

Priority – Medium

Security Level – In Confidence



Ministry for the
Environment
Manatū Mo Te Taiao

Ministry for Primary Industries
Manatū Ahu Matua



16 November 2018

MPI reference: B18-0814

MfE reference: 2018-B-05079

Policy Options for Highly Productive Soils

Purpose:

This briefing seeks your decision on the policy approach for highly productive soils and your agreement to proposed consultation and development timeframes.

Minister	Action Required:	Minister's Deadline
Minister for the Environment Minister of Agriculture	Agree to take a two-phased approach to policy development. Direct officials to progress policy development focusing on urban-rural interface issues exploring a range of options, but with a National Policy Statement as a preferred option at this time. Agree to the consultation timeframes outlined in recommendation 1e.	As soon as possible
CC Minister of Housing and Urban Development		

MPI Contact for telephone discussion (if required)

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Key Messages

- In April, in response to the Environment Aotearoa *Our Land 2018* report the Minister for the Environment announced that the Government would develop a National Policy Statement for Highly Productive Soil.
- Since that time we have provided you with a briefing with a draft problem definition, and have refined that problem definition through workshops with stakeholders. This problem focuses on three main issues:
 - a. the reduction in the availability of highly productive soils for primary production due to urban-rural interface issues including urban expansion, fragmentation and reverse sensitivity effects;
 - b. the physical, chemical and biological degradation of soil stemming from agricultural intensification and associated use of agrichemicals, soil compaction and erosion; and
 - c. the inability to effectively use the highly productive soil resource due to regulatory barriers, including the current nutrient allocation methodology used by councils.
- When we met with you and the Minister for Housing and Urban Development in September, you requested advice on policy options that could be consulted on as soon as possible to address these issues. The Minister for the Environment expressed a preference to use this consultation to test policy with the public early in the development cycle and seek further information to refine the policy.
- To align with your preference to consult on policy options early in the policy process, we recommend a two phased approach:
 - **Phase 1:** consult on a national level national direction instrument focused on national rural-urban interface issues in April 2019 focusing on;
 - managing urban encroachment onto land with highly productive soil;
 - reducing the fragmentation of land with highly productive soil into smaller parcels; and
 - addressing reverse sensitivity issues.
 - **Phase 2:** consideration of a broader tool to address soil health following promulgation of the rural urban interface instrument, to be potentially consulted on in 2020.
- We consider that it is appropriate to address the issue of regulatory barriers through the Essential Freshwater Programme. Officials from the Water Task Force are working with sector groups to better understand these issues.
- We have provided advice on a range of options that could be used to address the urban-rural problems articulated above through the first phase of work, including:
 - a. a National Policy Statement;
 - b. a strengthened framework for spatial planning
 - c. a National Environmental Standard;

- d. a combined National Policy Statement and National Environmental Standard; and
 - e. National Planning Standards.
- At this stage, our preferred option is to develop a National Policy Statement (NPS) focused on urban-rural interface issues to address problems associated with the reduction in availability of highly productive soils for primary production. However a range of policy options will be explored through the discussion document.
 - There are a number of significant evidence gaps that need to be addressed in order to ensure a robust policy process. We will use the public consultation process to elicit the information required to fill these gaps and support the problem definition. We will also continue to work on the evidence base in parallel to public consultation.
 - The consultation process could result in new evidence and a new preferred option. Nevertheless, we recommend you consult on an NPS in April rather than do more pre-work and delay public engagement.
 - Once we receive your feedback on our current preferred option, we will begin preparing a draft consultation document. A draft of this will be provided for your consideration in March 2019 ahead of you seeking Cabinet approval to consult in April 2019. In early November, the Minister for the Environment agreed to publically consult on a package of national direction for quality urban intensification, also in April 2019 (briefing 2018-B-05003 refers). We will work with MfE urban development officials to identify the best approach to align these two consultation documents and streamline processes to reduce the burden on local authorities.

Recommendations

1. The Ministry for Primary Industries and Ministry for the Environment recommends that you:

- a) **Note** that we have held workshops with stakeholders to clarify the problem definition

Noted

- b) **Agree** to take a two-phased approach to policy development:
- i. a national direction instrument focused on rural-urban interface issues
 - ii. a broader tool to address soil health following promulgation of the rural urban interface national instrument

Agreed / Not Agreed

- c) **Agree** to consult on a National Policy Statement on urban-rural interface issues as the preferred option at this stage while also seeking feedback on alternative options

Agreed / Not Agreed

- d) **Agree** in principle to following an alternative process for development of a national instrument for Highly Productive Soils rather than a Board of Inquiry process

Agreed / Not Agreed

- e) **Direct** officials to prepare a Cabinet paper and draft consultation document for Cabinet consideration in March 2019 with a view to consult publicly in April 2019

Agreed / Not Agreed

- e) **Note** that it will not be appropriate to set requirements in a national instrument for highly productive soils based on the current soil classification system (Land Use Capability). Work will be required to address the issues raised by stakeholders including the scale being too coarse for horticultural blocks

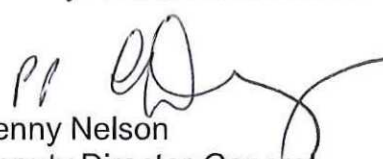


Noted

Lorena Stephen
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Hon David Parker
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Penny Nelson
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Proactively released under the Official Information Act

Introduction

2. In July this year the Ministry for Primary Industries (MPI) provided you with a briefing outlining the value of soil, the role it plays, and some of the issues with the management of highly productive soil (B18-0570 refers). These issues have previously been raised with MPI and the Ministry for the Environment by the soil science community, and have been more recently highlighted through the Environment Aotearoa *Our Land 2018* report.
3. In addition, Horticulture New Zealand has released several reports outlining the issues faced by vegetable growers in the Pukekohe area as a result of urban growth around the Pukekohe Hub (the Hub). We have previously briefed you on these reports and highlighted the need for further evidence to support the argument Horticulture New Zealand make through these reports. Auckland Council and Waikato District Council have also recently zoned or identified areas of highly productive soils¹ in and around the Pukekohe Hub for future urban use.
4. Following the July briefing, officials met with you and the Minister for Housing and Urban Development to discuss potential scope and options for national direction on highly productive soil. At that meeting the Minister for the Environment expressed a desire to consult the public on options for central government intervention as soon as possible.
5. This briefing provides a revised problem definition and outline of potential policy options for your consideration. It recommends a staged approach to national direction:
 - **Phase 1:** consultation on an NPS that addresses rural-urban interface issues in early April 2019; and
 - **Phase 2:** consideration of a broader tool to address soil health in 2020.
6. We consider that this staged approach would allow for consultation to be undertaken on an NPS focusing on urban-rural interface issues in April 2019. This would allow time for a consultation document and associated regulatory impact analysis to be developed, and for you to seek approval from Cabinet in March 2019 for consultation in April 2019.
7. The consultation document will need to be relatively high level focusing on the policy intent, scope and nature of the NPS and how it is intended to be implemented. This would also seek further feedback on the problem statements and alternative options to support further policy development.
8. The consultation process could result in new evidence and a new preferred option. However, we prefer to consult on an NPS in April, while also canvassing other options, rather than do more pre-work and delay public engagement.

