

GREATER CHRISTCHURCH URBAN DEVELOPMENT STRATEGY IMPLEMENTATION COMMITTEE

FRIDAY 9 NOVEMBER 2012

AT 11AM

IN THE COUNCIL CHAMBER, CIVIC OFFICES, 53 HEREFORD STREET

Committee:	Urban Development Strategy Independent Chair Bill Wasley	
	Christchurch City Council Mayor Bob Parker, Councillors Sue Wells and Claudia Reid	
	Environment Canterbury Commissioners Tom Lambie, Peter Skelton and Rex Williams	
	Selwyn District Council Mayor Kelvin Coe, Councillors Lindsay Philps and Malcolm Lyall	
	Waimakariri District Council Mayor David Ayers, Councillors Jim Gerard and Dan Gordon	
	Te Rūnanga o Ngāi Tahu Mark Solomon Wally Stone	
	New Zealand Transport Authority Jim Harland (Observer)	
	Canterbury Earthquake Recovery Authority Roger Sutton (Observer)	
	Implementation Manager Keith Tallentire DDI: 941-8045	Committee Adviser Rachael Brown DDI: 941-5249

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GREATER CHRISTCHURCH URBAN DEVELOPMENT IMPLEMENTATION COMMITTEE 9. 11. 2012**1. APOLOGIES**

Councillor Claudia Reid.

2. APPROVE PREVIOUS MINUTES FROM MEETING OF 14 SEPTEMBER 2012

Attached.

CHRISTCHURCH CITY COUNCIL

MINUTES OF A MEETING OF THE GREATER CHRISTCHURCH URBAN DEVELOPMENT STRATEGY IMPLEMENTATION COMMITTEE (UDSIC)

Held in the Council Chamber, Civic Building, Christchurch City Council, 53 Hereford Street

on Friday 14 September 2012 commencing at 9am.

PRESENT:

Christchurch City Council

Mayor Bob Parker (from 9.35 am)

Environment Canterbury

Commissioners Tom Lambie, Peter Skelton and Rex Williams

Selwyn District Council

Mayor Kelvin Coe, Councillors and Malcolm Lyall

Waimakariri District Council

Mayor David Ayers, Councillor Jim Gerard

Te Rūnanga o Ngāi Tahu

Wally Stone

New Zealand Transport Authority

Jim Harland (Observer)

Canterbury Earthquake Recovery Authority

Roger Sutton (Observer)

1. CHAIRMAN

In the absence of the Chairperson, the Deputy Chairperson, Mayor David Ayers, assumed the Chair.

2. APOLOGIES

Apologies were received and accepted from Bill Wasley (Independent Chairman), Councillors Sue Wells, Lindsay Philips, Dan Gordon and Mark Solomon (Te Rūnanga o Ngāi Tahu). An apology for lateness was received from Mayor Bob Parker.

3. CONFIRMATION OF MINUTES: MEETING OF 13 JULY 2012

The Committee **resolved** that the minutes of its previous meeting held on 13 July 2012 be confirmed.

4. RESOLUTION TO EXCLUDE THE PUBLIC

On the motion of Councillor Gerrard, seconded by Councillor Lyall, the Committee **resolved** to exclude the public on the grounds of *Maintaining Professional Legal Privilege*, as set out on page 11 of the agenda for this meeting and that Messrs. Jared Ormsby and David Goddard, Solicitors, be permitted to remain.

The meeting closed at 9.50am.

3. MATTERS ARISING

Greater Christchurch Urban **Development Strategy**

Report To: Urban Development Strategy Implementation Committee (UDSIC)
Subject: Bi-Monthly Implementation Report
Report Authors: Independent Chair and Implementation Manager
Meeting Date: 9 November 2012

1. PURPOSE OF REPORT

This report provides an update to the Urban Development Strategy Implementation Committee (UDSIC) on Urban Development Strategy (UDS) implementation activities, in addition to those which are the subject of separate reports in the Committee's 9 November 2012 agenda.

2. IMPLEMENTATION

2.1 Change 1, Chapters 12A and 22, and the request for a Recovery Plan

All UDS Partners considered and ratified the proposed Land Use Recovery Plan request to the Minister for Canterbury Earthquake Recovery in the week commencing 17 September and a request was subsequently sent to the Minister from Environment Canterbury (CRC) on 20 September.

The Court of Appeal proceedings are set down for 20/21 November 2012 with Councils and NZTA represented by David Goddard QC. Legal submissions were filed by UDS Partners and separately by the Crown on 23 October. Submissions from the respondents are to be filed on 6 November.

The Proposed Change 1 (PC1) Environment Court proceedings have been adjourned until 12 December following a pre-hearing conference on 21 September. This followed a High Court hearing on 6 September to consider the CRC's application for judicial review of the decisions of the Environment Court not to grant an adjournment of the PC1 appeals. The High Court referred the matter back to the Environment Court for reconsideration.

The subsequent minute of the Environment Court, dated 27 September, raises a number of matters not discussed at the pre-hearing conference and Counsel for CRC are currently addressing these.

Whilst all these proceedings have significant resourcing implications for UDS Partners over the short term it is considered to be the most favourable approach to establish greater planning certainty for earthquake recovery in a timely manner and with effective use of resources.

2.2 Government Response to Housing Affordability Inquiry

The Government released a response to recommendations contained in the Productivity Commission's Housing Affordability Inquiry report on 29 October 2012, broadly agreeing with the Commission's findings housing can be made more

affordable, and stating Government has embarked on a wide-ranging programme to make that happen.

A copy of the Government's response is included as **Attachment 1** to this report. This announcement follows related media releases regarding the Auckland Plan which are included as **Attachment 2**.

At the meeting of this Committee on 9 March 2012 the UDSIC endorsed a UDS Partnership submission to the Commission's draft report. This aligned with similar submissions from Local Government New Zealand (LGNZ), other growth management partnerships across New Zealand (such as 'SmartGrowth' and 'FutureProof') and a number of the UDS Partners individual submissions. The main concern in these submissions was the Commission's apparent bias towards the release of greenfield land for housing and a 'less constrained' planning regime as a solution to the issue of affordability, which would pose potentially significant and unnecessary costs (both financial and well-being) for local councils and their communities.

The Commission's final report recommendations refer to a more balanced approach, including development opportunities for both greenfield and brownfield land, providing for a range of densities and housing types close to existing centres, local employment and services.

UDS Partner staff will consider the potential implications of these Government statements further, including any developments arising from the Government work programme outlined in the documents however an initial analysis would suggest that the current work of UDS Partners in relation to urban development matters in Greater Christchurch is consistent with the approach being taken by Government.

