



Ministry for the
Environment
Manatū Mō Te Taiao

Proposed National Planning Standards evaluation report 2018

Part 2B – Spatial Planning Tools and Zone Framework
Standards

Evaluation for the proposed first set of National Planning Standards

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Context to this document

This document forms part of the *Evaluation Report for the Proposed National Planning Standards*. This document should be read in conjunction with the other documents that make up the report as a whole. The *Evaluation Report for the Proposed National Planning Standards* report is set out as follows:

Part 1 – Overall assessment

Part 2 – Individual standard assessments

Part 2A Plan and policy statement structure and format

Part 2B Spatial planning tools and zone framework

Part 2C Definitions

Part 2D Noise and vibration metrics

Part 2E Electronic functionality and accessibility and mapping

Part 2F Tangata whenua provisions

Part 3 – Implementation

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1 What are spatial planning tools and zones?

1.1 Spatial planning tools

Plans are used to manage land use and environmental issues, and to reflect community values. They do this by introducing provisions (objectives, policies or rules) through different plan methods. The area to which these provisions apply may be spatially mapped and could apply on a small scale (for example, a single site) or over larger areas. Local authorities and their communities determine the values and issues they want to manage through the district plan and also the associated tool in which to house the relevant provisions. They can collectively be termed spatial planning tools (SPTs). Examples of spatial planning tools in plans include zones, overlays, precincts, subzones, mapped areas, and policy areas among others.

1.2 Variation in spatial planning tools

Presently, there is no instruction manual or consistent approach to naming these different SPTs, or how they should work in isolation or together. SPTs have been used differently across the country. For example, some plans may manage an issue or value in an area through the use of an overlay with relevant provisions located in a district-wide chapter. Another plan may manage the same issue or value, but call the area a 'precinct' and have the relevant provisions located in the respective zone chapter. While these different tools may work well for that plan in and of itself, the variation in the way that these same issues are managed creates inefficiency, confusion and hence unnecessary costs for plan users. Furthermore, each council has to spend time and resources developing and implementing bespoke local solutions to common issues, and they often have to litigate their choice of tool through the courts.

1.3 Zoning

Zoning is one type of SPT and has been the foundation of planning systems in many developed countries. It has been used in New Zealand since the Town Planning Act 1926. Every district plan uses zoning as the simplest SPT to identify and manage areas with common environmental characteristics, or to achieve similar or new environmental outcomes. Zones also group compatible activities or effects together and restrict those that are incompatible through their provisions. All land managed by a district plan is zoned, recognising that different environmental outcomes and groupings of activities are desirable in different areas. The number and range of zones in district plans (and land use zones in combined plans) greatly varies across the country. They also differ in how they are named and the issues that are managed within each zone.

1.4 Variation in zoning

Despite being the primary SPT where a level of general consistency would be expected, the number and variety of zones in plans varies greatly, often but not always correlated to the size of the urban or rural area the plan manages. For example, the Christchurch City District Plan

contains 11 residential zones, while the Wellington City District Plan contains only three.¹ Similarly, the Hamilton District Plan contains 11 commercial zones while the Tauranga City Plan contains seven.² There are no restrictions on the number or type, nor the issues managed within them. Zones are also called by different names between plans, for example, 'living areas', 'resource areas' and 'management areas', among others. There are also inconsistencies in the cartographic and mapping principles used to map zones, where the same zone could be represented by two different colours in adjacent plans.

A large number of zones in a plan could indicate:

- that a large number of zones are needed to manage different locally specific land use clusters
- the degree of control the council and community considers necessary to manage and prescribe activities within their district
- that zoning is being used as a collective tool to manage collective groups of issues (for example, residential activity and special character) instead of addressing exceptional or additional issues through 'layering' of other SPTs.

The Ministry for the Environment has undertaken research how zones are used in plans.³ It confirmed that there is significant face-value variation in the range and type of zones within plans. However, it is noted that when terminology differences and naming conventions are set aside, there is a high degree of underlying commonality in the zones that form the basis of plans. For example, the research showed that the common core urban zones across all district plans are the residential, commercial and industrial zones. Large metropolitan cities are likely to have medium density/high density residential, greenfield residential/future urban, mixed use and centres based zones among others. While the specific provisions of each of these zones in different plans may vary (for example, site sizes, setbacks, maximum heights), their general intent remains similar.

¹ 4Sight Consulting. 2015. *Urban zone research*. Wellington: Ministry for the Environment. Retrieved from www.mfe.govt.nz/sites/default/files/media/RMA/Urban_Zone_Research.pdf

² Ibid.

³ See the Ministry for the Environment website at www.mfe.govt.nz/rma/legislative-tools/national-planning-standards/developing-first-set-of-national-planning-2

2 Purpose and opportunities of the two proposed standards

Two proposed National Planning Standards (planning standards, or standards) are assessed in the body of section 2A.2. The two planning standards are key elements of the structure and form of plans:

- Spatial planning tools (SPTs)
 - The planning standard sets out how tools such as overlays and precincts are required to be used in district and regional plans. Combined plans use a combination of both tools.
- Zone framework
 - The planning standard specifies 27 zones that may be used in district plans and the land-use components of combined plans. Each zone includes a purpose statement that if that zone is used, it must be implemented in a manner that fulfils the statement. The planning standard includes the ability to create special purpose zones where justified.

Two SPT and zone framework planning standards were developed in response to the issues and opportunities described above. The two different but integrated planning standards seek to bring a consistent methodology to the use of SPTs, so that it is clear to plan users what issues are being managed and by what type of tool. They establish the basis for area-specific planning responses through the layering of other spatial planning tools such as overlays and precincts. The interaction of the SPT and zone framework planning standards are not intended to diminish the ability of councils and communities to manage local environmental issues or values, but rather bring a consistent methodology to how they reflect that desire in plans and avoid the time and resource inefficiencies identified above.

The SPT standard will allow practitioners and plan users to ‘speak the same language’. Common SPTs will realise these benefits for both district and regional plan users to a level through consistent terminology. For district plans (and the land-use component of combined plans) where there is even greater variation in the use of SPTs, the Ministry considers that it is necessary to standardise the range of zones (the most basic SPT) to create meaningful consistency. Basic structure standards alone would only achieve superficial alignment of common chapter and section headings in plans. Increasing the consistency in the range of zones within plans gives plan users a general understanding of the opportunities within different zones. These two planning standards build on the basic structure standards to make plans more deeply aligned and easier to use. An approach that recognises that the SPTs and zone framework and structure standards function as an integrated package will realise the greatest benefit.

Due to the highly interdependent nature of the SPT and zone framework planning standards to produce logical, structured plans and achieve meaningful consistency, the evaluation report for these two proposed National Planning Standards has been undertaken jointly in this section. Relevant feedback and changes made to each planning standard as a result of the feedback and consultation process are detailed separately. These planning standards are considered together for their cost and benefits as consolidated options in Table 9.

3 Statutory context

3.1 Sections 6 and 7 of the Resource Management Act 1991 (RMA)

There are no section 6 or 7 matters relevant to this topic. These two planning standards provide a framework for local authorities to meet the requirements of sections 6 and 7, but do not contain any section 6 or 7 specific content.

3.2 Section 8 of the RMA

This section is relevant to these planning standards as explicit inclusion of a Māori cultural zone assists local authorities to take into account the principles of the Treaty of Waitangi.

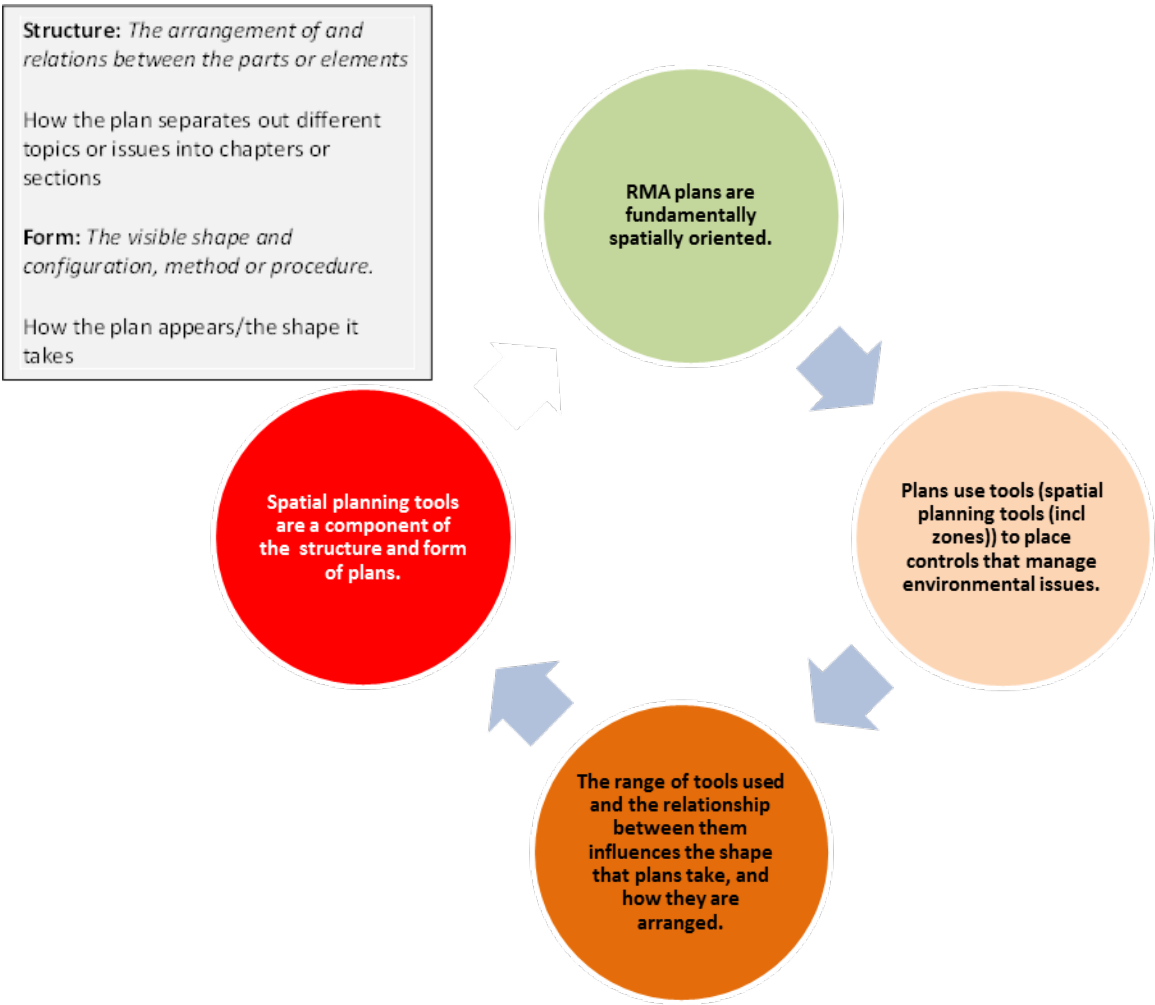
3.3 Section 58G of the RMA

Section 58G states that the first set of National Planning Standards must include certain elements, which are considered as minimum requirements. These are:

- (a) a structure and form for policy statements and plans, including references to relevant national policy statements, national environmental standards, and regulations made under this Act; and
- (b) definitions; and
- (c) requirements for the electronic functionality and accessibility of policy statements and plans.

This planning standard is not considered to be a minimum requirement for the first set of National Planning Standards as under section 58G(2)(a). The Ministry's position is that spatial planning tools (SPTs) and the zones used within plans are a component of the structure and form of plans (figure 1), the legislative requirement under which the plan structure standards are being prepared. If a strict interpretation of the requirements in section 58G(2)(a) is taken, the minimum requirements would be the planning standards for district, regional and combined plan structure alone. These two standards are therefore considered additional to the minimum requirement; though they add considerable consistency value and optimise the process required by local authorities to adopt basic structure standards.

Figure 1: Why SPTs and a zone framework are a component of plan structure and form



3.4 Section 18A

Section 18A of the RMA states procedural principles under the RMA. The principles in this section set out how people exercising powers and functions under the RMA must act. The SPT and zone framework planning standards help assist councils achieve some of the requirements of this section.

Table 1: How the SPT and zone framework planning standards assist councils in meeting section 18A procedural principles

Section Number	Provision	How these standards assist local authorities
18A(a)	<i>(a) use timely, efficient, consistent, and cost-effective processes that are proportionate to the functions or powers being performed or exercised</i>	These standards will assist in making plans more efficient to develop and use, as well as being more consistent between one another. It provides certainty to local authorities and plan users of the range and function of SPTs, as well as the types of zones used in plans. These standards work together to remove ambiguity and increase efficiency.
18A(b)(i)	<i>(b) ensure that policy statements and plans—include only those matters relevant to the purpose of this Act;</i>	N/A

18A(b)(ii)	<i>(b) ensure that policy statements and plans— (ii) are worded in a way that is clear and concise; and</i>	These standards seek to reconcile large differences in terminology between SPTs and zones in different plans, which currently create uncertainty for plan users. By setting the names of SPTs and zones at a national level, they will be recognisable and more understood across the country. Plans will ‘speak the same language’.
18A(c)	<i>(c) promote collaboration between or among local authorities on their common resource management issues.</i>	These standards will promote collaboration between local authorities as increasing consistency in the use of SPTs and zones used will allow best practice to be shared and transferred between plans more easily.

3.5 National instruments

National instruments have been considered in developing the proposed standards, and are discussed in Part 1 of this report. The inclusion of a Future Urban Zone will assist local authorities to give effect to the National Policy Statement for Urban Development Capacity.

There are no National Environmental Standards (NESs) directly relevant to the proposed standards.

3.6 National guidance documents

There is little national level guidance on the use of SPTs and the usage of zones in plans. Case law on zoning has developed and has been documented on the Quality Planning website.⁴ Zoning as a tool in itself has been affirmed by the courts, and case law has mainly examined the decisions of local authorities to apply zones in certain areas, and the effect of the provisions within them.

As stated on the Quality Planning website:

While there have been numerous Environment Court cases dealing with zoning, most have related to the appropriateness of a certain zone, or rules that the zone triggers. Few cases have challenged zoning as a tool for use in RMA plans, and none have found that zoning, as a tool or method, is inappropriate within the context of the RMA. But what is also clear from case law is that zoning is a technique or method to achieve the objectives and policies of a plan, and is not an outcome in itself.⁵

⁴ www.qualityplanning.org.nz/index.php/component/content/article/10-useful-links/381-zoning-as-a-tool?highlight=WyJ6b25lIiwieM9uZWQlLCJ6b25lcylsInpvbmluZyIsInpvbmluZ3MiLCInem9uZXMlLCInem9uZSIsInpvbmUnliwem9uaW5nJyIsIid6b25pbmciLCInem9uZSciLCInem9uZXMnLCIsInpvbmVzJyIsIid6b25lcyciXQ

⁵ Quality Planning website (www.qualityplanning.org.nz/index.php/component/content/article/10-useful-links/381-zoning-as-a-tool?highlight=WyJ6b25lIiwieM9uZWQlLCJ6b25lcylsInpvbmluZyIsInpvbmluZ3MiLCInem9uZXMlLCInem9uZSIsInpvbmUnliwem9uaW5nJyIsIid6b25pbmciLCInem9uZSciLCInem9uZXMnLCIsInpvbmVzJyIsIid6b25lcyciXQ)

4 Research and practice that informed the development of these standards

4.1 Recent practice considerations

4.1.1 Auckland Unitary Plan and Christchurch Replacement District Plan Independent Hearing Panels processes

Practice varies widely across the country in the use of spatial planning tools (SPTs) and zoning. Current practice has been considered in respect of SPTs and the zone framework, with particular examination of the practice recommendations arising from the two independent hearings panels appointed to make recommendations on the decisions of Auckland Unitary Plan and Christchurch Replacement District Plan processes.

These plans were selected because they:

- have been subject to recent plan changes/reviews that have addressed similar issues
- were comprehensive reviews of whole plans, so zoning and SPTs were addressed
- were both heard by independent hearings panels that included Environment Judges.

Recommendations of both panels

- Zoning is applied based on the functional objectives of each zone and key strategies/strategic directions of the plan.
- Spatial planning tools should be applied on the basis of robust cost-benefit analysis.

Recommendations of Auckland Panel

- Zoning should not be applied on the basis of factors that are addressed more directly through other tools such as overlays. That is, the 'appropriate' land use zoning should be adopted regardless of overlays.
- As far as practicable, establish a clear and distinct descending hierarchy from overlay to zone to precinct (where applicable) based on relevant regional policy statement provisions.
- Management of constraints should be through use of overlays and not zoning.

4.1.2 Environment court declaration (ENV-2017-AKL-000105)

The Environment Court declaration sought by the Auckland City Council under section 311 of the RMA is of relevance to these planning standards. This declaration concerned the interaction between two SPTs, namely the provisions of zones and overlays in the Auckland Unitary Plan.

The court found that overlay provisions do not have the effect of cancelling out the provisions of the underlying zone, rather they supplement them. This relationship is particularly important when assessing resource consents for breaches of rules and performance standards when an overlay applies. Overall, this means that the rules of both a zone and an overlay will apply unless there is a clear statement that certain rules of a zone do not apply in areas subject to an overlay.

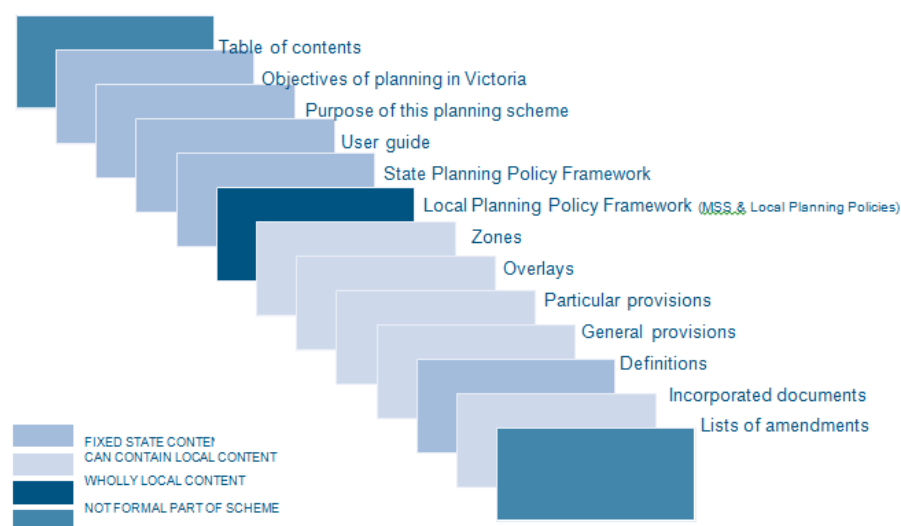
4.1.3 Victorian Planning Provisions (VPP) – Victoria, Australia

The VPPs are a comprehensive set of standard planning provisions developed by the Victorian Government. They are considered to be an example of best practice, as the system was introduced to reconcile the same efficiency and usability issues as the National Planning Standards. The system has been in place since the Planning and Environment (Planning Schemes) Act 1996 and has been built on and amended many times. The components of the VPP are similar to many of the proposed National Planning Standards in that they specify:

- a standard structure for a planning scheme
- mandatory definitions
- a set of standard zones
- a set of standard overlays.