¹ Soils within the Land Use Capability Classification of 1-3 which have little to no limitations for primary production.

9. We seek a decision from you on the preferred policy approach to prepare for consultation. Analysis of the opportunities, trade-offs and risks associated with each option are provided to support your decision.

We have refined the problem definition following stakeholder workshops

10. Following our last briefing [B18-0570], officials from the Ministry for Primary Industries and the Ministry for the Environment ran three workshops with council representatives and primary sector participants in September 2018 to test the draft problem definition and better understand how issues associated with highly productive soils play out on the ground. A report summarising discussion at the workshops is included at Appendix One.
11. Workshop participants broadly agreed with how the draft problem definition characterised the issues. At a high level, feedback focused on:
 - a. the issue being broader than the protection of highly productive soils, and the need to consider a range of factors and constraints that can affect the productive capacity of soils (e.g. nutrient limits);
 - b. the need for policy to better protect the highly productive soil resource from loss to urban growth and fragmentation, and ensuring highly productive soils are given more weight in land use decisions;
 - c. the importance of flexibility in any national regulatory approach to allow local circumstances and values to be appropriately managed by local authorities;
 - d. the pressures currently faced by local authorities in implementing national direction under the Resource Management Act 1991, and the need for any new national direction to align with existing national direction, noting that there is potential conflict between protecting soils, providing for urban development and improving water quality; and
 - e. addressing soil health issues arising from farm management practice as part of any national direction on soil.
12. Based on this feedback, we have refined the problem definition into three broad issues. While there is support for intervention to better manage each of these three issues, there are still evidence gaps and uncertainties for certain aspects of the problem which are described in Table 1 below. We will work to gather more evidence on the problems, and understand alternative views (i.e. housing developers) through targeted discussions and research prior to, and in parallel with, consultation. We will also elicit this information through public consultation.

Table 1: Problem Definition

Problem 1: Rural-urban interface issues resulting in a reduction in the availability of highly productive soil for primary sector use	
Description	<ul style="list-style-type: none"> Reduction in potential of highly productive soils for primary production, typically in urban fringe locations as a result of urban expansion and growth The fragmentation of land into smaller lot sizes, (e.g. through lifestyle blocks) that impact on the ability to retain viable units for primary production Encroachment of sensitive land uses into agricultural and horticultural areas, resulting in reverse sensitivity effects and a loss of buffers between incompatible activities
Potential Drivers	<ul style="list-style-type: none"> Population growth A push for more affordable housing A lack of coordinated spatial planning Need to provide for urban development capacity and give effect to the National Policy Statement on Urban Development Capacity meaning protection of soils is often given limited weight in land use decisions
Information / evidence gaps	<p><i>Context</i></p> <ul style="list-style-type: none"> Data on the availability and use of highly productive soils and how this has changed over time <p><i>Impact Analysis</i></p> <ul style="list-style-type: none"> Clarity around environmental, social and economic benefits generated through the protection of soils A better understanding of the non-market values associated with existing use of soil and new urban development to inform decision on housing/soil trade-off Evidence to support the argument that loss of soils will affect domestic fresh vegetable supply <p><i>Assessment of Options</i></p> <ul style="list-style-type: none"> A clear overview of how regional and local plans protect high quality soils and address fragmentation and reverse sensitivity (through a stocktake of plan provisions/case studies) An understanding of the viability of producing food without soil in NZ (i.e. hydroponics) and how this may influence land-use patterns and demand
Problem 2: Soil health being degraded by land-use activities	
Description	<ul style="list-style-type: none"> Physical, chemical and biological degradation of the soil resource from agriculture intensification, including: reduction in vegetation cover, soil compaction, and erosion; accentuated by climate change and higher frequency adverse weather events
Potential Drivers	<ul style="list-style-type: none"> Population growth increasing the demand on domestic food production Increased demand for NZ exports A lack of scientific capacity within some local authorities about high quality soils and their value Local government drive for urban expansion to increase local economic activity

Information / evidence gaps	<p><i>Context</i></p> <ul style="list-style-type: none"> Land-use trends (urban expansion/agricultural intensification) Information about how various land-use activities impact soil health <p><i>Assessment of Options</i></p> <ul style="list-style-type: none"> Clarity around current approach, and barriers, to addressing soil health in regional plans An understanding of the complex interactions between regulatory tools used to maintain and improve freshwater and maintain soil health
Problem 3: Land use flexibility limited by regulatory barriers	
Description	<ul style="list-style-type: none"> Regulatory approaches constrain use of certain management practices, such as crop rotation Relocating vegetable production to new areas as a result of urban expansion is limited by regulatory barriers - particularly freshwater allocation and caps on nitrogen
Potential Drivers	<ul style="list-style-type: none"> The need to manage the impact of land-use practices on other resources (e.g. water) The directive to maintain and improve water quality in the NPS-FM and the fact that horticultural production is an intensive land-use that generally needs high nutrient inputs and generates high outputs
Information / evidence gaps	<p><i>Context</i></p> <ul style="list-style-type: none"> A stock take of plan provisions and case studies to better understand how primary production activities are affected by regulatory barriers that are non-specific to high quality soils <p><i>Assessment of Options</i></p> <ul style="list-style-type: none"> A better understanding of the viability of moving productive areas, particularly where new infrastructure is required Understanding the role of technology and good management practices to reduce the adverse effects of vegetable production and allow this to occur within nutrient and water quality limits

Overview of current regulatory landscape

13. There are a variety of planning approaches adopted by local authorities across New Zealand to protect and manage highly productive soils, with mixed results. To a larger extent this reflects regional variation in the extent of highly productive soils, supporting water and climatic conditions, growth pressures and patterns of land-use.
14. However, there is also evidence of past and current planning approaches failing to protect the soil resource both due to the approach taken and competing priorities being given more weight in land use decisions. This suggests a more considered and proactive approach is needed to better manage the pressures on New Zealand's highly productive soil resource. Planners have commented that the lack of explicit reference to soils in Part 2 of the RMA, or national direction has contributed to a range of matters of national importance and national instruments taking precedence over soils, including the National Policy Statement for Urban Development Capacity 2016 (NPS-UDC) and the National Policy Statement for Freshwater Management 2014 (NPS-FM).

