, Westland and Buller District Councils produce a combined district plan. This district plan will cover more than 15,000 residential ratepayers, therefore not included in this list.

| Council Name | # Ratepayers |
|------------------------------|---------------------|
| Chatham Islands Territory | Not in this dataset |
| Kawerau District | 2911 |
| Kaikoura District | 2968 |
| Waimate District | 4311 |
| Mackenzie District | 4411 |
| Otorohanga District | 4903 |
| Stratford District | 5292 |
| Opotiki District | 5627 |
| Gore District | 6049 |
| Waitomo District | 6315 |
| Wairoa District | 7279 |
| Central Hawke's Bay District | 7699 |
| Hurunui District | 8064 |
| Rangitikei District | 8135 |
| Ruapehu District | 9806 |
| South Waikato District | 10012 |
| Hauraki District | 10424 |
| Tararua District | 10700 |
| Clutha District | 11124 |
| Central Otago District | 13492 |
| Waitaki District | 13773 |
| Manawatu District | 14430 |
| Matamata-Piako District | 14559 |
| South Taranaki District | 14903 |

⁹ 2018 indications from the New Zealand Taxpayers' Union, compiled from local authority annual reports and Official Information Act requests: <https://www.ratepayersreporting/2018-report>

Appendix 3: Expected council implementation timeframes of Standards

The table below classifies councils into when they are likely to implement the Standards based on when councils are next due to review their RMA plans.

Note:

- Further verification of the councils in Group B and E will be required prior to gazetting the Standards.
- Most regional councils have at least two plans, but often more than two.

| Group | Regional and Unitary Councils | District Councils |
|--|--|--|
| Group A: Able to implement Standards within 3 years of gazettal. This includes councils that are delaying or soon notifying a full plan review or plan change so it can include the Standards | Gisborne, Nelson | Central Otago, Chatham Islands, Kaikoura, Kawerau, Masterton-Carterton-South Wairarapa (combined plan), Napier, New Plymouth, Porirua, Selwyn, Taupo, Wairoa, Waitaki, Waitomo, Western Bay of Plenty |
| Group B: Timing uncertain – often indicated a rolling review | Hawkes Bay, Otago, West Coast, Canterbury, Bay of Plenty | Central Hawkes Bay, Clutha, Mackenzie, Manawatu, Matamata-Piako, Palmerston North, Upper Hutt, Whangarei |
| Group C: Likely to implement within 3 – 5 years of Gazettal | Taranaki, Tasman, Waikato | Ashburton, Gore, Hauraki, Horowhenua, Hutt City, Kaipara, Otorohanga, Rangitikei, Ruapehu, Stratford, Tararua, Tauranga, Timaru, Waikato, Waimakariri, Waimate, West Coast Councils (possible combined district plan), Wellington City |
| Group D: Likely to implement within 5 – 7 years of Gazettal | | Rotorua, South Waikato |
| Group E: Scheduled plan review is 7+ years. | Auckland, Marlborough, Northland, Southland Region, Wellington Region, Manawatu-Wanganui | Christchurch, Dunedin, Far North, Hamilton, Hastings, Hurunui, Invercargill, Kapiti Coast, Opotiki, Queenstown-Lakes, South Taranaki, Southland District, Thames-Coromandel, Waipa, Whakatane, Whanganui |

Appendix 4: Councils that would move to 7 years if the criteria were changed to include plans made operative in the 3 years preceding gazettal

| Council | Plan type | Decision date | Operative date | Years in appeal approx. |
|----------------|----------------|---------------|----------------|-------------------------|
| Waikato | RPS | Dec-12 | May-16 | 3.5 |
| Env Canterbury | Land and Water | Jan-14 | Dec-16 | 3 |
| Far North | District Plan | Jul-03 | Apr-17 | 14 |
| Hamilton | District Plan | Jul-14 | Oct-16 | 2 |
| Huruni | District Plan | May-15 | Jun-18 | 3 |
| Rotorua | District Plan | Nov-14 | Jul-16 | 1.5 |
| Selwyn | District Plan | Nov-04 | May-16 | 12 |
| Waipa | District Plan | May-14 | Sep-17 | 3 |
| Whakatane | District Plan | ?-14 | Jun-17 | 2 |