The VPP specify more content than is proposed in this first set of National Planning Standards, as the VPP also specify particular mandatory provisions for use and development, particularly within the zone framework. For example, within each zone permitted activities are specified, as well as the standards that apply to them. The VPP also specify the overlays that can be applied to areas in addition to zoning, and the name of each overlay. Councils have the ability to insert additional local content in some parts of the policy framework but not in others. Figure 2 shows the structural components of a planning scheme under the VPP, and the respective split of local and national content. A similar system of a standard structure and form for plans is used in New South Wales and is called the Standard Instrument.

Figure 2: Overview of Victorian Planning Provisions



4.1.4 Internal and external research

A significant body of research, both internal and external, was used to inform the development of the first set of National Planning Standards. This research is available on the Ministry for the

Environment website.⁶ The Ministry commissioned three research studies on zoning and spatial layers in district plans. The purpose of this research was to develop a clearer picture of how these tools have been used and which parts would benefit from standardisation. Table 2 below details the different objectives of each of the reports.

Table 2: Research which informed the development of the zone framework and SPT standards

4Sight Consulting (2015), 'urban zones'⁷

- understanding the most commonly used provisions and main differences in provisions in the core urban zones through reviewing a range of plans that are representative of the urban areas in New Zealand
- identifying the most common provisions in each urban zone to determine what can be categorised as the 'common core content' and the main benefits, costs and issues identified with this common core content.

Planz Consultants (2015), 'Spatial Planning Terminology'⁸

- the types of information contained in spatial layers
- the terminology used to describe spatial layers
- how information contained in spatial layers is presented in district, unitary and regional plans
- the commonalities and differences between the use of spatial layers across New Zealand.

Boffa Miskell Ltd (2016), 'zones and associated spatial planning tool frameworks'⁹

- identifying and analysing relevant non-urban zones
- researching, analysing and developing three to four feasible zoning framework options comprising a 'core' framework of common zones and associated spatial layers for possible inclusion in a proposed national planning template.

The Boffa Miskell research recommended that a possible solution to the issues described above in section 1 could be to standardise the range of zones used within plans. It presented three 'zone framework' options and provided supporting descriptions. The three options each contained a 'menu' of zones progressing from a basic set of 6 zones, 12 zones and a more comprehensive set of 27 zones. The research also suggested how spatial planning tools could be used to provide for local variation over and above the zones provided within the framework.

5 Initial approach for consultation on the two standards

The recommendations of the research were adapted by the Ministry and were presented through *Discussion Paper C: Zones and Overlays*¹⁰ seeking comment on:

⁶ www.mfe.govt.nz/rma/legislative-tools/national-planning-standards/developing-first-set-of-national-planning-2

⁷ 4Sight Consulting. 2015. *Urban Zone Research*. Wellington: Ministry for the Environment. Retrieved from www.mfe.govt.nz/publications/rma/urban-zone-research

⁸ PLANZ. 2015. *Spatial Planning Terminology*. Wellington: Ministry for the Environment. Retrieved from www.mfe.govt.nz/sites/default/files/media/RMA/Spatial_Planning_Research.pdf

⁹ Boffa Miskell. 2016. *Proposed National Planning Template: Zones and associated spatial planning tool framework options*. Wellington: Ministry for the Environment. Retrieved from: www.mfe.govt.nz/sites/default/files/media/RMA/Zones_and_SPTs_Framework_of_Options.pdf

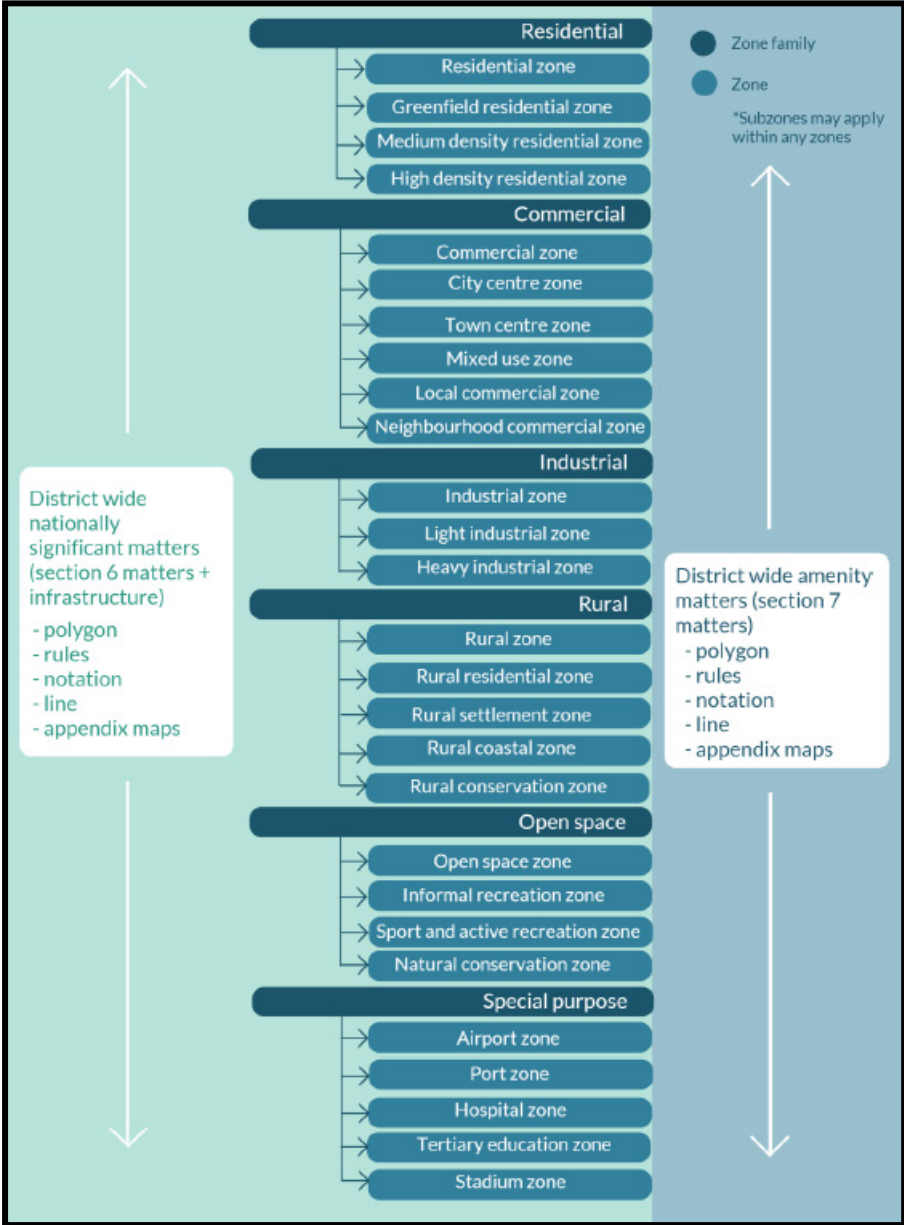
¹⁰ Ministry for the Environment. 2016. *National Planning Standards Discussion Paper C: Zones and overlays-spatial layers in plans*. Wellington: Ministry for the Environment. Retrieved from www.mfe.govt.nz/sites/default/files/media/RMA/Discussion-Paper-C-Zones-and-overlays.pdf

- draft purpose statements for each zone
- how SPTs should appear on the planning maps
- options for standardising some of the provisions (objectives, policies and rules) for key urban zones
- whether the ability to add more zones to the framework should be constrained
- if the basic SPTs (district-wide nationally significant matters, amenity matters and subzones) were suitable to provide for area specific variation
- what approach the planning standards should take with regard to regional planning tools.

To focus feedback the Ministry for the Environment determined that its preferred zone framework option would be the 27-zone option (figure 3). This was because research on the Australian planning templates identified it is best to adopt a framework that most suits the needs of the larger, more complex environments, knowing that the smaller councils will only use what they need from the framework. This helps avoid inadvertently restricting the ability of local authorities to manage different environmental areas, or use a multitude of overlays or other SPTs which effectively function as a zone. Furthermore, the Think Tank also determined that the largest zone framework was more likely to be suitable for larger urban environments and would provide opportunities for the most effective consultation.

The six- and 12-zone options were considered unlikely to be fit for purpose, or be reasonably practical options for both simple and more complex plans. Nor would they achieve a balance of consistency and local variation. The 27-zone framework option formed the basis of discussions at the planning standards regional workshops, and initial written feedback (as detailed in Table 4).

Figure 3: 27-zone framework option framework included in Discussion Paper C



6 Consultation undertaken on these standards

The following is a summary of the primary consultation undertaken in respect of these standards.