15. There is an inherent tension between the regulatory protection of highly productive soils, providing for the rights of land owners to utilise, develop and sell their land, and for local government decisions to promote economic activity in their communities. This is likely to require a trade-off between providing for the protection of the soil resources to support increased future expansion of primary production, and placing restrictions on the rights of land-owners to develop their land for non-productive purposes. Absolute protection of productive soils that locks land into a particular use is likely to have a significant impact on land-value, which suggests that some level of flexibility is still required.
16. Urban-rural interface issues are currently most apparent in the Pukekohe Hub. The proximity of Pukekohe to Auckland also means it is subject to considerable urban growth pressures with future urban growth identified in and around the Hub. This is placing a number of pressures on the use of the Hub for horticultural production including:
 - rising land prices making it hard to be economically sustainable and forcing growers to do more with less land (which can have detrimental effects on soil health); and
 - urban encroachment and a lack of provision for buffers between incompatible land uses resulting in reverse sensitivity effects (complaints and constraints on production).
17. The Auckland Council currently take an approach of protecting Elite Soils (Land Use Capability (LUC) 1), and avoiding new urban development on Prime Soils (LUC2) 'where practicable' through policy direction in the Auckland Unitary Plan (AUP) regional policy statement's objectives and policies.
18. We do not yet know if the AUP is effective at protecting elite and prime soils. We will continue to work with Auckland Council to gather evidence on this to inform further policy development. Some stakeholders have expressed concern that the direction for urban development to be avoided on prime soil where practicable² is not adequately protecting these soils and greater priority is generally being given urban development. Further, the AUP *rules* framework for elite soils is also not as strong as the *policy* framework in the AUP to protect these soils.
19. We consider that there is an opportunity to strengthen this planning framework in regard to LUC2 and LUC3 soils (high quality), but the level of urgency to do this in Pukekohe is not significantly greater than the rest of the country. We therefore recommend that any national direction has national application.

² 'Where practicable' is a common qualifier used in RMA plan provisions and is commonly criticised as providing too much flexibility in interpretation, allowing applicants to use a range of factors to argue what is practicable/impracticable on a case by case basis.

We need to overcome a number of limitations

20. In prior discussions the Minister for the Environment has suggested taking a high level approach of mapping highly productive soils and restricting non rural activities on these. There are data and mapping issues that will make this proposed approach challenging.
21. The classification system used by the majority of councils to identify and manage highly productive soils, the Land Use Capability (LUC) Classification System, is not appropriate in all circumstances without additional refinement. One example where the LUC data has been used effectively is the Erosion Susceptibility Classification (ESC) used in the National Environmental Standard for Plantation Forestry (NES-PF). The ESC is derived from the LUC, and a significant amount of work was done to process this data to address issues with accuracy. Furthermore, the difference in scale between plantation forestry operations and horticultural production mean that issues associated with the accurate demarcation of boundaries are not as severe in forests as they are in smaller horticulture blocks.
22. Councils and sector stakeholders have repeatedly raised concern that this classification system, while useful to inform land management, is not fit for purpose as a tool that underpins regulation on highly productive soils. This is due to:
 - a. the scale of mapping (1:50,000 to 1:63,000) not being of sufficient resolution to accurately identify where mapped LUC areas sit in relation to parcel boundaries;
 - b. the identification of discrepancies in mapping between, and sometimes within, regions; and
 - c. the static nature of the data, which has not been updated since it was mapped in the 1970s and 1980s.
23. Councils have attempted to resolve these issues by adapting their data, but this has been done at varying levels of accuracy and scale and often in an ad-hoc manner as part of resource consent applications. There is an opportunity to draw on the work that councils have done to improve on the LUC system but this is likely to require significant investment to rectify data and ensure a consistent mapping methodology has been used nationally.
24. Auckland Council have remapped elite and prime soils across the Auckland region to overcome some of the data issues outlined above, however this is still at a 1:50,000 scale and they have acknowledged that further work is needed.
25. In addition to this, different councils will define highly productive soils in a different way. The term versatile, elite or prime are often used by councils but can be applied differently. There is a need to address consistency issues while recognising that some particular soil units in lower LUC classes should be protected (for instance allophanic soils in the Auckland and Waikato regions).

26. Due to the issues outlined above we consider that it would be inappropriate for a national instrument for highly productive soils to set stringent requirements based on LUC data without further work, or allowing councils to use data that they have developed for their region. We will continue to work with councils and the science providers to find short and longer term solutions to these issues and will provide you with further advice.

Recommended Scope of National Direction

26. Based on our analysis, and your preference to consult on a policy proposal as soon as possible, we recommend a two phased policy development process to address the problem statements above.
- **Phase 1:** To address problem 1, consult on a national direction instrument focused on the urban-rural interface issues and pressures on highly productive soils in April 2019.
 - **Phase 2:** To address problem 2 develop a national direction instrument that addresses soil health issues. This would be developed over 2019 with input from key stakeholders and could potentially be consulted on in 2020.
27. Options to address rural-urban interface issues through Phase 1 are outlined and assessed in terms of their effectiveness, limitations and risks below. Our recommended approach to address problems 2 and 3 are then discussed.

Addressing Problem 1 (Rural-urban interface issues resulting in reduction in availability of soil for primary sector use)

28. We have examined six potential options to address rural-urban interface issues. We recommend that the consultation document focuses on a NPS as the preferred option while also seeking feedback on the appropriateness of alternative options.
29. An NPS is likely to allow a higher degree of flexibility for local authorities to consider and respond to local circumstances when giving effect to the national direction. This will also elevate consideration of highly productive soils, which will assist local authorities to more effectively assess trade-offs when providing for urban development capacity and other nationally important issues.
30. Alternative options, which are described in detail in Appendix Two, include:
- a strengthened framework for spatial planning;
 - National Environmental Standards;
 - combination of National Environmental Standard and National Policy Statement; and
 - National Planning Standards;

National Policy Statement with focus on urban-rural planning interface

31. Option 1 is an NPS that provides clear direction to local authorities on how to protect and manage highly productive soils and address urban-rural interface issues. An NPS must state objectives and policies for matters of national significance that are relevant to achieve the purpose of the RMA. An NPS may also state the objectives, policies, methods (e.g. rules) and other requirements that local authorities must include in their policy statements and plans.
32. An NPS for highly productive soils could:
 - a. require local authorities to include provisions in their plans (objectives, policies and methods) to strengthen the protection of highly productive soils and ensure they are given more weight in land use decisions;
 - b. provide clarity on how highly productive soils should be balanced against other competing considerations, i.e. urban development;
 - c. stipulate the methods local authorities must use to protect and manage highly productive soils (e.g. rules that discourage non-productive activities) and to address reverse sensitivity effects (e.g. buffers strips, setbacks).
33. A key benefit of this option is that an NPS allows some level of flexibility for local authorities to respond to local pressures and circumstances. The recent workshops with stakeholders highlighted that the issues associated with highly productive soils manifest differently across New Zealand and any national direction would need to allow for some flexibility to respond to these different circumstances. For this reason, an NPS was generally identified as the preferred option by stakeholders at the workshops to provide national direction on highly productive soils.
34. Conversely, the fact that an NPS is subject to interpretation can also be a key limitation when clear national direction and certainty is desirable. Importantly, the level of direction provided in national policy statement can vary significantly and case law³ has highlighted that very prescriptive objectives and policies leave very limited scope for interpretation and have a binding effect similar to a rule.
35. Another limitation of an NPS is the time lag between when it takes effect until when local authorities give effect to it through their policy statements and plans. However, an NPS can also include objectives and policies that local authorities must directly insert into their plans without going through the formal plan change process and can include provisions that influence resource consent decision-making, helping to ensure the NPS has some immediate effect.