2.3 UDSIC Meeting Schedule for 2013

A UDSIC meeting schedule for 2013 has been produced and developed in conjunction with meetings of the Recovery Strategy Advisory Committee (RSAC). Monthly dates proposed are below, keeping to a Friday morning session on the second Friday of each month. Whilst UDSIC is formally a bi-monthly meeting, this schedule enables more frequent meetings to be catered for where necessary. The proposed UDSIC/AC dates are therefore:

8 February 2013	UDSIC/RSAC
8 March 2013	RSAC
12 April 2013	UDSIC/RSAC
10 May 2013	RSAC
14 June 2013	UDSIC/RSAC
12 July 2013	RSAC
9 August 2013	UDSIC/RSAC
13 September 2013	RSAC
11 October 2013	UDSIC/RSAC
8 November 2013	RSAC
13 December 2013	UDSIC/RSAC

2.4 Risk profile

There are several key risks which affect the implementation of the UDS. The table below provides an updated risk assessment, further to the last bi-monthly implementation report presented to this Committee at its meeting on 13 July 2012:

Nature of Risk	Probability ¹	Impact	Comment
Adequate and consistent resourcing in a timely manner. This covers both purely budgetary and staff resourcing. (CEAG to address risk in the first instance)	7(4)	5	Related and parallel workstreams, including appeal proceedings, are having significant financial and staff resourcing implications over the short term.
Failing to successfully implement, in a form intended by the UDS partners, the growth management strategy through the Regional Policy Statement.	6 (3)	10	The outcome of upcoming Court of Appeal proceedings in relation to Chapters 12A and 22 will have a significant bearing on the implementation of the UDS settlement pattern and related objectives.
Private Plan changes undermining RPS and UDS	5(3)	3-9	Whilst there are no major private plan changes currently lodged which undermine PC1 the lack of planning certainty due to ongoing appeal proceedings is still of some concern
Inconsistent communications/ Lack of alignment	2(2)	3	Improvements to UDS management structures and operational processes have been made and UDS newsletters re-established.
Lack of Government Engagement and alignment	2(2)	5	Relationship and work programme alignment with CERA continues to be developing in a positive manner.

RECOMMENDATION

It is recommended that the Committee:

- a. Note the bi-monthly Urban Development Strategy implementation report from the Independent Chair and the Implementation Manager.

Bill Wasley - Independent Chair

Keith Tallentire – Implementation Manager

¹ Rankings for both Probability and Impact are between 1 = low and 10 = high; Bracketed is previous

HOUSING AFFORDABILITY

Government response to the Productivity Commission's recommendations

Introduction

The Productivity Commission's final report on housing affordability contained 35 recommendations across eight themes. The themes are:

- The role of taxation
- Urban planning
- Paying for infrastructure development
- Building regulations
- The performance of the building industry
- The private rental market
- Social housing
- Māori housing

The full report can be found at: <http://www.productivity.govt.nz/inquiry-content/1509?stage=4>

The role of taxation

Recommendation: That the Government monitor the impact of the removal of the depreciation allowance on commercial properties, including rental properties, for evidence that expenditures relevant to the proper upkeep and safety of buildings are being sustained.

The Government agrees with this recommendation. A key reason for the removal of depreciation deductions for buildings in Budget 2010 was a concern that the deduction over-compensated for the actual economic costs likely being incurred (property owners are still allowed deductions for repairs and maintenance). It is right to ensure that depreciation deductions appropriately reflect economic costs and tax officials will continue to monitor the application of the new rules. This will include liaising with the private sector to identify boundary issues, to ensure that there is no over-reach.

Urban planning

Recommendation: Increasing land supply for new housing should include moderate-density development of brownfield sites and development of greenfield sites close to existing centres, local employment, and services.

The Government supports increasing housing supply in both new and existing urban areas, at a range of densities and housing types, for example, stand-alone family homes or medium-density terraced housing. Making suitable land accessible to the market and delivering land-use rules and infrastructure investment that increases housing supply and diversity are roles for local government under the jurisdiction of the suite of planning statutes the Resource Management Act 1991, the Local Government Act 2002 and the Local Transport Management Act 2003.

Such initiatives require a commitment from individual local authorities and, ultimately, a mandate from local communities as well as enabling changes in legislation. Central government needs to ensure that the planning framework supports local authority efforts and that the right tools and guidance are available. The ongoing resource management reforms provide an important opportunity to deliver long-term improvements to the planning system and to planning practice.

Recommendation: Auckland Council should show in its final Auckland Plan how it has considered and reconciled affordable housing alongside its other priorities.

The Government acknowledges that the final Auckland Plan, adopted by Auckland Council on 29 March 2012, is broadly consistent with the Commission's recommendations. The Plan estimates at least 13,000 additional dwellings per annum will be required over the next thirty years, and signals an intention to address housing affordability issues through a multi-party action plan, and identifies where the Council can make a direct impact through provision of land for development via the release of greenfield land and development opportunities within existing urban areas. It also states the intention to review land-use policy and regulatory tools (through the development of the new Unitary Plan), as well as infrastructure investment and other factors that influence housing supply and urban form.

The Government recognises the need to continue working with Auckland Council to support the implementation of the Auckland Plan. The Government's recommendations include an analysis of demand and supply in Auckland that will assist planning.

Recommendation: Councils interested in densification need to ensure that their local planning rules do not run counter to this objective. Councils should adopt more flexible approaches to achieve a balance between neighbourhood amenity and new development in existing suburbs.

The Government agrees that any strategy to increase the density of housing in areas of high-demand will need to be reflected in local authorities' planning rules and regulations in order to be effective. Other actions within the influence of local authorities, including infrastructure investment and pricing, development contributions and rating policies, and the location of services, also need to be consistent with strategy.

Although it is the responsibility of councils to ensure that strategies are carried to action, there is also a role for central government in ensuring the planning framework is fit-for-purpose and accompanied by appropriate central direction and guidance. The ongoing resource management and local government reforms present a valuable opportunity to ensure that the planning system, and planning practice, delivers plans that contain strong and enforceable resource management objectives (such as unlocking development capacity in the right areas).

In the short term, the Government considers that legislative change to enable speedier adoption of a Unitary Plan for Auckland will assist Auckland Council to address the pressing housing supply and affordability issues in our largest city.

Recommendation: Councils review regulatory processes with the aim of providing simplified, speedier and less costly consenting processes and formalities.

The Government agrees with the intent behind this recommendation and supports Auckland Council's proposed reviews of policy and regulatory tools, particularly around land use, development consents, and infrastructure and amenity pricing and allocation.

Local authorities should be doing all they can to deliver efficient and effective regulatory services. The Government is looking at ways it can support this and this is a key driver behind the Better Local Government programme and the resource management reforms.

Recommendation: Government consider the case for a review of planning-related legislation to reduce the costs, complexity and uncertainty associated with the interaction of planning processes under the Local Government Act, the Resource Management Act and the Land Transport Management Act.

The Government agrees with the need to maximise alignment across the planning system in order to deliver more effective outcomes. Achieving this alignment was a major driver behind the establishment of the Auckland Council and the requirement for it to prepare the Auckland Plan. These changes have enabled a common strategy to be agreed for Auckland and paved the way for local government, central government, community and private sector partners to work together to implement it.

The resource management reforms, alongside the Better Local Government programme and improvements to the Land Transport Management Act, provide an opportunity to build on what is being achieved in Auckland and maximise planning system alignment nationally. There will be strong co-ordination between these three reviews. Government will undertake a more fundamental review of interaction between these statutes should workstreams find issues justifying this.

Recommendation: Bring significant tracts of greenfield and brownfield land to the market in Auckland – identify and assemble land that could be quickly released and made ready for development, signal land with future potential for urban development, and make a commitment to major offsite infrastructure capacity.

The Government agrees in principle with this recommendation and notes that the Auckland Plan signals a range of actions aimed at bringing greater housing supply to the market. The Government notes housing supply requires timely and efficient provision of land, consenting and supporting infrastructure.