Table 3: Summary of the primary consultation undertaken on the spatial planning tools (SPT) and the zone framework standards

Who	What	When	Issues/actions
Pilot councils (via online shared workspace)	Comments on the online shared workspace on the range of zones in the framework, based on the draft discussion paper	May 2017	Action: Comments taken to the regional workshops to be tested by practitioners
New Plymouth District Council	Informal session on zone framework and plan review process of the New Plymouth district plan.	May 2017	Curious about the level of standardisation, ie, how much detail will be included with the zoning framework (objectives, policies, rules?). Raised the question of a Māori purpose zone and whether the Ministry have considered something similar (this would cover marae, papakainga, etc).
Heritage New Zealand Pouhere Taonga	Session on zone framework and definitions	May 2017	Generally satisfied with the range of zones in the framework and more interested in definitions workstream. Action: Keep informed
Regional workshops (June–July)			
Practitioners’ Drafting Group	Presented zone framework and feedback from regional workshops	June 2017	Reaffirmed feedback that for the zone framework to be successful and implemented in a consistent way, the Ministry for the Environment should develop a standard that gives certainty to spatial planning tools used in plans. Action: Develop spatial planning tools standard
Discussion paper feedback period (May–July 31)			
Practitioners’ Drafting Group	Presented first draft of spatial planning tools standard	July 2017	Agreed that the standard is useful to complement the zone framework to provide area-specific planning responses and suggested that testing was needed to ensure the tools are clearly different to one another. Action: Undertake reverse engineering exercise (Table 8)
Discussion paper feedback analysed	Feedback from resource management practitioners on Discussion Paper C analysed	August and September 2017	Wide range of feedback received on range of zones within framework, zone content (objectives and policies), overlays and whether a similar

Who	What	When	Issues/actions
			framework should be developed for regional plans.
Māori advisory group	First meeting of group where the concept of the zone framework and spatial planning tools were discussed.	August 2017	A specific Māori use zone may be needed. Action: Explore Māori use zones in plans
Pilot council testing	Spatial planning tools standard	September and October 2017	Range and description of SPTs provided generally appropriate to cover those in plans of councils that provided feedback, however some minor amendments needed to broaden scope. Action: Amend table to more clearly separate purpose of tools and implementation guidance.
Graduate Planners' Group Graduate planners from local government	Group workshop testing spatial planning tools standard and zone framework	September 2017	Graduate planners helped test the two standards in the context of their own plans and helped brainstorm the purpose statements and descriptions for district wide matters.
Pilot council testing	Revised zone framework and purpose statements/descriptive characteristics tested by pilot councils.	October and November 2017	Framework zones generally suitable, with ability to add special purpose zones. Comments on detail of purpose statements and descriptive characteristic (implementation guidance). Action: Purpose statements revised to separate out different categories of descriptors.
Māori advisory group	Second meeting of the group	October 2017	Confirmed that a zone is the best spatial tool to provide for Māori use of land. Description and use of the zone should be left broad.
Heritage planners' forum Hamilton Local government heritage planners	Ministry for the Environment presented on the standards of interest to heritage professionals, including zone framework	October 2017	Generally satisfied with the range of zones in the framework and the idea of standardising zones.
New Southern Sky Includes representatives from: <ul style="list-style-type: none"> • the Civil Aviation Authority • Ministry of Transport • Airways Corporation • other civil aviation sector representatives 	Meeting to discuss the scope of the standards	October 2017	Concerned with the standardisation of purpose statements and descriptions if they limit the scope of airport operations. Reiterated that every airport and airfield has its own operating context and it may be inappropriate to standardise characteristics and purpose statements. Action: Ministry for the Environment and Airports Association to meet and discuss scope of zone framework and definitions.

Who	What	When	Issues/actions
Airports Association and representatives from Auckland, Wellington, Christchurch and Queenstown airports	Meeting to discuss the scope of the standards, in particular zones and definitions	November 2017	Remain concerned about standardising purpose statements and characteristics. Also concerned about the content of definitions. Action: Association provided track-changed feedback on airport zone purpose statement/descriptions.
Regional Council Policy Managers	Meeting to discuss the scope of the standards	November 2017	Action: Explore SPTs for regional plans and test with the group.
Ministry of Education	Meeting to discuss approaches to zoning of education facilities and schools	November 2017	Action: Amend education zone to primarily apply to private schools and tertiary institutes.
Regional Council Policy Managers	Spatial planning tools standard sent to regional councils for testing	December 2017	Concerns about where zones should apply, and how they differ from areas. Discussion about hierarchy of planning tools. Recommendations for better terms, descriptions and examples. Action: Examples and descriptions clarified.
Rural Sector Interest Group	Presented zone framework and SPT standards for discussion in a rural context	January 2018	Action: Explore addition of a 'rural production zone' or similar to provide for rural zones with a production focus such as 'plains' zones found in plans.
Nelson City Council	Presented zone framework and SPT standards for discussion in the context of the NCC draft plan	January 2018	Zone framework and SPT standards largely appropriate but need consideration how they work for unitary authorities.

7 Summary of the issues analysis

Based on the research, analysis and consultation outlined above the following issues and associated responses have been identified.

Table 4: Summary of issues identified on the zone framework and spatial planning tools standards

Issue	Comment	Response
Zone framework		
Standardisation of a zone framework itself	Concerns about the implications developing a standard zone framework.	Analysis shows that that the benefits of a standardised zone framework outweigh the cost and will result in efficiencies developing and using plans.
Range of zones in the framework is not large or flexible enough to provide area specific planning responses	<p>Submitters were concerned that the range of zones in the framework was not broad enough to provide for certain activities. Examples include:</p> <ul style="list-style-type: none"> • rural industrial zone • low density residential/ large lot residential • school • cemetery • papakāinga • deferred development • holiday huts • coastal • Māori cultural zone • agritech/research zone • electricity generation zone 	<ul style="list-style-type: none"> • The Ministry for the Environment does not consider that a number of these zones need to be provided, however the following zones have been added. Their addition is explained in detail in table 5: <ul style="list-style-type: none"> - future urban zone - Māori cultural zone - low density residential zone - rural production zone. • Other spatial planning tools such as the precinct tool can be used to provide area-specific planning responses. The precinct tool envisages that the provisions of the underlying zoning are still relevant to the specific outcomes sought by the precinct. The Ministry's interpretation is that for many of the issues/activities managed in the suggested zones that this is the case. • The zone framework is now 'unlocked' and additional special purpose zones can be added to provide for locally specific land-use clusters.
Too many zones in framework	There is an oversupply of zones in the framework and the distinctions between them aren't clear.	The zone framework presented in the paper was the largest of three options following extensive research of common zones in district plans. The Ministry received a mixture of feedback, which considered that there were both too many and too few zones in the framework.
Restricting the number of zones in plans will proliferate overlays making plans more difficult to use	Submitters are concerned that 'layering' of spatial planning tools will result in plans that are more difficult to use than the status quo.	<ul style="list-style-type: none"> • Currently, there is no universally understood best practice for how tools such as overlays are used. By establishing consistent principles for the use of spatial planning tools (SPTs) (precincts and overlays etc), plan users will be able to reliably understand how the tool functions (in isolation and with others), and where to find the associated provisions within the plan. • A standard zone framework goes some

Issue	Comment	Response
		<p>way to increase understanding of and simplifying district plans by removing unnecessary variation. This may mean that for some plans, provisions/controls that may be contained within the plan as a zone become overlays or precincts as a result of a standard zone framework. This is an unavoidable reality of standardising zones, but leads to a consistent approach and understanding of how spatial planning tools are used to manage issues in plans.</p> <ul style="list-style-type: none"> • By including a zone framework in addition to standardised SPTs, users will be able to understand what is commonly controlled through a zone, and what values or issues are controlled through other tools. This provides certainty regarding which matters are controlled by a tool and how they function together to form a complete provision package. • The technological progression sought in the eDelivery standard, whereby councils will transition towards a mature GIS system, mitigates potential confusion arising from layering of different spatial planning tools in addition to standard zones.

Implementation of zone framework	Implementation of a zone framework will be significant. Repeated suggestion that next full plan review is best time to implement zone framework.	<ul style="list-style-type: none"> • The time and cost to implement the zone framework will vary depending on how consistent existing plans are with it, as well as the impact of a public schedule one process. • The Ministry considers there are benefits from using a consistent framework of zones. For simpler plans, implementation is unlikely to be as significant. • Refer to Part 3 of this evaluation report 'Implementation'
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Overlays		
Issue	Comment	Response
District-wide, nationally significant, and amenity matters not a workable arrangement, nor is the terminology	Separation of section 6 and 7 matters is not reflective of practice and does not make sense.	<ul style="list-style-type: none"> • The Ministry agreed that the terminology of 'nationally significant' and 'amenity matters' is not ideal and that a section 6 or 7 split of these matters for spatial layers is somewhat artificial. • The Ministry considers there is value in developing consistent principles for the use of spatial planning tools. There is no consistent understanding of how planning tools such as zones and overlays should be used. The Ministry has therefore pursued the spatial planning tools standard.

Content for urban zones

Issue	Comment	Response
Issue	Comment	Response
Zone content for some urban zones	Concerns that standard objectives, policies and permitted activities will result in less effective policy frameworks.	<ul style="list-style-type: none"> • Providing standard objectives, policies and permitted activities for select urban zones received a mixture of views from submitters. Some submitters expressed concern at the possible inconsistencies reconciling locally specific objectives and policies with broad-brush national zone content, particularly where these objectives and policies formed the basis of resource consent assessments. • The Ministry has changed from the discussion paper approach as detailed in Table 5.
Policy decisions should not be made by the planning standards and content should be guidance only	Scope and direction of planning standards could set a policy direction or restrict the ability of local authorities to determine local policy direction.	<ul style="list-style-type: none"> • The Ministry understands the submitters' concerns contained in the discussion paper that the National Planning Standards have the ability to insert standard content that may set a policy direction. The submitters are also concerned that standard provisions may restrict the ability of local authorities to manage environmental issues in a way best suited to local conditions. • The Ministry's approach has changed from the discussion paper approach, as detailed in Table 5

Standardising layers for regional plans

Issue	Comment	Response
Regional plans	Concerns about the effect of standardising spatial layers for regional plans, but also suggestions what could be included.	<ul style="list-style-type: none"> • The majority of submitters make suggestions for standardised spatial layers for regional plans. The suggestions are largely based on those layers or tools established through national direction tools. There appears to be general support for exploring standardising some regional plans layers, so long as the standards retain the ability for local authorities to manage regional environmental issues in a manner best suited to that area.

8 Amendments to the standards as a result of consultation

This section outlines changes made to the two National Planning Standards (planning standards, or standards) from those originally proposed in the discussion document. Amendments to the zone framework standard are detailed first, then the spatial planning tool (SPT) standard.

When *Discussion Paper C: Zones and Overlays*¹¹ was released there was no proposal for an SPT standard in itself. The paper discussed three tools to provide for local variation:

- district-wide nationally significant matters
- district-wide amenity matters
- subzones.