³ *Environment Defence Society Inc v New Zealand King Salmon Company Limited* [2014] NZSC 38.

36. An NPS could apply nation-wide, be limited to geographic areas (e.g. Pukekohe and other productive food hubs), or have different requirements that apply where the pressures are the greatest (i.e. high growth areas). This would ensure implementation effort is targeted to the areas where the pressures on highly productive soils are the greatest. We would seek feedback on the preferred approach, along with the alternative options provided, through consultation.

Assessment of Options

37. The relative benefits for each of the options outlined above is summarised in the table below. This supports our recommendation to consult on option 1 as the preferred option. A more substantive analysis will be provided as part of the draft consultation document and regulatory impact statement.

Table 2: Assessment of options for national direction

Option	Effectiveness to address problem 1	Level of direction ⁴	Flexibility	Complexity (cost and effort to develop and implement)	Timeliness
Option 1: NPS	✓✓✓	✓✓	✓✓✓	✓✓✓	✓✓✓
Option 2: Strengthened framework for spatial planning	✓✓✓	✓✓	✓✓✓	✓	✓
Option 3: NES	✓	✓✓	✓	✓	✓
Option 4: Combined NPS and NES	✓✓✓	✓✓✓	✓	✓	✓
Option 5: Planning Standards	✓	✓✓	✓✓	✓✓	✓

38. Feedback through consultation will allow officials to test and refine the scope, nature and directiveness of an NPS to ensure it delivers the intended outcomes.

Addressing Problem 2 (Soil health being degraded by land-use activities)

39. The second phase of work focused on soil health would seek to address broader issues identified in the Environment Aotearoa *Our Land 2018* report including soil compaction, erosion, and cumulative contamination arising from the use of agri-chemicals. These issues are complex in nature and we consider it prudent to take more time to consider how national direction could best address these issues and to allow time to understand opportunities to improve on current approaches taken by primary producers and local authorities.

⁴ The ability to direct actions and outcomes, increasing certainty and consistency in implementation.

40. This option would need to align with a range of non-regulatory projects that MPI and Ministry for the Environment (MfE) are currently undertaking to drive good farming practices (i.e aligning farm planning, and Sustainable Food and Fibre Futures Fund). Any management of soil health will also have strong links with the first stage of the NPS-FM (including work on sediment and winter grazing practices). Allowing for the Essential Freshwater programme to be further developed before commencing this work will allow for better alignment.

Addressing Problem 3 (Land use flexibility limited by regulatory barriers)

Land-use flexibility is better addressed through the freshwater work programme

41. Should highly productive soils be protected through a national direction instrument there is a need to recognise that the directives in the NPS-FM to maintain or improve water quality may still constrain land-use options if there are nutrient allocation controls restricting more intensive land uses. There are already a number of examples of this occurring around New Zealand and this is likely to increase as regional councils progressively implement the NPS-FM.
42. Addressing land-use flexibility issues is likely to have a greater degree of influence on the availability of land for vegetable production than protecting highly productive soil through land-use controls. A balance is needed between restricting certain land use activities to maintain water quality outcomes and accommodating land use that supports the sustainable growth of the primary sector.
43. We consider that this issue is more appropriately dealt with through freshwater policy work programmes. We have discussed this with officials working on the Essential Freshwater programme and will work with them to ensure alignment as policy work progresses.

There is a need to ensure alignment between these and other national direction priorities

44. The extent of interactions with other national direction tools will depend on the scope of the instrument. We will manage this during the policy development process and seek feedback through consultation on how to ensure conflicts are managed, national instruments are aligned, and implementation is clear for councils and sector groups.

Urban Growth and the National Policy Statement for Urban Development Capacity

45. The National Policy Statement Urban Development Capacity 2016 (NPS-UDC) requires local authorities to consider and provide for future housing and business space. This requirement also existed in the legislation that established the process for the development of the AUP (as well as wider activities including rural production).

46. To implement these requirements, Auckland Council have identified areas of Pukekohe for future urban growth, through the Auckland development strategy (a component of the Auckland Plan 2050) which is provided for in the AUP. The Auckland Plan 2050 states that Pukekohe is anticipated to experience significant growth over the next 30 years and has identified approximately 1700ha of land identified to accommodate approximately 14,000 dwellings.
47. The areas identified for future development in the Auckland development strategy include 4,584 ha of LUC2 and 2,033 ha of LUC 3 land (none on LUC1). This comprises 8.3% and 3.1% of the total area of LUC2 and LUC3 soils in the Auckland region respectively. The distribution of highly productive soils and future urban development areas is shown on the map in Appendix Three.
48. There is concern among some stakeholders that providing for new housing stock is and will continue to be prioritised over other considerations, and as a result less highly productive soil will be available for primary production. This is a particular concern in Auckland. There will be a need to balance these two priorities, particularly in regions where growth is planned for areas where a high proportion of the soils are LUC 1-3. However, local authorities must give effect to the NPS-UDC and there is currently no clear direction in Part 2 of the RMA to protect productive soils.
49. As part of the UGA work programme officials are working with Auckland and Waikato councils to identify opportunities for urban growth between Hamilton and Auckland through a spatial planning exercise. As part of this process sensitive areas, including highly productive soils, where urban development should be avoided are being identified. This approach is likely to help slow the loss of highly productive soils; clearer national direction for highly productive soil may strengthen this process.

National direction development process

50. The development of national direction must follow a statutory process. First, the Minister for the Environment must decide to progress national direction on a particular subject matter, then he must choose which type of consultation process to run. Under section 46A of the RMA the Minister for the Environment can choose a process for the development of national direction through either:
 - a. a Board of Inquiry (BOI) process, which could be completed in a minimum of 12 months (from consultation to gazettal) at a cost of ~\$2 million; or
 - b. an 'alternative' process led by officials which could be completed in 9 months (from consultation to gazettal), and at lower cost.

Board of Inquiry Process (BOI)

51. If you choose the BOI, you would appoint an independent BOI, who would publicly notify the draft national direction and run a process that includes a public submissions and hearings process. The BOI would then independently consider their findings and deliver a report and recommendations for you.