The Plan identifies where the Council can make a direct impact, through the zoning of greenfield land for development and looking at mechanisms to achieve land aggregation and development opportunities within existing urban areas. The Plan also notes the Council's need to review policy and regulatory tools. The Government supports the Auckland Council's efforts and will continue to engage with them as the Plan transitions through to implementation. In particular, the Government has announced a modified process for achieving speedier delivery of the first Unitary Plan for Auckland.

Recommendation: Auckland Council should look to collaborative models for the process of identifying, assembling and releasing large-scale tracts of land.

The Government agrees in principle with this recommendation and notes that Auckland Council has committed in the Auckland Plan to investigate increased use of special purpose agencies, such as urban development authorities, to undertake planning and implementation of housing developments. The council-controlled organisation Auckland Council Properties Ltd is already active in this area as is central government, through its involvement in such initiatives as the Tamaki Transformation Project. These will be important pilots for wider application on this type of development model.

Recommendation: Territorial authorities:

- **Take a less constrained approach to the identification, consenting, release, and development of land for housing in the inner city, suburbs, and city edge.**
- **Adopt a strategy that allows for both intensification within existing urban boundaries and orderly expansion beyond them.**

- **Develop strategies that promote adequate competition between developers for the right to develop land.**
- **Ensure alignment between policy objectives, planning rules and consent processing.**

The Government agrees in principle with this recommendation (which covers actions which are the jurisdiction of local rather than central government). These proposals highlight the need for local authorities to use a range of existing and new tools to ensure housing supply is provided in the right areas at the right time, and is supported by efficient affordable and timely infrastructure investment. A focus of the resource management and local government reforms currently underway is ensuring that the national planning framework supports local government delivery of these objectives.

Paying for infrastructure development

Recommendation:

- **The Department of Internal Affairs facilitate a consultative process for updating the Best Practice Guidelines to Development Contributions and developing a set of high-level principles for development contributions, taking account of the experience of both councils and the industry.**
- **The Best Practice Guidelines include a proposal that councils consider a set of threshold questions to help them to determine whether to apply development or financial contributions to particular infrastructure assets.**
- **The Local Government Act 2002 be amended to include a statutory obligation on councils to have regard to the Best Practice Guidelines.**
- **Principles for applying developer charges be included in Schedule 13 of the Local Government Act 2002.**

Recommendation: The Department of Internal Affairs initiates a training programme to enable councils to enhance their skills in implementing the proposed Best Practice Guidelines for Development Contributions.

Recommendation: As part of the consultative process for updating the Best Practice Guidelines to Development Contributions, the Department of Internal Affairs:

- **identifies information that councils would need to provide in regular reports to demonstrates performance against the Guidelines;**
- **develops a process for assessing this performance; identifying problems and how to address them; disseminating this information to councils; and, where necessary, using lessons learnt to inform changes to the best practice guidelines.**

Recommendation:

- **The Government includes in the Local Government Act a dispute resolution process equivalent to the one in s 8AA of the Resource Management Act 1991.**
- **The Department of Building and Housing monitors the use of these appeals and within, say, three years, provide advice to the Government about whether there is a need to increase the scope for legal challenge of development contributions.**

Government acknowledges that development contributions may be impeding investment and adding to the problems of housing affordability and will consider these recommendations as part of the Better Local Government programme (being led by the Department of Internal Affairs).

This will include an evaluation of how development contributions are operating and how to manage the costs of local government infrastructure provision. A progress report to Cabinet on these issues is due in late 2012. It is proposed that any legislative change required be included in a second local government reform bill, expected to be introduced in 2013.

The Auditor-General has advised that she will review council use of development contributions as part of the standard review of the 2012-2022 local government long term plans. The review of the use of development contributions conducted as part of the Better Local Government programme will take into account the Auditor-General's findings. In its recommendations the Government will consider development of access to low-cost legal challenge of council decisions on housing.

Building regulations

Recommendation: Treasury Regulatory Quality Team, in consultation with the Department of Building and Housing, reviews the quality and robustness of the Department's RIS process for changes to the Building Code.

The Government agrees with the need for robust regulatory assessment of Building Code changes, which was also identified during the review of the Building Code system in 2011.

To give effect to this, the Building and Housing Group in the Ministry of Business, Innovation and Employment will focus on ensuring that there is a high-quality Regulatory Impact Analysis process in place for changes to the Building Code and compliance documents, with support from the Regulatory Quality Team in the Treasury. The changes which will need to be made following the recommendations of the Canterbury Earthquakes Royal Commission will be reviewed as a test case for potential process improvements.

In addition, the Ministry of Business, Innovation and Employment is currently reviewing the standards system in New Zealand. This will include consideration of how the standards development process more broadly interacts with the requirements of a modern regulatory system that is underpinned by Regulatory Impact Analysis.

Recommendation:

- **The Department of Building and Housing publishes, for each Building Consent Authority (BCA), the total time taken between receiving applications and finally granting consents, and the number of occasions where each BCA has used the 'stop the clock' provision.**
- **The Department of Building and Housing audits the 'stop the clock' information from a sample of BCAs**

The Government agrees in principle with the recommendation to publish building consent times. However, it should be noted that while BCAs have systems which collect data on their performance in meeting the statutory timeframe, not all collect data on the number of times the 'clock was stopped' and why. Requiring BCAs to collect and report on the latter will likely require changes to Building Act 2004 regulations.

As a first step, the Building and Housing Group in the Ministry of Business, Innovation and Employment will audit a sample of BCAs where this information is already available, and investigate how often BCAs use the 'stop the clock' provisions in the Building Act 2004 and for what reasons.

Recommendation: Building Consent Authorities adopt a customer-focused approach in their interaction with building practitioners. They should take practical actions that would expedite the building consent process and improve their communication with building practitioners going through the consenting process.

The Government agrees in principle with this recommendation, although acknowledges that it is local authorities who are responsible for the delivery of their regulatory processes and the way in which customer relations are managed.

The Better Local Government programme, being led by the Department of Internal Affairs, may influence councils to focus further on the cost-effective and efficient delivery of regulatory functions, including building consent processes. Informed, incentivised building practitioners can contribute to efficient building consent processing. The Building and Housing Group in the Ministry of Business, Innovation and Employment supports this through education and information to the building sector and the design and administration of the Licensed Building Practitioners regime.

Recommendation: The Law Commission should consider in its review of joint and several liability the interaction between liability rules and the structure of industries and industry practices, and the impact of joint and several liability on the incentives faced by regulators.

The Law Commission has indicated that they will include the matters raised by the Productivity Commission in their review. The Government has agreed to ask the Law Commission to consider incentives faced by regulators as part of its review of application of joint and several liability.

Recommendation: The Department of Building and Housing report on the impact of the reforms on the allocation of risks between parties to building work, five years after their introduction.

The Government agrees with this recommendation. Changing attitudes of consumers, building practitioners and building consent authorities to reassign risks to those best placed to mitigate them is a key principle behind the Building Act reforms. The Building and Housing Group in the Ministry of Business, Innovation and Employment is measuring the allocation of risks between the parties as part of its on-going monitoring and evaluation programme for the reforms, and a specific report on this issue will be produced five years after the reforms are implemented.