At the time these tools were consulted on as a component of the zone framework, and discussion limited only to district plans. The Ministry sought comment on whether spatial layers for regional plans should also be considered for standardisation. The resulting SPT standard has two parts that provide standard tools for district and regional plans. Attendees at the regional workshops repeatedly stated that a common understanding of SPTs was necessary to manage areas’ specific planning responses over and above common zones provided in the framework. They noted that the three tools described in the discussion paper were too rigid to provide for local variation and needed to be broadened. Practitioners considered that any gaps in the development of a more robust approach that did not provide for both site-specific and area-wide planning responses would make the zone framework difficult or impractical to implement.

8.1 Zone framework standard

A significant amount of feedback was received on the zone framework standard throughout the consultation process. As detailed in Table 3, the earliest consultation undertaken was release of the draft papers to pilot councils in May 2017, until February 2018. During this period, the following amendments were made to the planning standards.

Table 5: Amendments to the zone framework standard as a result of consultation

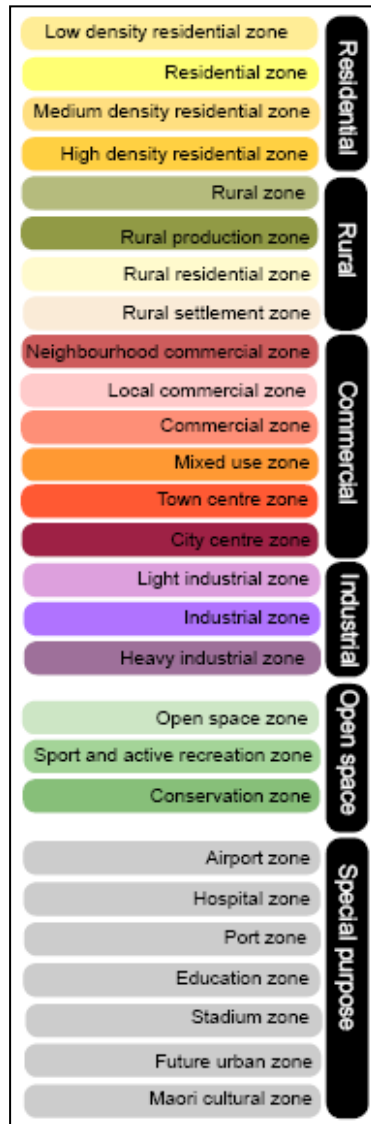
Zones added	Reasons
Future urban zone	This zone was repeatedly noted as necessary at the regional workshops. It was identified as being needed to enable councils to give effect to the National Policy Statement on Urban Development Capacity. The zone is needed for local authorities to identify where future urban development is to occur (both residential and business land). In the absence of this zone it would not be obvious how future development would be signalled and provided for.
Māori cultural zone	This zone was repeatedly noted as necessary through initial feedback and by the Māori advisory group to enable activities that provide for Māori social and cultural needs. They are commonly included in plans. Councils can also choose to integrate papakāinga and

¹¹ Ministry for the Environment. 2016. *National Planning Standards Discussion Paper C: Zones and overlays-spatial layers in plans*. Wellington: Ministry for the Environment. Retrieved from www.mfe.govt.nz/sites/default/files/media/RMA/Discussion-Paper-C-Zones-and-overlays.pdf

Zones added	Reasons
	tangata whenua provisions throughout the plan as they see fit.
Low density residential zone	This zone was noted as being necessary for a number of councils with development on large lot sizes, particularly on urban fringes, or managed for landscape, natural hazards or infrastructure constraints.
Rural production zone	It was noted that there is a need for further distinction of the rural environment than identified in the framework for consultation. Further analysis concluded that many of these zones can be relatively easily accommodated by the precinct or specific control tool proposed in the SPT standard, as the policy frameworks are largely consistent, or the same but different minimum lot sizes apply. Where policy frameworks are different for these zones, the intent of these zones appeared to be to utilise productive soils (sometimes for a specific activity) and to avoid fragmentation. On that basis the 'Rural production zone' was added to the framework for consultation.
Zones amended	Reasons
Tertiary Education → Education zone	<p>Feedback was received that it may be beneficial to provide a consistent approach for the operation of schools which are unable to utilise designations (eg, private schools). The Tertiary Education zone proposed in the discussion paper has therefore been broadened in scope; to more accurately reflect the range of education facilities that may locate in this zone it has been renamed 'education zone'.</p> <p>Discussions with the Ministry of Education were held to determine their desired approach for state and state-integrated schools. It was confirmed that the Ministry of Education supports for the relevant local authorities' zoning strategy being followed and it will use designations to provide for the ongoing operation of its facilities. Therefore, no reference to state and state-integrated schools is made in the descriptive characteristics.</p> <p>Consistent with the SPT approach, precincts can also be used to address area-specific planning responses, eg, university precinct, wānanga precinct, school precinct (private).</p>
Zones combined	Reasons
Rural conservation & nature conservation → Conservation zone	The main differentiating factor of these two zones was whether they are in Crown ownership or not. Submitters noted that the distinction between them was not relevant and such decisions should not be made in the planning standards. Subsequently, they have been combined.
Open space and informal recreation → Open space zone	Feedback identified that the differentiation between these two zones is not great enough to warrant two separate zones, and they can be combined into a single open space zone. It was considered that the framework provides an ample number of zones to cover a range of open spaces and reserves and the 'informal recreation zone' is surplus to requirements. Furthermore the Reserves Act 1977 provides for the ongoing management of open space areas. Consistent with the SPT principles, the precinct tool can be used to achieve area-specific variation where necessary.
Zones removed	Reasons
Coastal rural	Submitters identified that the intent of the coastal rural zone as detailed in the discussion paper can be more effectively achieved through the use of an overlay, rather than a zone. This would align with the SPT approach of overlays being used to protect specific values (in this case high amenity values and recreational opportunities associated with coastal areas). Coastal hazard risk, as described in the discussion paper, is more accurately and effectively controlled through a hazard overlay than the provisions of a rural coastal zone.
Greenfield residential	With the provision of a 'Future Urban' zone, there is little need for a greenfield residential zone. The high-level description of this zone, as detailed in the discussion paper, is similar to the future urban zone, but only addresses residential land as opposed to both residential and business land.
Framework partially	Reasons

'unlocked'	
Additional special purpose zones can be created	<p>Submitters identified that there may be circumstances where additional special purpose zones will be necessary. Examples include energy generation zones, Mystery Creek zone.</p> <p>Additional special purpose zones should only be created when the proposed land use activities and anticipated development in a defined or future area:</p> <ul style="list-style-type: none"> • is significant to the district or region • could not be enabled by any existing zones • could not be enabled by the introduction of an overlay, precinct, or specific control.
Objectives and policies for 'priority' zones removed	
→ Purpose statements/ descriptive characteristics	<p>Providing standard objectives, policies and permitted activities for select urban zones received a mixture of views during both the regional workshops and the initial feedback period. The zones proposed to have standard content in the discussion paper were:</p> <ul style="list-style-type: none"> • residential zone • medium density residential zone • high density residential zone • greenfield residential • commercial zone • town centre zone • industrial zone. <p>Typically, practitioners from less resourced councils felt that standard objectives, policies and permitted activities would be beneficial. It would allow them to take the zone 'off the shelf', without having to spend resources developing the basic zone concept, allowing them to focus on significant local issues. Practitioners from more resourced councils felt that cities of their size were too complex for standardised content. They also noted that they have the in-house capacity and capability to develop these provisions themselves.</p> <p>Concerns were expressed at the possible inconsistencies reconciling local variation with national zone content, particularly where these objectives and policies formed the basis of resource consent assessments.</p> <p>Consequently, to support the consistent implementation of the zone framework the approach has changed to provide 'purpose statements' (as part of the standard) and 'descriptive characteristics' (implementation guidance) for each zone. They are intended to guide councils in determining where the respective zone could be applied based on existing environmental factors and desired outcomes. They are more developed than the indicative descriptions that were included in the discussion paper.</p> <p>The purpose statements are intended to be part of the standard, meaning that zones must be implemented by council in a manner consistent with the purpose statement. The statements are therefore worded broadly, to allow for the zones to be applicable to all plans and scalable, knowing that 'medium density' development in small, less urbanised districts can be of a different scale to that of larger cities, but the local context meets the descriptor of medium density. The implementation guidance has also been worded in a way that does not specify policy outcomes. Councils must still determine their local policy direction, built form, bulk and location planning standards, whether activities should be encouraged or not, and the activity status of desired activities within the zone.</p>

Figure 4: Zone framework following consultation



The zone framework planning standard discussed in this evaluation report has become a component of the draft S-ASM planning standard (Area specific matters chapters).