52. The shortest BOI process to date has been 12 months from the start of consultation through to gazettal, with the longest taking three years. We estimate that a BOI process may cost up to \$2 million and take 12 months, including:
- two months to form the Board, and for it to establish its processes - including how submissions and hearings will run;
 - six months for public consultation, including submissions and hearings; and;
 - four months to summarise submissions, undertake analysis, and produce a report and recommendations.
53. Following the Board's report and recommendations, the Minister is able to make changes before recommending the Governor General approve the national direction. However, substantial changes going beyond the scope of initial proposals, or the Board's report and recommendations, will require additional consultation.
54. A BOI can be perceived as a more independent and transparent process for developing national direction. The hearings process undertaken under a BOI process also provides the opportunity to question submissions to gain a richer understanding of perspectives, while also testing potential solutions as they develop.
55. Whilst the independence of a BOI has significant benefits, it could create risks for integration of policy development across the wider Government work programme. As the Board is independent, it could consider submissions and make policy recommendations in isolation of the Government's wider policy development, such as on addressing urban development and nutrient allocation.

An alternative process

56. An alternative process could be more flexible. Typically, this would be an agency-led consultation process that follows a standard format, although you can design any process that:
- gives notice to the public and iwi of the draft national direction, and why it is consistent with the purpose of the RMA,
 - provides adequate time for those notified to make a submission on the subject matter of the proposed national direction (minimum 6 weeks); and
 - includes a written report and recommendations.
57. We estimate that an alternative process could be completed in nine months, from consultation through to gazettal, and at less cost than a BOI. This process could include:
- public notification of a discussion document, which would outline the problem and preferred solution, and include some high level questions to elicit information about the problem and options and fill evidence gaps;
 - six week submission period; and

- three months for officials to summarise submissions, undertake analysis, and produce a report and recommendations.

There are pros and cons but we recommend a Minister-led alternative process

58. Choosing an alternative process would also allow you to retain oversight of the development of the national direction instruments, in order to ensure that the instrument is closely interwoven with other Government policy decisions in the urban and water policy spaces.
59. Additionally, given the more limited scope of the phase 1 NPS for the urban/rural planning interface and the need for timeliness, the policy development required may not warrant the complexity, time and cost of a BOI process and we instead recommend using an alternative process.
60. You can design an alternative process that can incorporate key elements of the BOI process, such as an independent advisory body to make recommendations, and with the ability to seek clarification from submitters as needed. Using this approach would provide a faster product while retaining a level of independence and flexibility. However it would increase the time and cost associated with the process.
61. Confirming which process is part of the statutory steps required for developing national direction. This briefing seeks agreement in principle to using an alternative process. We will provide you with a briefing that describes the detail of the chosen process and formally seeks agreement prior to consultation being initiated.

Timeframes for completing work

62. You have previously indicated that you want this issue to be dealt with as soon as possible, ideally with public consultation to occur in early 2019. By adopting our recommended two-phase approach and following a minister-led alternative consultation process, we consider that it would be possible to consult on the phase 1 NPS for the urban/rural planning interface in April 2019. This may then allow the NPS to be gazetted in November 2019 and come into force in December 2019. This is a tight timeframe to develop national instrument and we would need to ensure scope, milestones and risks are carefully managed to achieve this.
63. A detailed timeline showing the key decision points for Ministers and Cabinet along this timeline is included as Appendix Four.
64. We consider that there are risks associated with the volume and scope of national direction instruments that are being developed for consultation early next year; this will impact on the ability of stakeholders (particularly local authorities) to provide robust and well considered feedback through the formal submissions process.

65. In early November, the Minister for the Environment agreed to publicly consult on a package of national direction for quality intensification, also in April 2019 (briefing 2018-B-05003 refers). We will work with MfE urban development officials to identify the best approach to align these two consultation documents and streamline processes to reduce the burden on local authorities. We will work with local authorities to provide early warning of consultation and work through significant issues with key stakeholder ahead of, and following, formal consultation.
66. These timeframes may be delayed if there are substantial issues raised in early engagement or public consultation that need to be resolved prior to finalising the NPS. Additionally any delay in Cabinet decisions would impact timeframes.

Approach to Public Consultation

67. If you agree in principle to follow a Minister-led alternative consultation process, public consultation could occur in April 2019 which would involve a consultation document and meetings with stakeholders. A consultation document would have high level questions to encourage consideration of the issue, fill evidence gaps and seek feedback on the draft policies and the most effective mechanism for achieving these policies (including the alternative options referred to in Appendix Two).
68. The public meetings/hui would enable us to discuss the issues in detail and get direct feedback on the nature of the problem, and the preferred option. Public submissions would then be analysed and considered and we would then prepare a report on submissions recommendations and a section 32 evaluation report on the appropriateness, effectiveness and efficiency of the NPS to meet the requirements in the RMA.
69. Early targeted engagement with iwi and hapū would occur prior to the formal public consultation.

Next Steps

70. We will prepare a draft discussion document and Cabinet paper focusing on the preferred option, but also providing a range of alternative options, and provide you with a draft by early March 2019. This would allow you time to provide feedback on the document ahead of seeking Cabinet approval for public consultation in late March. Assuming Cabinet approve, public consultation could be initiated in early April 2019.
71. Ahead of consultation we will need to better understand the potential impacts of any intervention in order to produce draft regulatory impact statements and costs benefit analysis required by s32 of the RMA to help inform consultation. These will form part of the packages of documents to support Cabinet's decision on consultation.

72. To inform these documents we will undertake a stocktake of council planning documents and how these provide for highly productive soils. We will also undertake further targeted engagement with stakeholders to test our thinking and fill evidence gaps as we develop these documents.

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Appendix One: Summary Report of Workshops with Stakeholders

The pages attached are an excerpt from a full summary report of the stakeholder workshops held in September 2018 - *Stakeholder Workshops on Potential National Policy Statement for Highly Productive Soils – Summary of Key Themes*.

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1 INTRODUCTION

In April 2018, the Minister for the Environment instructed officials to develop a National Policy Statement for Versatile Land and High-Class Soils (NPS for Highly Productive Soils)¹. This work is being led by Ministry for Primary Industries with support from the Ministry for the Environment.

The purpose of this document is to provide a summary of the key themes from initial workshops with representative stakeholders that discussed the planning and other issues associated with versatile and high-class soils (highly productive soils) and a potential NPS for Highly Productive Soils.

Three workshops were held in Auckland, Wellington and Christchurch between 20 and 25 September 2018 and involved representatives from local government (regional and district councils), the horticulture industry and other primary sector representatives. The workshops were also attended by officials from the Ministry for Primary Industries and Ministry for the Environment and were facilitated by 4Sight Consulting. The aim of the workshops was to collect a representative range of perspectives from stakeholders that are actively involved in the planning issues surrounding highly productive soils to help define the potentially competing issues and perspectives. It is anticipated that further engagement with stakeholders, including iwi and other parties, will be undertaken once the issues are refined.

Section 2 of this report provides a summary of key themes from the workshops and Section 3 provides a summary from each of the three workshops. This report is not intended to be a detailed record of discussions at the workshops, but an overview of the key views and perspectives expressed by participants. The findings from these workshops will be used to inform the next steps in policy development.