Recommendation: The Department of Building and Housing provide more support to assist designers and Building Consent Authorities to demonstrate and assess how alternative solutions comply with the Building Code.

Recommendation: The Department of Building and Housing investigate mechanisms or pathways by which alternative solutions can evolve into mainstream practice.

The Government agrees with these recommendations and the Building and Housing Group in the Ministry of Business, Innovation and Employment will work with BCAs to facilitate the exchange of information between BCAs on routinely approved alternative solutions and their incorporation into the work programme for acceptable solutions. To support this, the Building and Housing Group will develop protocols for receiving requests for changes, for incorporation into programmed reviews of acceptable solutions.

Recommendation: The Department of Building and Housing should review the MultiProof building consent process with a focus on identifying barriers to its application and uptake, and suggest ways to overcome these barriers.

The Government agrees with this recommendation. The Building and Housing Group is working to identify barriers to MultiProof building consents being used. A recent survey identified particular barriers relating to the difficulty in accommodating minor changes to standard designs and the time involved in preparing the information required to support applications. Strategies to address these concerns will be included in the ongoing development and promotion of the MultiProof service.

Recommendation: The Department of Building and Housing report on the ways in which the building control system can improve the diffusion of knowledge and information in the building sector, including rapid dissemination of information about defects in materials, designs or building methods.

The Government agrees that systems should encourage identification of defects in potential building materials or methods and the rapid dissemination of information where it is available. The Building and Housing Group will commission an analysis of the current situation, including the important roles played by industry bodies, professional associations such as IPENZ or by BRANZ (which is funded through the Building Research Levy for research into improved techniques and material for use in the building industry) and report its findings by June 2013.

Recommendation: Urgency be given to the Department of Building and Housing's programme to lift the performance of BCAs and promote greater consistency and efficiency in the building regulatory system.

The Government agrees with this recommendation. As part of the Building Act reform programme, proposals are being developed to improve the efficiency and national consistency of the administration of the building regulatory system, which include consideration of whether there should be greater consolidation of consenting between local authorities, and/or centralisation of some elements of the building consent function. A national on-line consenting system, also proposed for development, is expected to produce significant savings, and to greatly improve the ability to monitor BCA performance.

The performance of the building industry

Recommendation: Given that the Productivity Partnership has a number of relevant workstreams in progress, and has an established membership of relevant representatives, the Commission considers that it is the appropriate organisation to develop practical initiatives to improve industry productivity. In particular, the Partnership should develop, in consultation with the sector, practical responses to the supply chain issues outlined in section 10.4.

The Government agrees with this recommendation and this has been referred to the Productivity Partnership Secretariat for implementation. The Secretariat will ensure that the Partnership Governance Group and the relevant parts of government, in particular the Building and Housing Group, work together on this issue. To make certain that this is the best vehicle, with the most effective tools, resources and mandate to drive change, Building and Housing Group will lead an evaluation of progress by the end of 2012.

The private rental market

Recommendation: The Department of Building and Housing review the legislation and regulations relevant to rental accommodation quality for their effectiveness, and consider options for improvement, including their implementation and enforcement, in the medium term. This review should be aligned with initiatives led by Department of Building and Housing and the Social Housing Unit to support the growth of the community sector to create suitable alternatives for those in the worst housing situations.

The Government's priority is to grow supply of housing from the third sector. Appropriate management and maintenance of housing is a condition of receiving government funding support at the moment and consideration of how to ensure appropriate quality standards in future (as the non-government sector grows) is part of the social housing reform work programme.

The Residential Tenancies Act 1986 requires that rental properties be provided in a reasonable state of cleanliness, be maintained in a reasonable state of repair and comply with all relevant building health and safety requirements (including provisions in the Health Act 1956, Housing Improvement Regulations 1947, Building Act 2004 and the New Zealand Building Code). There is no work currently underway or planned to consider applying a different quality standard to rental housing. The Government notes that quality standards can work against housing affordability objectives by increasing the cost of housing.

Recommendation: Government agencies responsible for the development and implementation of home ownership assistance programmes review existing (and future) programmes against criteria based around clarity of objectives, effectively targeting recipients, flexibility and cost effectiveness.

The Government agrees with this recommendation. The Building and Housing Group has a review programme underway and expects to report to Ministers later this year.

Social housing

Recommendation: Once this funding round is completed, a comprehensive review of the Social Housing Unit funding process should be undertaken to reduce the cost involved in applying.

The Government agrees with this recommendation. At the conclusion of the 2011-12 Social Housing Fund process, a review of the operation and outcomes of the funding process was undertaken. The findings of the review will result in changes in approach to future Social Housing Fund programmes and the Social Housing Unit's implementation of the mechanisms and levers available to it.

Phase two of the Government's social housing reform programme will focus on increasing social and housing mobility for tenants; deliver social housing in a way that stimulates the supply of affordable housing more generally; allowing for local market conditions rather than national targets to drive the quantity of social housing; and ensuring the development of a diverse market which provides a level playing field for new and existing providers. Proposals such as microfinance or changes to the Income Related Rent Subsidy and Accommodation Supplement will be considered in this review.

Recommendation: Provide market rent levels of Accommodation Supplement where community housing organisations provide reduced rents to their clients.

The Government agrees that community housing organisations need to be appropriately funded and will be considering the funding structure through phase two of the Government's social housing reform programme. The proposed objectives of reform in this area are that providers have sufficient revenue to cover their operating costs and are able to generate surpluses to fund growth and improve housing quality, that net rents are affordable for tenants, and that fiscal costs of subsidies are sustainable for the Crown.

Māori housing

Recommendation: The Pūtea Taiwhenua (Rural Fund) be used to provide seed funding to organisations for using a microfinance lending approach to address the quality of the rural housing stock.

At the conclusion of the 2011-12 Social Housing Fund process, a review of the operation and outcomes of the funding process was undertaken. The findings of the review have informed the Government's Allocation Plan for the 2012-15 Social Housing Fund of \$104.1million. This Plan outlines priority locations, including those rural and regional locations, where growth in the supply of social and affordable housing is focused. The opportunity was also taken to enhance the Putea Maori (\$13.8 million) to focus on the completion of social rental housing principally (but not necessarily exclusively) on multiple-owned Māori land including in rural locations. The different nature of the land tenure, the organisations involved and additional support for the organisations involved requires different eligibility criteria and processes. Proposal development funding is also now available, when necessary, as seed funding to assist providers, including Putea Maori providers, with pre-development costs.

The Government's Social Housing Fund and, in particular Putea Maori, is complemented by the Government's recently announced changes to the Kāinga Whenua mortgage insurance scheme. This now allow loans to be used for improving or repairing existing homes in rural locations (consistent with this recommendation). The changes to the Kāinga Whenua scheme should help to improve the quality of housing on Māori land. The suite of changes is aimed at broadening the scope of the Kāinga Whenua scheme, within the context of needing to reduce the barriers associated with building on Maori land and promoting development.

Recommendation: Where the government lends for homes on Māori land, it should manage defaults through a more cost-effective means than repossessioning the houses.

The Government currently underwrites the Kāinga Whenua loans made by Kiwibank. The Crown guarantees to underwrite loans in case of default because Māori land cannot be used as loan security. Recently announced changes to Kāinga Whenua will improve access to finance for those wishing to build on Māori land and provide more guidance and support to borrowers.