8.2 Spatial planning tools standard

Table 6: Amendments to the district plan SPT standard as a result of consultation

'Sub-zones' refined	Reasons
Specific controls and precinct tools were added	<p>Submitters generally agreed that there is a need to recognise and place different controls/provisions in select areas in addition to underlying zoning. These provisions may vary from a few discrete controls such as height, or a collection of controls to maintain character of an area.</p> <p>The concept of a subzone has therefore been reconsidered as too much of a blunt instrument for achieving area-specific planning responses. It has evolved into the 'precinct' tool which, accompanied by the other standardised spatial planning tools, provides a consistent way to provide for local variation where underlying zoning is relevant.</p> <p>The 'specific control' tool has also been added to recognise that many plans contain site- or area-specific controls, the purpose of which is to control a single</p>

	issue or provision. Typically the matter it is controlling is not of a size or scale to warrant a precinct or separate district-wide chapter (and associated overlay).
Tool to manage 'district-wide nationally significant matters' and 'district-wide amenity matters' refined	Reasons
Overlays clarified	<p>The discussion paper presented ideas about separating out tools to manage section 6 and section 7 matters of the Resource Management Act 1991 (RMA). The initial approach was to term section 6 matters 'district-wide nationally significant matters' (SPT tool overlays) and section 7 matters 'district-wide amenity matters'.</p> <p>There was a mixture of views on standardising overlays on the basis of their topics being matters of national importance under section 6 of the RMA. There was a large amount of feedback that overlays are used to address a wider range of council functions under section 30 and 31 of the RMA, and restricting their use to section 6 of the RMA is not workable.</p> <p>We have changed approach from denoting overlays as solely addressing section 6 matters. Overlays have been in effect broadened to identify areas or items where additional plan provisions apply recognising environmental risks, identified special values or other specific environmental factors. This reworked tool allows for section 6 and section 7 type matters to be managed as well as other issues, and better reflects current best practice.</p>
Tools added	Reasons
Development areas	<p>Feedback on the discussion paper and at the regional workshop identified that there is a need to provide direction as to how structure plans/outline development plans/framework plans and otherwise termed greenfield and brownfield concept plans are contained in plans.</p> <p>The 'development areas' tool has been included to provide consistent terminology and an associated location in the structure of the plan for such documents that identify and manage areas where conceptual plans apply to determine future land use and/or development</p>

The district spatial planning tools standard discussed in this evaluation report has become draft planning standard F-4.

The regional plan component of the standard was developed in response to stakeholder feedback that it is worthwhile exploring a standardised set of regional plan tools, especially considering many of these are specified in national direction. The regional and district plan spatial planning tools are slightly different, recognising that they are used differently in practice. Leaving them separate and allowing unitary authorities to pick and choose tools as they need based on their respective function will help avoid confusion for territorial authorities, of which there are significantly many more.

Table 7: Amendments to the regional SPT standard as a result of consultation

Tools added	Reasons
Zones seaward of mean high water springs only	<p>Some councils manage activities in the coastal marine area in a similar way to how district plans manage activities on the land – grouping similar activities together and excluding incompatible activities. For example, a harbour zone, a port zone.</p> <p>We do not support regional planning documents having zones landward of mean high water springs. It is good planning practice to have only one zone (ie, group of compatible activities and effects) to apply in any location. There is a risk of confusion if multiple zones are applied from different RMA plans – or in the same plan in the case of unitary and combined regional-district plans.</p>
Overlay	The purpose of the overlay is the same for regional policy statements and regional plans as it is for district plans – to identify a specific value or risk that needs to be

Tools added	Reasons
	managed with its own set of provisions. This applies regardless of whether the underlying management rules are for land use (district) or for discharges, water takes, coastal structures etc.
Specific control	The purpose of specific controls is the same for regional plans as it is for district plans – sometimes a small, specific variation in the underlying provisions is useful to manage a specific factor in a specific place, without having to create a new section for it.
Freshwater Management Unit	Freshwater management units are required under the National Policy Statement for Freshwater Management. However, some regional councils are naming and labelling these units differently, risking confusion for plan users working across plans. Standardisation ensures the units are distinguished from other SPTs and are called the same thing.
Airshed	Regional councils are required to identify in their relevant regional plan(s) the urban areas that either were exceeding, or were likely to exceed, the National Environmental Standards for Air Quality. However some regional councils are naming and labelling these airsheds differently, risking confusion for plan users working across plans. Standardisation ensures the units are distinguished from other SPTs and are called the same thing.
Area	Regional plans commonly spatially identify areas within which they manage the environmental effects of certain activities, for example geothermal extraction area, earthworks control area. These do not necessarily delineate the extent of the item of value (eg, aquifer) or risk (eg, coastal erosion) as an overlay does. The areas classify and manage activities based on their environmental effects, rather than bundling compatible activities and excluding incompatible activities as a zone does. This type of SPT is common enough in regional plans to have its own category in the planning standards so plan users can understand how it is used and avoid confusion with zones, overlays and freshwater management units.

The regional spatial planning tools standard discussed in this evaluation report has become draft planning standard F-3.

9 External testing and revision of the National Planning Standards

In addition to the consultation and testing detailed in Table 3 the draft National Planning Standards (planning standards or standards) were tested externally to provide independent assessment of whether they are fit for purpose.

Table 8: External testing of the two planning standards

Exercise	What it involved
<p>Spatial planning tools ‘reverse engineering’ exercise</p> <p>Completed: 23/08/2017</p>	<p>Research had already been undertaken on the range of tools in plans and resulted in a list of tools for 31 plans, loosely groups by the matters controlled.¹² In total 26 district plans were included in this exercise.</p> <p>This exercise involved analysing the spatial planning tools (SPTs) provided in the planning standard against those identified in the research. In particular the exercise determined if:</p> <ul style="list-style-type: none"> • SPTs in the sample followed the same principles as the standard, and only differed in name • they were completely different (and determined how they differ) from those of the planning standard • there are outlier tools that would have to be reworked in a new way • there are any key tools in plans that are not provided for in the standard and would need to be accommodated. <p>Findings/changes as a result of testing</p> <ul style="list-style-type: none"> • Tools in the standard sufficiently cover those in plans. • Consider whether overlays should always be more restrictive than underlying zone provisions and what enabling overlays exist. • Consider if precincts should be limited to within zones. • Designations should have their own tool, but it should not be known as an overlay. • Mapped controls/specific controls should be included, but clarification is needed that they should be a singular resource management issue such as height. • ‘Structure Plan areas’ should also be widened to include development concepts plans, framework plans and other planned types of developments. Became known as development areas.
<p>Dunedin Second Generation District Plan ‘Rehousing’ exercise</p> <p>Completed: 20/12/2017</p>	<p>What it involved</p> <p>The ‘rehousing’ exercise was undertaken to test the work required to adopt three draft planning standards using the Dunedin Second Generation District Plan (2GP). The planning standards that were rehoused at a high level were:</p> <ul style="list-style-type: none"> • District Plan Structure • Spatial Planning Tools • Zone Framework and accompanying descriptions. <p>It was necessary to test these three planning standards together as they form a package to determine the structure and form of plans.</p>

¹² Planz Consultants. 2015. *Spatial Planning Terminology*. Wellington: Ministry for the Environment . Retrieved from www.mfe.govt.nz/publications/rma/spatial-planning-terminology-research-study

Exercise	What it involved
	<p>The exercise involved:</p> <ul style="list-style-type: none"> • examining the transferability of the existing plan structure with that of the standard; and where content would be moved within the planning standards structure, determining where it would sit • assessing at a high level how the framework zones would be used in the reworked plan • determining how layering of other SPTs could be used to provide for the area specific local variation of the plan. <p>Findings/changes as a result of testing</p> <p>Based on the ‘rehousing’ exercise we’ve undertaken on the Dunedin 2GP it appears the three planning standards (SPTs, zone framework and district plan structure) provide a workable frame to retrofit current plan provisions subject to some further ‘fine tuning’ of the standard.</p>

10 Quantification of benefits and costs

Section 32(2)(b) of the RMA requires that, where practicable, the benefits and costs of a proposal are to be quantified. The scale and significance of the proposed National Planning Standards (planning standards or standards) has been determined to be high, and a cost-benefit analysis of the planning standards was commissioned by the Ministry for the Environment.

Assuming an implementation period of five years, the report concluded that the benefit-cost ratio (BCR) for all National Planning Standards would be 1.53. The group of eight standards in the structure and form category returned a BCR of 1.76. The report considered the impact that the zone framework and SPT standards have on the structure and form BCR. The report noted that it would be erroneous to calculate a separate BCR for the two standards. The *Structure and Form* BCR was subject to a sensitivity test to assess what would the BCR be without the zone framework and SPT standards. It was estimated to make a significant reduction to the BCR from 1.76 to 1.25.

Furthermore the report noted that:

There is a higher impact on the overall benefits, and a lower impact on the overall costs as a result of removing Zones and SPTs.

... The Zones and SPTs standards have significant benefits that come from time savings to users of multiple plans who will be able to easily recognise and interpret information across plans and maps. There are also benefits associated with ongoing administrative savings to local councils in future plan reviews, as mandated zones will reduce the time required to respond to submissions relating to requests for specific and unique zone changes. Therefore, we assume that removing the Zones and SPTs standards from structure and form is likely to have a disproportional impact on the overall benefits (ie, a benefit reduction that is more than one quarter).¹³

The full Castalia BCR¹⁴ report is available from the Ministry for the Environment [website](#) and should be read in conjunction with this section 32 report.

¹³ Castalia report, page 31.

¹⁴ Castalia Strategic Advisors. 2018. *Economic analysis of the introduction of the first set of National Planning Standards*. Wellington: Ministry for the Environment.

11 Options assessed

Under section 32(1)(b) of the RMA reasonably practicable options for achieving the proposed objectives outlined must be identified and examined. “Reasonably practicable” is not defined in the RMA, but may include options that:

- are both regulatory and non-regulatory
- are targeted towards achieving the goal/objective
- are within the Ministry’s resources, duties and powers
- represent a reasonable range of possible alternatives.

For each potential option an evaluation has been undertaken relating to the costs and benefits in order to determine the effectiveness and efficiency of the approach, and whether it is the most appropriate way to achieve the relevant objective(s). These evaluations are outlined in the below.

11.1 Options overview

Table 8: Reasonably practicable options assessed for the zone framework and spatial planning tools standards

Options	Zone framework	Scope	Additional zones can be added	Spatial Planning Tools (SPT)
1a	Do nothing	-	-	Do nothing
1b	Discussion paper version 27-zone framework	Objectives, policies, permitted activities and performance standards for select urban zones	No	Discussion paper version SPTs <ul style="list-style-type: none"> • zones (from framework) • district-wide nationally significant and amenity overlays • subzones
1c	Revised 27-zone framework	Purpose statements for each zone	Yes, special purpose zones	Revised SPT standard (District) <ul style="list-style-type: none"> • zones (from framework) • overlays • precincts • development areas • specific controls (Regional) <ul style="list-style-type: none"> • zones • overlay • specific control • freshwater management unit • airshed • area.