2 SUMMARY OF KEY THEMES

2.1 What are the issues?

- Defining the issue and the potential need for national direction should be based on a more detailed spatial understanding of the drivers/pressures that are resulting in the loss of productive soils throughout New Zealand. This is important as the issues and pressures on productive soils vary locally and regionally.
- There was general feedback that the scope of the issues and actual problems related to highly productive soils needed to be better defined and supported by a clear evidence base. Most participants were of the view that the issue is broader than the loss of productive soils to urban development. It also includes fragmentation of land, reverse sensitivity arising from encroachment of sensitive land uses into rural production areas and constraints on land-use flexibility; all of which can impact on the effective and efficient use of highly productive soils.
- There was recognition that there is no shortage of high class soils nationally – this is not the issue. However, to be highly productive high class also require a range of other factors to be favourable including climate, water, slope and access to processing facilities and markets. The issue is the loss of land with high productive value and retaining the versatility of this land to sustain production now and in the future.
- While the issue is wider than horticulture, there is recognition that horticulture has some unique characteristics that makes it more vulnerable to urban expansion than other primary sectors. This includes reliance on higher quality soils, water requirements, proximity to urban centres/markets, critical mass of processing facilities and access to labour markets.
- Industry sectors, both horticulture and pastoral farming, pointed to the increasing average age of their members. Where there is no family succession in the business, this can lead to a desire to sell land for urban or rural residential use to maximise returns from the land. This is a particular risk for horticulture land as this land is often highly attractive for urban and lifestyle, due to its close proximity to urban areas and desirable climate.

¹ <https://www.beehive.govt.nz/release/environment-report-highlights-serious-land-issues>

- Security of food supply was considered an issue, and importantly this should include affordability of food for local markets. The ability to provide sufficient produce at a cost that is affordable to New Zealand's growing population needs to be considered. This should be considered in the context of the global market where the future ability of New Zealand to import vegetables and crops to replace lost domestic supply is not certain.

2.2 Key planning issues and problems

- Key risks to the loss of productive soils include fragmentation of productive land (lifestyle block development, owners wanting to subdivide), urban expansion (physical loss of the soil resource) and reverse sensitivity effects (the encroachment of more sensitive land uses into rural production areas).
- The loss of productive soils to urban development is not necessarily an issue for the horticultural sector if there is the ability for horticulture production to move to suitable land elsewhere. However, there are often other constraints that act as a barrier to this such as land availability and price, climate, regional controls (particularly nitrogen use), availability of water, and the critical mass of supporting processing facilities etc. These constraints are often not considered when providing for urban expansion onto productive soils.
- Councils are dealing with competing priorities and national direction. In particular, the National Policy Statement for Urban Development Capacity (NPS-UDC) and National Policy Statement for Freshwater Management (NPS-FM) require councils to provide for urban growth and manage water quality/quantity – these requirements may potentially conflict with an NPS on Highly Productive Soils. For example, horticulture is an intensive land use with high nutrient inputs. As a consequence, some plans have placed constraints on new and existing horticultural production to give effect to the NPS-FM, which may conflict with a requirement to enable horticulture on highly productive soils. This is more related to the methods that councils are using to give effect to the NPS-FM (e.g. caps on certain types of land uses), but it should be possible to provide for horticulture production and meet NPS-FM objectives.
- Current planning approaches generally do not consider the overall food system and how land use decisions in a region or district affect food production and supply at the local, regional and national level. Participants generally agreed that councils need to consider these broader inter-regional issues better and 'look beyond their patch' when making decisions about land use change on productive soils. For example, ensuring when decisions are being made that will result in productive soils being lost to urban development in one area, there is the ability (and willingness) for horticulture production to move to suitable land elsewhere in the region or an adjacent region.
- Regional and district considerations can be better integrated when planning for urban expansion and protecting rural production. District plans include land use controls for urban growth and rural production, but there may also be regional controls (e.g. nutrient limits) constraining rural production.
- Growers generally recognise the need for good management practices such as rotation to protect soil health. However, increasing land prices are creating pressures on growers to do less with more. Regional controls to manage water quality and give effect to the NPS-FM are limiting the flexibility of growers to rotate crops which can have adverse effects on soil health.
- Participants generally recognised there is a need for better protection of highly productive soils and that property rights are limited by laws and regulations. However, regulatory approaches also need to recognise the rights of landowners to use their land and not lock land into a particular use. Retaining a degree of land use flexibility on productive soils is essential.

2.3 Current planning approaches

- The level of direction and protection afforded to productive soils in regional policy statements (RPS) and plans varies and logically relates to the importance of the issue in the region/district. Reasons for limited direction to protect land with highly productive soils within planning documents include:
 - The protection of soils is not perceived to be a regionally significant issue and is considered less important than other issues within the region – particularly in areas facing significant urban growth pressures;

- A perception that there are sufficient other areas of highly productive soils available, without an understanding of the constraints or other factors that may constrain the ability to productively use those soils;
- Priority is given to the more local pressing issues such as urban development and water quality compared to food production which is seen to be more of a regional/national issue;
- A lack of clear direction in Part 2 of the RMA on highly productive soils compared to previous legislation; and
- A lack of political will/support to protect soils particularly where there is a strong desire to encourage development/growth within a district.
- Conversely, some RPSs and plans provide quite strong direction to protect productive soils. In some cases this direction is strong at the policy level but this does not flow through the rules, which can limit the effectiveness of the overall approach. Evidence from some regions indicates that direction to protect productive soils at the policy level has not been sufficient to protect these soils from fragmentation and development.
- Some plans provide specific zones for highly productive areas/food hubs which have been relatively effective to protect these areas for this purpose. However, there is still the potential for fragmentation/reverse sensitivity issues within these zones as landowners seek to subdivide land for capital return. Inevitably plan drafters face a dichotomy between protecting soils and providing a landowner reasonable use – for example an additional dwelling on their property. Often the cumulative effect of relatively minor changes can lead to ‘creep’ of sensitive land uses into production areas. In addition, there can be greater reverse sensitivity effects from land use change to more sensitivity activities (e.g. schools) along the boundary of productive zones where there is no buffer in place.
- Urban limits are used in some regions to contain urban development and protect rural production outside the urban limits, which can be an effective approach. However, these limits are not permanently fixed and can be moved through subsequent plans changes in response to other issues.
- The way productive soils are defined in plans varies. Most plan provisions are based on Land Use Capability (LUC) classes with a range of terminology used (e.g. high-class soils, prime soils, elite soils, versatile soils etc.) and plans differ in what class of soils are protected (or subject to more stringent rules). Participants recognised that the LUC is not perfect for planning purposes with the following issues identified:
 - Relatively low-class LUC soils can still be productive (e.g. good water availability can make soils suitable for certain crops and high value crops such as grapes are typically grown on low class soils).
 - Scale of mapping can mean that some high-class soils are not identified as such and can then be lost to subdivision/urban development.
 - There is no ability to input more detailed data into a national LUC database.
- Minimum lot sizes remain a key method to retain the productive capacity of rural areas, but this can be a contentious issue. A larger lot size helps to protect some forms of production but there is also a recognition that some productive uses (for example horticulture) can be economically viable on smaller lot sizes. Some plans include provision for smaller lot sizes in rural areas for horticulture production.
- Most councils now recognise the fragmentation of land with highly productive soils is an issue and include provisions to manage this and the associated reverse sensitivity effects. However, many councils are dealing with historical fragmentation issues that are difficult to address retrospectively (even if they haven’t been taken up) and once productive land is lost to development it is very difficult to get it back. Some plans include provisions to create larger sites for rural production, which is having some up-take, but the market also needs to be right to provide the necessary incentives.
- Some councils are using techniques such as transferable development rights to incentivise the protection of land with highly productive soils and aggregation of fragmented land titles.