Recommendation: A team of Māori housing expert advisors, housed in a national agency like Te Puni Kōkiri or the proposed Whānau Ora commissioning agency, be made available to Māori land owners with aspirations to build housing on their whenua.

The Government agrees support to Māori land owners who have aspirations to build housing on their whenua should be expanded, although further work to consider the feasibility of this recommendation should be undertaken. Support to be considered should include matters such as increased access to finance to build, clarification of the outcomes being sought, and clarification of the functions and accountabilities of Government agencies with regards to Māori housing. Centralising the advice and operational expertise required to build on Māori land could contribute to a more streamlined and cost effective process for land owners and avoid duplication across Government. Exploring regional based approaches to link and build up local expertise could also be beneficial. The Building and Housing Group will lead this work in consultation with Te Puni Kōkiri.

Recommendation: Whānau Ora facilitators be trained to educate whānau about the options for management structures for their Māori land, and to play a role in developing plans for the use of Māori land for housing (where this is what the whānau wants).

The Government agrees with this recommendation in principle. Whānau Ora practitioners or 'navigators' already help whānau to access appropriate support to meet their housing needs and aspirations where this is required, including for building housing on their land. Increasing navigators' access to resources such as the Papakāinga Toolkit, and building relationships with local Māori Land Court advisory officers and local and regional councils will enable navigators to better assist whānau. There may also be opportunities for provider collectives to facilitate papakāinga workshops for groups of whānau. Work will be undertaken to consider how Whānau Ora navigators can assist whānau with their aspirations for building on their land and whether the Whānau Ora approach is the best vehicle through which to offer this support.

Recommendation: Te Puni Kōkiri, working with the Māori Land Court and private finance institutions, develop options to adapt existing lending policies and precedents for private finance institutions to lend for building homes on Māori land.

Soon to be announced changes to the Kāinga Whenua lending product and qualifying criteria will address a number of the issues identified with lending for building on Māori land. The Government considers that the Building and Housing Group (now within the Ministry of Business, Innovation and Employment) is best placed to lead the development of options for lending on Māori land with private finance institutions, as an extension of its current engagement with Kiwibank on Kāinga Whenua loans.

Government response to the Auckland Plan

Introduction

1. The Government welcomes the release of the Auckland Council's first Auckland Plan and congratulates Mayor Len Brown and the Council on reaching this milestone.
2. The Government acknowledges the Council's comprehensive engagement with stakeholders in developing the Plan and its willingness to respond to feedback from submitters, the Government, Auckland stakeholders and international peer reviewers.
3. The Government views the Auckland Plan as a key vehicle for developing an integrated approach to managing Auckland's growth, meeting central government objectives and avoiding duplication of effort across local and central government.
4. The Government will continue to engage closely with the Council to seek greater alignment between the Auckland Plan and Government priorities as the Plan transitions to implementation. Greater alignment will help ensure that the Plan works towards both national and Auckland goals.
5. Finalisation of the Plan has occurred in a challenging economic environment. The Government has set specific goals and targets to ensure best possible value is achieved from spending on public services and critical infrastructure. Local government has an important role in this. As the Auckland Plan moves towards implementation, the Government is looking to Auckland Council to play its part in achieving this important national objective.

Alignment of Auckland Plan with Government priorities

Government strategic priorities

6. The Government has four main priorities in addition to the overall challenge of returning New Zealand's economy to fiscal surplus by 2014/15. Our four strategic priorities are:
 - responsibly managing the Government's finances;
 - building a more productive and competitive economy;
 - delivering better public services within tight financial constraints; and
 - rebuilding Christchurch.
7. The first two priorities set the national context within which Auckland operates. The Government's consideration of proposals in the Auckland Plan will occur within this context. The challenging economic environment that currently prevails makes it unlikely that the Government will support any programme or project which does not convincingly deliver benefits to justify the cost.
8. The Government's principal economic goal is to build a more competitive and productive economy. Our Business Growth Agenda aims to create the right environment for businesses to grow, export and create high-value jobs. The

Government is pleased to note that the Auckland's Economy chapter of the Plan is largely consistent with this Business Growth Agenda.

Better public service key result areas

9. Better public services improve the lives and wellbeing of all New Zealanders. As part of the Better Public Services (BPS) reform programme, the Government has announced ten specific key result areas for Government agencies and identified lead agencies for the achievement of these results. Many of these key result areas are in the social sector areas of health, education and social services.
10. The Auckland Plan contains targets specific to the Auckland region for many of the BPS key result areas. Many of these directly impact on Government responsibilities. At a high level, there appears to be broad alignment between the BPS result areas and the Auckland Plan targets, although some differences exist.
11. The Government notes that on 29 March 2012, the Auckland Council resolved to work with central government officials to seek further alignment between Auckland Plan targets and corresponding Government targets. Any recommended refinements to Auckland Plan targets are to be reported to the Auckland Plan Committee¹ in July 2012. At the same meeting, the Council also noted that the existence of targets within the Plan does not imply Council lead responsibility or commitment of significant resources to the achievement of targets that fall within the responsibility of central government.
12. Government officials will continue to engage with the Council with a view to achieving greater alignment of Auckland Plan targets with BPS result areas, prior to the Council refining its targets in July 2012. Officials will seek to identify common priorities and adopt a collaborative approach where this will help advance the Government's and Auckland Council's priorities.

Better Local Government reform programme

13. On 19 March 2012, Cabinet agreed to a number of changes to the overall legislative framework for local government - the Better Local Government reforms. Two bills will be introduced to the House to implement legislative actions to improve efficiency in local government. As work on the Plan transitions towards implementation, the Government anticipates that the Auckland Council will ensure that implementation of the Plan is aligned with the Better Local Government reforms, particularly the amended purpose of local government.

Comments on the proposals in the Auckland Plan

Urban Auckland and the Development Strategy

14. The Government acknowledges the pressure that population growth continues to exert on Auckland and the significant opportunities and challenges that this presents. It is encouraging that the Council is committed to providing greater

¹ As part of the Council's first annual Implementation Update Report for the Auckland Plan.

certainty about future land supply in a range of locations over the life of the Auckland Plan.

15. The Government supports the Council utilising and aligning a range of mechanisms for managing urban growth in a way that supports economic opportunities, increases housing supply and choice, delivers social benefits and manages environmental effects.
16. The Government supports key elements of the Auckland Plan's development strategy, including:
 - inclusion of a range for growth estimates within and outside the 2010 Metropolitan Urban Limit (MUL), with a target of 60:40 inside to outside the MUL, and an aspiration of 70:30. The Government sees the target of 60:40 as a more realistic basis to engage with the Council on Auckland's land use, critical infrastructure and housing issues;
 - intensification occurring more broadly in the existing urban area rather than attempting to constrain growth to centres and corridors;
 - ensuring supply of 5-10 years of development land with zoning and infrastructure in place, with 20 years capacity in the planning pipeline at all times;
 - recognition and adoption of a sequenced 'decade by decade' approach to implementation of the Plan, with the focus of the first decade being to set the right conditions for development of a quality compact city, including delivering high quality exemplars;
 - recognition that the achievement of Council's development strategy depends on Council developing implementation partnerships with a range of other parties;
 - establishment of monitoring and reporting processes that will track and monitor progress of all key parties towards the Plan's objectives and outcomes and monitor key assumptions (such as population growth, supply and demand projections, etc). This will enable amendments to the development strategy to be made on the basis of latest evidence; and
 - provision of more greenfield business land for the 30 years of the Plan than was proposed in the draft Plan, and a commitment to ongoing monitoring of supply and demand for business land as part of the monitoring and reporting processes.
17. Government supports the Council's commitment to completing analysis, in partnership with the development sector and other key stakeholders, to inform the preparation of the Unitary Plan for Auckland and further test the feasibility of the development strategy.
18. The Government is encouraged that the Council recognises the challenges it faces in achieving the development strategy, particularly the need to make difficult but necessary trade-offs to achieve priority outcomes across its aspirations and objectives. Government will follow with interest the Council's progress in implementing the development strategy, particularly through the preparation of the Unitary Plan, and can provide support and guidance where appropriate or required.