Option 1a is a status quo option. That is, no zone framework or spatial planning tools standards are pursued. Councils can choose the zones and manage issues through tools as they determine fit for their plan, as is current practice.

Option 1b is the zone framework and SPTs as proposed in *Discussion Paper C: Zones and Overlays*,¹⁵ with objectives, policies, permitted activities and performance standards for select urban zones. For the purpose of this section 32 report, the Ministry for the Environment considers that the six- and 12-zone framework options as outlined in the paper have already been determined to be not fit for purpose for the reasons explained in section 5 (page 15), and are not included for further assessment here.

Option 1c is the revised zone framework and SPT standards as described in section 8.1, 8.2 and summarised in table 8 above.

¹⁵ Ministry for the Environment. 2016. *National Planning Standards Discussion Paper C: Zones and overlays-spatial layers in plans*. Wellington: Ministry for the Environment. Retrieved from www.mfe.govt.nz/sites/default/files/media/RMA/Discussion-Paper-C-Zones-and-overlays.pdf

12 Scale and significance

As noted in Part A of this evaluation report, section 32(1)(c) of the RMA states that a section 32 evaluation must contain a level of detail that corresponds to the scale and significance of the effects of the proposal. It is considered that the National Planning Standards as a package are of a large scale and of high significance. However, each individual standard will be of varying scale and significance.

This SPTs and zone framework standards are considered to be of large scale and high significance because they are likely to lead to many detailed changes to the structure and form of plans across the country and require the most resources to implement compared to the other standards. This is reflected in the level of analysis contained in the following table.

12.1 Costs assessed

As these planning standards will not directly affect material changes in environmental outcomes, the costs and benefits considered in table 9 below are not categorised as environmental, economic, social and cultural costs and benefits, as often occurs in RMA plan section 32 assessments.

Although the planning standards will not have a direct effect on environmental outcomes they will create opportunity benefits for individual planning processes and the planning system as a whole by enabling more resources to be directed to managing environmental effects instead of administrative matters.

Table 9: Options analysis for zone framework and spatial planning tools standards

Planning standards objectives		
<p>Objective 1: An appropriate level of standardisation is achieved for matters that don't need local variation:</p> <ul style="list-style-type: none"> • avoid duplication of effort • ensure that only matters that do not need local input are included in the standard • standardises how national direction is represented and implemented in plans • result in standards where the effort put in by councils to implement the standards is commensurate with the level of standardisation achieved 	<p>Objective 2: Improve the accessibility and usability of plans:</p> <ul style="list-style-type: none"> • plans are easier to access • plans are easier to understand • electronic functionality is used to improve accessibility wherever possible. 	
<p>Objective 3: Improve plan-making baseline performance:</p> <ul style="list-style-type: none"> • shorter timeframes • less resource intensive • more focus on local outcomes • assist in good practice being adopted in a more timely manner. 	<p>Objective 4: Implementation of the standards is practical and feasible, while taking into account the:</p> <ul style="list-style-type: none"> • resource intensity needed to implement the planning standards • capacity and capability of councils to implement the planning standards • efficiency of central government having ownership, associated ongoing responsibility and maintenance costs for this level of standard. 	
Option 1a: Do nothing		
	Costs	Benefits
<p>Option 1a: Do not provide zone framework and spatial planning tools Standards</p>	<p>Councils</p> <ul style="list-style-type: none"> • Continued costs to all councils determining zoning and spatial planning tools for their individual plans. • Continued court costs for each council debating range of zones and spatial planning tools in the plan and how they interact with one another. • Continued costs and inefficiencies incurred for new staff to learn how locally specific plan zones and SPTs work. 	<p>Councils No requirement to rework plan and current zones and SPTs. No additional costs or reprioritising of resources would be required to address zoning and SPTs.</p> <p>Ministry for the Environment, and central government No development costs would be incurred and resources could be reprioritised elsewhere.</p> <p>Plan users Will not have to learn how new zone framework and SPTs interact for the plan</p>

	<p>Ministry for the Environment, and central government</p> <p>Continued costs to develop and assist implementation of national direction instruments in plans that manage issues through different zoning and spatial planning tools approaches.</p> <p>Plan users</p> <p>Inefficiencies and current costs continue for users of multiple plans determining how locally specific zoning and spatial planning tools interact with one another. Often borne in form of consultant fees.</p> <p>General public</p> <p>Minimal costs to general public as they are likely to interact with only one plan.</p>	<p>they are most familiar with, nor will they have to spend time on how their resources are managed within a different structural framework.</p> <p>General public</p> <p>Local communities will not have to learn how new zone framework and SPTs interact with one another.</p>
<p>Effectiveness and efficiency</p>	<p>Effectiveness</p> <p>This option is not considered to be the most effective option. An approach that only introduced basic structure standards would require councils to rework their plans and would only partially realise the stated objectives of the National Planning Standards that are detailed above. Basic structure standards alone would only achieve superficial alignment of common chapter and section headings in plans and not achieve meaningful consistency. There is the risk that more confusion than the status quo will occur if plans must be reworked to a standard structure but no certainty is given in how issues currently managed by different spatial tools should be separated out and housed in a new structure. That is, locally specific zones and issues managed by different tools will continue. In that way the current option would result in more questions than answers when considering the standards as a package.</p>	<p>Efficiency</p> <p>Changing the structure of plans without also addressing inconsistencies in zoning and spatial planning tools would not optimise the process required by councils to update their plans to reflect the basic structural standards. It would not be an efficient use of those resources expended by councils or realise a benefit commensurate to the expenditure of those resources.</p>
<p>Overall evaluation</p>	<p>This option is considered to be the least appropriate approach to achieve the objectives because:</p> <ul style="list-style-type: none"> • the ranges of zones and SPTs in plans are a fundamental component of the structure and form of plans, and without a zone framework and SPT standards there is a lost opportunity to provide a consistent methodology as to how the management of environmental issues are contained with plans • contains a large loss of an opportunity where councils are required to rework the structure of their plans with little substantive benefit in isolation. • would not make plans any easier to understand or less resource intensive to make and use 	

- would not improve or expedite electronic functionality and accessibility
- would not balance local outcomes with national consistency
- would not assist in good practice being adopted in a timely manner
- would not avoid duplication of effort by local authorities and stakeholders developing plans

Option 1b: Discussion paper version zone framework and spatial planning tools

	Costs	Benefits
<p>Option 1b:</p> <ul style="list-style-type: none"> • discussion paper version 27-zone framework • objectives, policies, permitted activities and performance standards for select urban zones • no additional zones can be added • discussion paper version SPTs <ul style="list-style-type: none"> – zones (from framework) – district-wide nationally significant and amenity overlays – subzones 	<p>Councils</p> <ul style="list-style-type: none"> • costs to implement zone framework by reworking current zone provisions into template zone and associated spatial planning tool • standard objectives, policies and permitted activities would prompt review of locally specific content; impact would vary depending on individual councils’ plan review timeframe and existing alignment with zone framework and standard content • possible increased legal costs when dealing with non-minor and consequential plan changes which are still a result of the zone framework • time and human resource cost explaining to the community why the zones and some content they are familiar with have changed • modifications to computer systems/GIS/ePlan as a result of zones changing • loss of ability to reflect local issues in all of the objectives and policies for their zones. <p>Ministry for the Environment, and central government</p> <ul style="list-style-type: none"> • research costs how plans are written, function and the types of zones in them • development costs producing, consulting, testing and supporting implementation of the framework 	<p>Councils</p> <ul style="list-style-type: none"> • time and resource savings determining what zones they should use in their plan • private plan changes will be required to use a standard zone helping to preserve overall plan integrity • more aligned plans, creating opportunities to share resources between councils more easily • ability to cooperate more effectively on cross-boundary resource management issues identified in plans • more easily able to incorporate best practice used in other plans when the zone framework is the same. <p>Ministry for the Environment, and central government</p> <ul style="list-style-type: none"> • national direction will be more easily transferred to plans once they follow the same zoning pattern • national direction will be easier to monitor when it is more obvious to look for any relevant provisions. <p>Plan users</p> <ul style="list-style-type: none"> • Users of multiple plans have to spend time and resources deciphering what differentiates zones and SPTs with similar functions from one another. Sometimes this may be in name only. Having the same basic set of zones with consistent names removes some of this ambiguity when the framework functions in conjunction with the structure and SPTs Standards.