2.4 The scope and nature of national direction

- It is important to clearly identify the scope of any national direction and the issues/problems it seeks to address. This needs to be informed by robust evidence and a more detailed spatial understanding of the pressures and planning approaches that are resulting in the loss of productive soils across New Zealand.
- There was general agreement that the issue is broader than just protecting productive soils – it is about the effective and efficient use of soils and productivity as a whole, which depends on a range of factors. This means

that national direction should consider also focussing on enabling the productive use of high-class soils, not just protecting these soils through land use controls.

- There was general agreement that there needs to be some flexibility in any national direction. It needs to recognise the diversity of soils and urban development/rural lifestyle pressures throughout New Zealand. Any national direction should provide a strong direction for the protection of highly productive soils and associated productive capacity, while providing sufficient flexibility to enable land use change in response to market and other conditions.
- National direction could be focused on areas within New Zealand where the pressures/issues with productive soils and food supply are the greatest. This may involve an approach similar to the NPS-UDC where there are general directions that apply across New Zealand and more specific provisions in high growth areas. This would ensure that there is greater recognition of the need to protect highly productive soils and associated production nationally, while at the same time directing more specific protection and effort in the productive areas/food hubs that are facing the greatest pressure.
- Matters that national direction on highly productive soils could usefully address include:
 - How to balance competing considerations (e.g. urban growth capacity, water quality and quantity, rural production) and how to reconcile tensions between different national instruments. There is a need to ensure relevant national instruments are aligned and 'integrate with each other' as additional national direction is developed.
 - The overall food system and consideration of cross boundary issues for local, regional and national food markets and supply. This could include direction to consider how land use decisions that result in the loss of productive soils affect food supply more broadly and the realistic ability of horticulture and other production to move to other locations when productive soils are lost to urban development.
 - Clarity, consistency and a common understanding of what highly productive soils are. While this may be based on LUC, it should also take into account other considerations that impact on the effective and efficient use of productive soils. A common definition of highly productive soils/land with high production value could then support thresholds for protection.
 - Direction to undertake a regional assessment to identify high class soils that are suitable for production that considers a range of factors in addition to LUC (climate, water, access, constraints etc.). There could then be a requirement to identify these areas as productive zones and provide strong protection of these areas for rural production. There could also be a requirement to protect highly productive land with existing horticultural hubs while allowing some flexibility for future use. Ideally, decisions in respect of other matters (i.e. water allocation/nitrogen loading etc) should align with decisions to protect land with the productive soil resource. That is, if a soil resource is to be protected for production, it should be able to be used for that purpose.
 - Raising the importance and consideration of land with highly productive soils when planning under the RMA. This would provide greater transparency about the criteria used to determine the value of the land resource for production and how land with productive soils is considered when making urban planning/land-use decisions under the RMA.
 - Direction to manage the cumulative effects of fragmentation of land with highly productive soils and associated reverse sensitivity effects.
- What is directed through national direction will have a bearing on success. For example, will it provide direction for policy statements, plans and/or consent authorities.

Appendix Two: Alternative Options for National Direction on Urban-Rural Interface Issues

Option 2: Strengthened framework for spatial planning

1. The Urban Growth Agenda includes a project to identify options for strengthening the framework for spatial planning in New Zealand. Spatial plans identify the existing and future land use pattern at a high level, including areas to protect, areas subject to constraints, expected growth areas, and existing and future infrastructure and strategic corridors. A strengthened framework for spatial planning could require the identification and protection of highly productive soils.
2. The Ministry for the Environment intends to provide a briefing on options for strengthening the framework for spatial planning in New Zealand on 14 December 2018. The briefing will cover a range of options at a high level from practice improvements, national direction, targeted amendments to legislation, and system reform. Spatial planning options could be included in an Urban Planning discussion document and consulted on in April-May 2019.
3. This option will require careful consideration by officials on how to best align consultation on the Urban Planning Pillar and Highly Productive Soils options to ensure joined up thinking and reduce the risk of requiring a second round of consultation. We are working with UGA officials to work through the risks of this approach.

Option 3: National Environmental Standards

4. Option 3 is a National Environment Standards (NES) which would provide a nationally consistent set of regulations to protect and manage highly productive soils. NES have the effect of a rule in a plan and are typically used to provide nationally consistent permitted activity standards and consenting requirements for particular activities (e.g. telecommunications, forestry). NES can also be used to set technical requirements, standards and methods without being associated with specific activities or land uses.
5. An NES for highly productive soils could regulate a range of activities on versatile soil. For example, it could:
 - enable the use of highly productive soils within rural and rural production zones for food production activities by permitting productive activities on these soils (subject to certain conditions);
 - restrict non-productive activities on highly productive soils through a restrictive consent activity status (e.g. discretionary, non-complying^[1] or potentially prohibited status); and
 - include standards to manage reverse sensitivity effects on and adjacent to highly productive soils (e.g. setbacks of occupied buildings to boundaries or establishment of physical barriers such as shelterbelts).

6. A key benefit of NES is that they have immediate effect and they provide a high level of certainty and consistency in how they are implemented. This would be particularly beneficial in areas where policy direction to protect highly productive soils is not supported by the underlying rule framework.
7. However, a limitation of a NES is that they can be inflexible as they have the force of a regulation that prevail over plan rules, unless the NES expressly states otherwise. An NES may therefore be too inflexible to manage the different local values, pressures and priorities across New Zealand associated with the use and protection of highly productive soils. The feedback from stakeholders at the recent workshops was that an NES is not the most appropriate national instrument for these reasons.
8. A NES would therefore need to be carefully designed to ensure it retained enough flexibility for local authorities to manage different local values and pressures, and that it did not have unintended consequences for locking in certain land uses in a way that contradicted the objectives of other national direction instruments. If an NES was the preferred option we can work on these policy design issues and advise you on options for a possible NES.
9. We consider that developing sufficient detail for an NES restricting a wide range of non-productive activities on highly productive soils would not be possible within current consultation timeframes. However, it is potentially feasible to develop a targeted NES restricting a small number of activities on highly productive soils (e.g. subdivision below a certain minimum lot size). Depending on the level of detail we can prepare for the consultation document, there is a risk a further round of consultation would be required later on in order to meet the core RMA requirements for NES development. Any overall time delay from further consultation can be minimised by running a short and targeted consultation process.
10. A NES can be progressed alongside a NPS where there is an overarching need to provide councils with a full framework of objectives, policies and rules to manage versatile soils.