Auckland's Housing

19. The Government acknowledges the effort the Council has made in the Auckland Plan to meet the issues and challenges presenting in the housing sector. Recognising that there is no single solution or single sector that can address these issues and challenges, the Council identifies the need for urgent, large-scale, bold, multi-sector action to meet housing supply and demand issues; to improve housing and neighbourhood quality; and improve housing affordability and the supply of affordable housing.
20. The Government has a strong interest in achieving gains in housing affordability for low and middle income families in Auckland. The Council has identified a number of initiatives in the Plan to tackle these affordability issues. The Council itself can make a direct impact through provision of land for development, both through the release of greenfield land and looking at mechanisms (such as urban development agencies and leveraging of Council and Crown land) to achieve land aggregation and development opportunities within the existing urban area. The Government supports the Council's proposed reviews of policy and regulatory tools, particularly around land use, development consents and infrastructure and amenity pricing and allocation. Tensions between affordability and quality, design and environmental considerations will need to be more fully explored in these reviews and in the Housing Strategic Action Plan.

Auckland's Economy

21. The Government's Business Growth Agenda (BGA) focuses on the six important inputs businesses need to access in order to grow and be internationally competitive: capital markets; innovation and ideas; skilled and safe workplaces; resources; infrastructure; and export markets. A number of the BPS result areas, particularly education and skills, also impact on economic development.
22. The Government is pleased to see that the Auckland's Economy chapter of the Auckland Plan is largely consistent with the BGA, and has strong alignment with Government priorities. The Government particularly supports:
 - improving the regional innovation system through strengthening collaboration, particularly between research institutions and business, developing sector precincts, and building management capability and entrepreneurship skills;
 - prioritising workforce development in pockets of low skill, high unemployment and underemployment, such as the Southern Initiative area;
 - the focus on internationalisation to improve the capacity of Auckland firms to take advantage of opportunities in international markets; and
 - stronger emphasis on the provision of business land and the importance of consulting effectively with business when developing regulation.
23. Government agencies will continue to engage with the Council to finalise the Auckland Plan's supporting Economic Development Strategy, which sets out priority actions to achieve ambitious economic goals for Auckland, and New

Zealand. Effective implementation and monitoring of this Strategy will be key in supporting the transformation to a business-friendly environment and making Auckland a prosperous, competitive international city.

24. The Auckland's Economy chapter is also broadly consistent with the aims and objectives of the Ministry of Education. The Auckland Plan focuses on matters that have been emphasised in the Ministry of Education's Statements of Intent over a number of years, such as improving school leaver qualifications and transitions to employment and/or further study.

Auckland's Transport

25. The Government is pleased to see that the final Auckland Plan has retained a number of key aspects, in particular the management of the transport system as a single network, including optimisation and investment across a range of modes; giving priority to freight movements, including improving access to the ports and airport; and effective inter-regional links.
26. We also welcome the revised land use development strategy. The Government supports a 60:40 target for development, as a more realistic basis to inform future transport investment decisions, but notes that the transport strategy does not yet appear to have been revised to reflect the new development strategy.
27. In our response to the draft Auckland Plan, we signalled our concern that the transport strategy in the Auckland Plan will not effectively address the anticipated growth in demand for travel and associated congestion. The final Auckland Plan continues to emphasise a transformational mode shift to public transport as the primary means of addressing congestion.
28. Auckland Council modelling of the final Auckland Plan, including the proposed projects, estimates that weekday public transport patronage will increase from 181,000 to 667,000 trips between 2006 and 2041. Public transport is expected to make up 12 per cent of peak period trips and eight per cent of daily trips in 2041. However, this is not enough to offset the forecast increase in demand for private vehicle travel as the population grows.
29. The modelling also shows that private vehicles are projected to remain the dominant mode of transport for work, education and social activities, accounting for 68 per cent of peak period trips and 79 per cent of daily trips in 2041. Trips by private vehicle are expected to increase from four million per weekday in 2006 to 6.5 million in 2041.
30. The Auckland Plan proposes an ambitious programme of roading and public transport projects. However, the modelling results show that, even if these projects are implemented, congestion is forecast to increase significantly from 2021, affecting the majority of trips on the Auckland network. Average travel speed is forecast to drop by 18 per cent in the peak and 24 per cent in the interpeak periods. Trip reliability is also expected to decrease, with the number of congested vehicle kilometres travelled increasing by 43 per cent in the peak and 100 per cent during the interpeak. Travel conditions during the interpeak period are forecast to deteriorate significantly, becoming similar to the peak period by 2041.

31. Congestion is likely to have flow-on effects to the ability of Auckland's transport network to support economic activity:
 - congestion will be significant throughout the working day, making business related travel more difficult;
 - travel time to key economic centres, including the city centre, airport and ports, is forecast to increase significantly; and
 - although the workforce is expected to increase by 30 per cent, the number of potential employees available within 45 minutes travel by private motor vehicle or public transport will only increase marginally after 2021, suggesting overall network performance will limit the productivity gains from a larger workforce.
32. The Auckland Plan estimates \$10 to \$15 billion in additional funding will be needed over the next 30 years to deliver the proposed transport programme. The cost of the proposed programme, particularly within the next 10 years, will pose significant affordability challenges for the Government. Consequently, the Government does not support the Plan's assumptions about likely additional funding.
33. Given the forecast results, and taking into account the projected growth, the Government also remains to be convinced that the programme as a whole represents the right mix of projects and will provide value for money. To improve the prospects for alignment on transport policy, the Government encourages the Council to review the proposed projects to ensure the transport strategy is optimised to address forecast congestion under the likely land use pattern.
34. The Auckland Plan proposes new mechanisms to provide additional funding and notes that Aucklanders will need to provide a significant part of this funding. As previously signalled, it will be important for the Council to demonstrate that the additional costs of any proposed new mechanisms are outweighed by benefits to users of Auckland's transport system. It is also important that equity and fairness issues are central, ensuring that the benefits from additional funding streams fall to those, such as road users, who are paying.
35. The Government will consider the transport projects proposed in the Auckland Plan on their merits through the National Land Transport Programme and Better Business Case processes. However, the challenging economic environment means that the Government will not be in a position to support programmes or projects which do not deliver benefits to justify the cost. This also applies to any new revenue generating tools the Council wishes to utilise which may divert revenue away from more growth enhancing investment in the broader economy. Consequently, the Council needs to undertake further work to ensure the Auckland Plan's transport strategy delivers value for money and to improve effectiveness and affordability before the Government will consider legislative change enabling new funding tools.