	<ul style="list-style-type: none"> possible costs of legal challenge or supporting court on use of framework possible costs of legal challenge or supporting court on standard content. <p>Plan users</p> <ul style="list-style-type: none"> resources needed to understand new zone framework and SPT approach resources needed to input into any public process as a result of the introduction of the zone framework resources needed to validate and work with council to ensure that existing rights and abilities are accurately transferred under zone/SPT approach less ability to influence the names and types of zones and standardised content included in the plan. <p>General public</p> <ul style="list-style-type: none"> time/resources needed to understand new zone framework and SPT approach time/resources needed to input into any public process as a result of the introduction of the zone framework less ability to influence the names and types of zones included in the plan time needed to understand standard objectives and policies interacting with local content. 	<ul style="list-style-type: none"> Saves time and resources for users such as national organisations trying to have specific content adopted into plans knowing if an issue should have a zoning response or through a different spatial planning tool. Reduced consultancy fees with plans being easier to understand Less cost in appealing parts of a plan that are in the standards. <p>General public</p> <ul style="list-style-type: none"> Centralisation of costs through developing the range of zones within each plan (which are currently decisions borne by ratepayers for each council). Ability to open any plan and generally know where to find the provisions that apply to them. Reduced consultancy fees, with plans being easier to understand as plans would have more consistent zoning approaches. Less cost in appealing parts of a plan that are in the standards and have been agreed nationally.
<p>Effectiveness and efficiency</p>	<p>Effectiveness</p> <p>The option is a partially effective solution. It allows for a balance of local variation within a consistent framework. However, throughout the consultation process stakeholders identified the deficiencies of this option and suggested amendments to make it more fit for purpose and effective. It has been amended as detailed in this section 32 report to make it more likely to achieve the objectives of the standards.</p>	<p>Efficiency</p> <p>The option has a higher cost than option 1a, but is more likely to achieve the objectives of the planning standards. Local authorities will be able to use the standards to manage their local environment. However consultation feedback identified that without a more tailored approach to SPTs, it is unlikely to provide an efficient method of incorporating local content into plans. This option was shown through consultation as likely to not to be fully fit for purpose without the refinements as adopted in option 1c.</p>

Overall evaluation	While more efficient and effective than option 1a, this option is not preferred. It partially meets the objectives of the planning standards by addressing current uncertainties and inefficiencies caused by the inconsistent management of issues through different tools. Throughout the consultation process the deficiencies of the discussion paper version were identified by a range of stakeholders and consequently amended to be fit for purpose. Therefore it is not considered to be the most appropriate option to proceed with the discussion paper versions of the zone framework and SPT standards.
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Option 1c: Revised zone framework and spatial planning tools standards

Option 1c (District plans)	Costs	Benefits
<ul style="list-style-type: none"> • revised 27-zone framework • purpose statements for each zone • special purpose zones can be added • revised SPT standard <ul style="list-style-type: none"> – zones (from framework) – overlays – precincts – development areas – specific controls <p>(Regional plans)</p> <p>Spatial planning tools</p> <ul style="list-style-type: none"> • zones • overlay • specific control • freshwater management unit • airshed • area 	<p>Councils</p> <ul style="list-style-type: none"> • Costs to implement zone framework by reworking current zone provisions into template zone and associated spatial planning tool. Impact will vary depending on individual council plan review timeframe and existing alignment with zone framework. • Possible increased legal costs when dealing with non-minor and consequential plan changes which are a result of the zone framework. • Time and human resource cost explaining to the community why the zones they are familiar with have changed. • Modifications to computer systems/GIS/ePlan mapping as a result of zones changing. <p>Ministry for the Environment, and central government</p> <ul style="list-style-type: none"> • Research costs how plans are written, function and the types of zones within them. • development costs producing, consulting, testing and supporting implementation of the framework • possible costs of legal challenge or supporting court on use of framework. <p>Plan users</p> <ul style="list-style-type: none"> • resources needed to understand new zone framework and SPT approach • resources needed to input into any public process as a result of 	<p>Councils</p> <ul style="list-style-type: none"> • time and resource savings determining what zones they should use in their plan • private plan changes will be required to use a standard zone helping to preserve overall plan integrity • more aligned plans, creating opportunities to share resources between councils more easily • ability to cooperate more effectively on cross-boundary resource management issues identified in plans • more easily able to incorporate best practice used in other plans when the zone framework is the same • reduced court costs debating structural matters <p>Ministry for the Environment, and central government</p> <ul style="list-style-type: none"> • national direction will be more easily transferrable to plans once they follow the same zoning pattern • national direction will be easier to monitor when it is more obvious to look for any relevant provisions. <p>Plan users</p> <ul style="list-style-type: none"> • consistent naming terminology with a basic set of zones removes ambiguity around what makes zones different to one another and what its purpose is, knowing area-specific planning responses are introduced by other spatial planning tools

	<p>the introduction of the zone framework</p> <ul style="list-style-type: none"> resources needed to validate and work with council to ensure that existing rights and abilities are accurately transferred under zone/SPT approach less ability to influence the names and types of zones included in the plan. <p>General public</p> <ul style="list-style-type: none"> resources needed to understand new zone framework and SPT approach resources needed to input into any public process as a result of the introduction of the zone framework less ability to influence the names and types of zones included in the plan. 	<ul style="list-style-type: none"> consistent principles for spatial planning tools will ensure that issues are being managed in plans in the same way where currently different tools are being used; this will increase efficiency trying to incorporate similar content into different plans reduced consultancy fees, with plans being easier to understand. <p>General public</p> <ul style="list-style-type: none"> centralisation of costs through developing the range of zones within each plan (which were currently decisions borne by ratepayers for each council) ability to open any plan and generally know where to find the provisions that apply to a desired activity/area reduced consultancy fees with plans being easier to understand.
Effectiveness and efficiency	<p>Effectiveness</p> <p>The option is the most effective solution. Throughout the consultation process stakeholders identified how the zone framework proposal should be amended to make it more fit for purpose and effective. It has been amended as detailed in this section 32 report to make it more likely to achieve the objectives of the standards. This option is more flexible in the range of zones that councils can use and the SPTs available to provide area-specific planning responses while also producing a good level of alignment for the national benefit of the planning system.</p>	<p>Efficiency</p> <p>This option is the most efficient of the three options assessed. The costs are comparable to option 1b, however it will assist councils to produce plans that are easier to use. Standardising the range of zones in plans at a national level results in efficiency gains for a number groups as opposed to the status quo and also establishes the basis for the consistent use of spatial planning tools. Councils will be able to choose from a range of zones in a framework, which is more efficient than having to devise these individually. Plans will also ‘speak the same language’ by using the same terminology. This removes ambiguity for plan users and expedites their use of the plan.</p>
Overall evaluation	<p>This option is considered to be the most effective, efficient and most reasonably practicable option, which fulfils the objectives of the National Planning Standards. This is because it provides a workable framework to provide for local variation, while also obtaining a meaningful level of consistency for the planning system. It is the resulting product of extensive consultation and testing which identified issues with option 1b and has addressed them. The preferred option also optimises the process that councils would have to undertake to adopt the basic structure standard, which would otherwise be undertaken for the comparatively less return.</p>	

13 Risk of acting/not acting if there is uncertain or insufficient information about the subject matter of the standard

An assessment of the risks of acting or not acting if there is uncertainty or insufficient information is usually undertaken for each reasonably practicable option in a regular section 32 report. However, as established in Part 1 of this report, the National Planning Standards (planning standards or standards) require evaluation using a slightly different methodology. As the options outlined above are essentially a variation of one another (apart from Option 1a: Do nothing), the risks of acting or not acting if there is uncertainty or insufficient information for Options 1b and 1c are considered to be the same. Therefore, they are addressed collectively here.

It is considered that there is certain and sufficient information on which to base the proposed standards, as:

- extensive research has been undertaken in the development of the National Planning Standards, including specific research into the use of spatial planning tools (SPTs) and the similarities and differences in the range of zones in district plans¹⁶
- the proposed planning standards are the result of extensive consultation and revision of an initial option identified by research as being most suitable; multiple channels were used to obtain feedback from many different stakeholders including online, email, at workshops and one-on-one meetings to ensure the development process was inclusive, capturing as many viewpoints as possible.
- the structure and form standards returned a benefit-cost ratio (BCR) of 1.76; if the zone framework and SPT standards were excluded it was estimated to make a significant reduction to the BCR from 1.76 to 1.25
- the planning standards have been tested independently, which determined that the range of zones in the framework is suitable for plans of differing complexity (section 9, page); this testing showed the integrated nature of the zone framework, spatial planning tools and plan structure standards.

There are some uncertainties around how the zone framework and SPT standards will be implemented in a consistent manner by councils. This will be addressed by supporting councils with comprehensive implementation guidance.

¹⁶ Boffa Miskell. 2016. *Proposed National Planning Template: Zones and associated spatial planning tool framework options*. Wellington: Ministry for the Environment. Retrieved from: www.mfe.govt.nz/sites/default/files/media/RMA/Zones_and_SPTs_Framework_of_Options.pdf

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14 Conclusion/summary of rationale for the preferred option

This evaluation has been undertaken in accordance with section 32 of the Resource Management Act 1991 (RMA) in order to identify the need, benefits and costs and the appropriateness of the proposal, having regard to its effectiveness and efficiency relative to other means in achieving the purpose of the RMA. The evaluation demonstrates that this proposal is the most appropriate option for the following reasons:

- These two planning standards provide substantive benefit by making plans more deeply aligned and easier to use. Basic structure standards will only achieve superficial alignment of common chapter and section headings in plans. A coordinated approach that recognises that the planning tools, zone framework and structure standards function as an integrated package will realise the greatest benefit.
- Common tools will enable practitioners and plan users to ‘speak the same language’. Common tools will give certainty as to the function and purpose of each tool and how the tools interact. No consistent approach to planning tools has contributed to unnecessary variation and inefficiencies using plans. Currently planning tools (eg, overlays or precincts) have been used differently across the country.
- Plan users will have certainty where the relevant provisions are located within the plan. Planning tools have a large influence on the structure and form of plans. They provide a consistent way of organising and ‘housing’ area specific provisions and local variation (eg, hazard areas or protected trees).
- Standardising zones helps reduce unnecessary complexity in plans. Plans have become increasingly complex in part due to a large number and variety of zones. Establishing a common set of zones as the most basic planning tool will mean the management of site-specific values or issues will need to be accommodated through the use of other values (that is, overlays or precincts). Plan users were able to gain a general understanding of the opportunities within different zones.
- A framework of zones and planning tools saves council resources and expedites plan reviews. Currently every council determines their own approach to the use of planning tools and zoning, which one council estimated took five to six months at the start of their plan review process. It is more efficient to agree on the building blocks of plans at a national level.
- Skills and expertise can be more easily transferred when plans are more deeply aligned. Current variation in plan structure format and zoning practices means significant time is needed to understand how different plans work. Planners, best practice and case law can be transferred more easily when plans are more consistent.