Option 4: Combination of NES and NPS

11. Option 4 would involve the development of an NPS and supporting NES to protect highly productive soils and manage rural-urban interface issues. This is the most comprehensive option and would help ensure that there is a policy direction in policy statements in place once local authorities give effect to the NPS to inform decision-making where a resource consent is required under the NES. A restrictive activity status for inappropriate activities on highly productive soils supported by strong policies to avoid non-productive activities on highly productive soils is likely to be the most effective approach to achieve this outcome.

12. This option would be the most complex to develop and the same risks for an NES identified under option 3 would apply here. It would take longer to develop each instrument to ensure the policy direction in the NPS and consenting requirements in the NES are aligned and complement each other without any unintended implementation consequences. We consider that this option would therefore need to be tested more thoroughly with stakeholders prior to public consultation to manage these complexities and implementation risks.
13. While we recommend that this option is not progressed at this stage, we will seek feedback through the consultation document on whether an NES, or geographically targeted NES, would be useful to support an NPS. This could then be developed over a longer timeframe.

Option 5: National Planning Standards

14. The national planning standards (planning standards) were introduced as part of the 2017 RMA amendments. The planning standards aim to create greater consistency and standardisation across RMA plans and policy statements and make their development and use more efficient. They can be used to deliver specific planning outcomes, establish consistent plan provisions and deliver national direction.
15. The first set of planning standards is currently being developed and must be gazetted by April 2019⁵. This first set is focused on the structural elements of plans and policy statements (including requirements for a national direction chapter to identify if the plan incorporates national direction), common definitions, and requirements for the electronic accessibility and functionality of plans⁶. It is proposed to include a zone framework that councils must use to select the zones for their plans. Reflecting current practice, it includes a rural production zone for those councils wanting to provide for primary production activities that are particularly suited to the characteristics of the land and limit fragmentation into smaller lots. Future planning standards are likely to focus more on the content of plans, such as the standard provisions for a particular zone, or a topic such as infrastructure.
16. Planning standards must give effect to NPSs and must be consistent with NES. Planning standards can fulfil similar functions to NPSs and NESs, such as specifying objectives, policies and rules that must be included in plans. The benefits, limitations and risks outlined above for options 1-3 above therefore also apply to the development of planning standards to protect and manage highly productive soils.

⁵ Resource Management Act 1991 section 58G(1)

⁶ Resource Management Act 1991 section 58G(2)

17. Planning standards can contain either 'mandatory' or 'discretionary' directions and do not have any effect until incorporated into plans. Plans must be amended to be consistent with the requirements of mandatory directions (without following an RMA Schedule 1 plan change process. Alternatively, discretionary directions allow councils and communities to choose provisions from a range of options. The timeframes for the first set of planning standards is yet to be confirmed, though consultation focussed on 5 and 7 year timeframes for implementation.
18. It is unclear at this stage when the next set of planning standards will be developed and how far these are likely to go in terms specifying mandatory plan provisions to be included in plans and policy statements. The protection of highly productive soils will also need to be balanced alongside other priorities to be addressed through the planning standards. No decisions have been made on the prioritisation of future planning standards or whether any more will be developed. The planning standards are unlikely to deliver national direction on highly productive soils within the desired timeframes but may be useful to assist with the implementation of national direction instrument in the future.

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Appendix Three: Map showing pressures around the Pukekohe Hub

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Appendix Four: Development Timeline for a National Policy Statement on Highly Productive Soils (Urban-Rural Interface Issues)

	Minister key decision points	Cabinet decision points
November 2018	<ul style="list-style-type: none"> Ministers agree to develop an NPS on Urban-Rural Interface Issues, followed by a more comprehensive national direction tool later on Ministers agree in principle to progressing an 'alternative' process for developing the NPS 	
November to Late February	Officials progress policy development and develop policy intent (including targeted engagement with local authorities and key industry players), prepare documents and draft ENV Cabinet Paper	
Mid December to mid-January	Christmas recess	
Early March 2019	Officials provide Ministers with briefing and draft ENV Cabinet Paper including: <ul style="list-style-type: none"> - Draft discussion document - Draft RIS, s32 report, CBA - Seek approval to policy proposals - Seek approval to consult 	
Early March 2019	<ul style="list-style-type: none"> Ministers approve draft ENV Cabinet Paper 	
Mid March 2018	ENV receive Cabinet Paper	
Mid March 2018	<ul style="list-style-type: none"> Cabinet agrees to all proposals 	
Early April 2019 (6 weeks)	Officials begin national development process (s46A(4) RMA), including: <ul style="list-style-type: none"> - Notification to public and iwi authorities - 6 week submission period 	
Mid June 2019 (12 weeks)	Officials analysis/ refinement of policy, and preparation of submissions report for Ministers	
Mid September 2019	Officials produce report and recommendations to the Minister for the Environment (per s46A RMA), including: <ul style="list-style-type: none"> - Summary of submissions and analysis - Recommendations on any changes to the proposed policy 	
Mid September 2019	<ul style="list-style-type: none"> Ministers consider the Officials' report and recommendations, and decide whether to proceed, make any change, or withdraw the NPS 	
Late September 2019 (8 weeks)	Officials drafts the NPS and prepare draft LEG Cabinet Paper: <ul style="list-style-type: none"> - final policy proposals - final RIS, s32 report and CBA - seek approval to the final NPS 	
Late November 2019	Officials provide Ministers with draft LEG Cabinet Paper and draft NPS <ul style="list-style-type: none"> Minister approves material 	
Late November 2019	LEG Cabinet paper seeking agreement to create NPS	
Late November 2019	Cabinet agrees to create NPS as drafted	
Late November 2019	<ul style="list-style-type: none"> Minister for the Environment recommends to the Governor General to approve the NPS 	
Late November 2019	<ul style="list-style-type: none"> - Issue a notice in the Gazette - Tabled in the House of Representatives - Publicly notify - Send a copy to every local authority - Provide information to submitters 	
Late December 2019	NPS in force 28 days after gazettal	
Mid December to Mid January 2020	Christmas recess	
Late January 2020	Officials provide briefing to Ministers on options for progressing a more comprehensive national direction tool that includes soil health <ul style="list-style-type: none"> Ministers agree to progressing a policy approach for a more comprehensive national direction tool 	
More information on next steps will be provided at this time		