Auckland's People and the Southern Initiative

36. At a high level, the social priorities outlined in the Auckland Plan broadly align with Government's priorities and with the work priorities of Government social sector agencies. These include reducing long-term benefit dependency; supporting vulnerable children; increasing participation in early childhood education; lifting educational achievement; linking young people to education, training and employment; supporting young people into tertiary education and sustainable employment; prevention of family violence; and a greater recognition of the contribution of older people.
37. However, the Government is concerned at the lack of alignment at the detail level of some targets and lack of clarity around roles, responsibilities and resourcing for these priorities in the Auckland Plan. For example, the targets for career plans; equalising the unemployment rate across the region; domestic violence; Early Childhood Education participation; and the Quality of Life Survey do not fully align with Government priorities. In our response to the draft Auckland Plan, we noted the need for the Auckland Council to clearly acknowledge the role of central government as the main funder and provider of social services nationally as well as in the Auckland region. Government's work will continue in this space. In our view, the Plan still has some way to go in reflecting this.
38. The Government accounts for the majority of social sector expenditure in Auckland, estimated to be in the region of \$11-12 billion annually. The Ministry of Social Development alone will spend around \$4.8 billion in Auckland in 2011/12. The Government seeks to achieve the best possible return on this investment to maximise Auckland's social and economic potential.
39. To achieve this, Government social sector agencies are actively involved in Auckland. For example:
 - Child, Youth and Family (CYF) has introduced the Education Assist package to make it easier and faster for teachers to contact CYF, get guidance and advice, report concerns and get follow up;
 - Work and Income successfully places clients into positions in Auckland through its strong relationships and industry partnerships in the hospitality, telecommunications and property maintenance industries;
 - the Social Workers in Schools programme is in all decile 1-3 primary schools (years 1 to 8), many of which are located in Auckland; and
 - there are more training places in Auckland for 16 and 17 year olds under the Youth Guarantee Scheme in 2012.
40. The Auckland Plan's Southern Initiative proposes the development of a multi-sector Action Plan by December 2012. Social sector agencies will continue to manage their service delivery and funding responsibilities in the Southern Initiative area and will lead engagement with the Council on Auckland Plan proposals which align with and help to progress Government priorities.

41. The Government welcomes the role that the Council can play in adding value to the shared education priorities. The ability of the Council to work with the education officials and other partner agencies on the BPS and Business Growth Agenda targets relating to education is important to the success of achieving Government priorities.

Auckland's Māori

42. The Government is broadly supportive of the initiatives identified in the chapter on Auckland's Māori. It will be important for the Council to continue to undertake effective engagement with iwi/Māori in Auckland through the next phase of Auckland Plan work.

Auckland's Arts and Culture and Historic Heritage

43. The Government welcomes the opportunity to work with the Council on the achievement of targets and priorities in the arts and culture, and historic heritage chapters of the Auckland Plan. A key challenge will be to ensure that arts, culture and heritage can play a major role in establishing Auckland as a cultural destination in its own right.
44. A key project will be the development of an arts and culture strategy. Government looks forward to partnering with the Council on this project, which will provide important guidance on the timing of related actions and priorities as the Plan moves into its implementation phase. It is important that this includes consideration of the role Auckland's cultural institutions can play both in promoting and leading culture in Auckland, but also in New Zealand more generally.
45. Another key priority is the development of the historic heritage strategy and associated actions. Achieving better protection for heritage and integrating this with the ongoing development of Auckland's urban form is a challenging but achievable target.
46. The proposal to nominate the Auckland Volcanic Field for World Heritage listing is an opportunity for the Council, Government and iwi to work together to enhance the mana of the Field and its various features, achieve better protection, and to open up economic opportunities through increased tourism. A joint project to achieve World Heritage status has already begun, and provides an exciting chance to establish a unique identity for Auckland as a World Heritage city within the 'liveable city' vision.

Auckland's Recreation and Sport

47. The priorities and actions in this chapter broadly align with Sport New Zealand's key performance indicators and actions. Sport New Zealand welcomes the opportunity to continue to work with the Council on enhancing opportunities for Aucklanders to participate in recreation and sport.

Auckland's Environment

48. The Government's interests are to ensure the sustainable development of the environment and we are committed to improving the effectiveness and

efficiency of the resource management system. The Government recognises the particular challenges faced by Auckland, with a large urban area and projected population growth, and the pressures these will place on the natural environment of the region.

49. The priorities, directives and targets in the Auckland's Environment chapter are consistent with those of the Government, and we will support the future work signalled in the Plan that requires Government input.

Auckland's Response to Climate Change

50. The Government is committed to doing its fair share in combating climate change and reducing New Zealand's greenhouse gas emissions. The Government has a target of 50 per cent reduction in greenhouse gas emissions from 1990 levels by 2050. With a third of New Zealand's population, largely living in an urban environment, Auckland will play a key role in achieving this commitment. The Plan recognises this, and demonstrates how Auckland will support national commitments.
51. The Government supports the Council's integrated approach to building resilience to natural hazards and adapting to the impacts of climate change. The Government supports the Council's view that having a robust, secure and resilient energy infrastructure, with reduced dependence on non-renewable sources, is crucial to the success of Auckland and New Zealand. The Plan's target for renewable energy is in direct support of the Government's target to have 90 per cent of electricity from renewable sources by 2025.
52. Government supports the Council's aspiration that improvements to the transport system will reduce greenhouse gas emissions. However, it is not clear how the greenhouse gas reduction targets attributed to transport emissions will be achieved from the transport section of the Auckland Plan.
53. The Government will support the further work requiring its input that is signalled in the Plan, including the Council's work to develop an Energy and Climate Change mitigation strategy for Auckland. The Government's interest is in this work integrating with other relevant implementation strategies and plans, including for the transport sector. The challenge will be to identify actions that contribute to the achievement of the aspirations of the Plan while remaining achievable and affordable.

Rural Auckland

54. The Government welcomes the Council's aims in this chapter, which broadly align with the Government's priorities, particularly the Business Growth Agenda, the Fresh Start for Fresh Water initiative, and the goal of increasing regional exports and gross domestic product through sectors such as tourism and food and beverage.

Auckland's Physical and Social Infrastructure

55. The Government welcomes the opportunity to work with the Council to ensure that appropriate educational infrastructure is in place to meet the needs of Aucklanders. To assist education officials in planning the schooling

infrastructure that may be needed to support Auckland's growth, the Council will need to work with officials on matters such as its population statistics; the purposed release of land; areas it has identified as future growth areas; its identified areas of intensification; and details of the population take up in these areas.

Auckland Plan Implementation Framework and Measuring Progress.

56. Accommodating the strategic direction of both the Council and the Government will be critical to the successful implementation of the Auckland Plan. The Government is committed to working with the Council to address the significant challenges in delivering better outcomes for Auckland. This will require a variety of implementation tools to be used over the life of the Plan. It is encouraging that the Council has committed to producing an annual Implementation Update Report charting progress on implementation of the Plan. The Government has directed relevant agencies to provide information to the Council as part of this process.
57. Work will need to continue to align the targets in the Auckland Plan with those being developed by the Government through its BPS result areas. The Council has resolved to consider refinements to its targets to better align them with the BPS result areas and the Government supports this approach.
58. The Government has begun engagement with the Council to share information and methodology for constructing Better Business Cases, which includes the development of the strategic context and intervention logic. The Council has been receptive to utilising this framework to inform its investment decisions.
59. The Government remains concerned that some projects in the Auckland Plan have been identified and agreed without sufficient analysis of the long-term contribution each project is expected make to the strategic objectives in the Auckland Plan, and the likely phasing and sequencing of investment and funding decisions. The Council and Government have been working together to further develop the analysis that sits behind the major infrastructure projects in the Plan and this will need to continue.



Amy Adams

17 OCTOBER, 2012

Government announces process for the first Auckland Unitary Plan

Environment Minister Amy Adams today announced a one-off process to improve the development of Auckland Council's first Unitary Plan, while ensuring that Aucklanders still have comprehensive input into the plan.

The Unitary Plan will be the largest and most complex planning exercise ever undertaken in New Zealand, and the logistical challenges of dealing with the more than 10,000 expected submitters will be demanding, Ms Adams says.

The Unitary Plan, which stipulates where and how development can occur, replaces the seven district plans inherited from the former councils.

Auckland Mayor Len Brown approached the Government late last year seeking a simplified process for the development of the Unitary Plan. Council's proposal sought removal of merit appeals to the Environment Court, meaning that the decisions of the council panel on the council plan would have been largely final.

The council had also requested that the Unitary Plan, as notified, was granted immediate legal effect.

The Government has rejected this proposal as it considered it did not provide adequate recourse for Aucklanders to seek full and impartial review of the council plan.

"In my view, the council's proposal did not provide sufficient safeguards and reviews on council decision-making or ensure that stakeholders and the community would be properly engaged in its development," Ms Adams says.

"I am, however, concerned that under the current process, the first Unitary Plan is estimated to take between six to 10 years to become operative. No-one benefits from long, drawn-out and expensive processes during which time Auckland's development stagnates in a cloud of uncertainty.

"Auckland's economy is too important to New Zealand to wait for up to a decade for the plan to be implemented."

The Government has instead developed a one-off process where council hearings will be replaced with a comprehensive independent hearing process for the plan as notified.

Under the Government's proposed process, it is estimated that most, if not all, of the plan provisions will be operative in three years.

This one-off process will increase certainty and reduce costs for communities and businesses, Ms Adams says.

"There will be positive, collaborative and early engagement with communities and stakeholders when developing the Unitary Plan."

The Government proposal involves the Unitary Plan being developed and notified by the council. It will then be referred to a hearings panel totally independent from the council, with the intention that it be chaired by a retired High Court or Environment Court judge.

The panel, similar to a Board of Inquiry, will be appointed by the Ministers for the Environment and Conservation.

The panel will have the power to direct robust mediation process, including caucusing of witnesses and grouping of issues, and will hear public submissions and evidence through a process which allows for cross-examination and careful testing of evidence.

After considering the plan, the panel will deliver its findings by way of recommendations to the council. Where the council accepts the panel's decision, these provisions will be immediately operative, subject only to appeals on points of law.

In respect of any recommendations the council does not accept, full appeal rights to the Environment Court will be available.

"This process uses the best elements of the Environment Court, including submissions, alternative dispute resolution processes, examination of evidence, public hearings and appeals to make sure all communities can contribute to a robust final plan.

"This will provide communities with the confidence that the proposals have been independently tested by an appropriately-skilled panel but without the process being unduly delayed.

ATTACHMENT 2B TO CLAUSE 4 GREATER UDSIC COMMITTEE 9. 11. 2012

"The process will complete the Government's objectives for Auckland local government reorganisation, and help address the shortage of housing and business land needed for Auckland's growth."

The process for the Unitary Plan will be incorporated into the Resource Management Amendment Bill that will be introduced to the House by the end of the year. Public submissions will be invited as part of Select Committee consideration.

Question and Answers

What is the Auckland Unitary Plan?

The Auckland Unitary Plan is a combined resource management plan that will include the Auckland Council's regional policy statement, regional plans (including the regional coastal plan) and district plan (excludes the Hauraki Gulf Islands District Plan). The Unitary Plan is the council's main tool for achieving integrated management of the natural and physical resources of the region and provides rules for what you can do on your land and property.

Why do we need a streamlined process for the Auckland Unitary Plan?

The Auckland Council has inherited district and regional plans from the former councils that lack consistency. Additionally, a number of the district plans are more than ten years old and contain outdated provisions and controls. As a result the existing planning framework is imposing unnecessary costs and uncertainty which is affecting Auckland's economic and environmental performance.

Under the current plan development process (Schedule 1 of the Resource Management Act (RMA)), the Auckland Council has estimated it could take up to ten years for the Unitary Plan to become operative.

While the plan is being made operative, Auckland will be subject to two different sets of rules which in-conjunction with the existing outdated and fragmented planning framework will result in even greater costs and delays. A streamlined plan development process will reduce this delay and the associated impacts.

What is the timeframe for making decisions on the Unitary Plan?

The Auckland Council must approve those parts of the Unitary Plan in respect of which there are no appeals, variations or plan changes within three years of the date of notification. The timeframe for approving the Unitary Plan can be extended to four years from the date of notification, with the approval of the Minister for the Environment and the Minister of Conservation.

How does the streamlined process affect existing appeal rights?

The hearings panel will make a recommendation to the council for its decision on submissions and other matters. If the council refuses to accept the hearings panel recommendation it may do so but must state its reasons.

Any changes made by the council to the hearings panel's recommended decision are able to be appealed to the Environment Court on merit.

Where the council accepts the decision of the independent hearings panel, parties will only be able to appeal the decision on a point of law to the High Court.

How does the process address concerns arising from the limitations placed on appeals to the Environment Court?

The independent hearings panel will be highly skilled and will be granted additional powers including the ability to direct the council undertake mediation or other alternative dispute resolution to rebalance where effort goes into plan development and narrow issues prior to the commencement of the hearing. The hearings panel will hear submissions and evidence through a robust single-hearing process that allows for cross examination and the careful testing of evidence.

How will the hearings panel be appointed?

The Ministers for the Environment and Conservation will jointly appoint the hearings panel in consultation with the Auckland Council and the Independent Māori Statutory Board. The Ministers will apply the same guidelines for making appointments to a Board of Inquiry which include a high degree of local knowledge, competency and understanding of Tikanga Māori.

What measures are proposed to ensure Auckland Council develops a good quality Unitary Plan?

Auckland Council has agreed to intensive stakeholder and community engagement to assist in developing a quality Unitary Plan. Additionally the new process requires an independent audit of the Council's evaluation of the costs and benefits of major policy changes (s.32 analysis). The independent audit will be co-ordinated by the Ministry for the Environment. The independent audit will be made publically available when the council notifies the plan and will help ensure that the council has used a robust process in developing the plan.

How is the process different from a Board of Inquiry?

The process proposed is similar to the Board of Inquiry however with some differences, including provision for the Auckland Council to have final decision-making powers, appropriate to its status as the duly-elected local authority. The council rather than the EPA will be responsible for running the submissions process and providing administrative support to the hearings panel.

ATTACHMENT 2B TO CLAUSE 4 GREATER UDSIC COMMITTEE 9. 11. 2012

Are any changes proposed to the submissions process?

The submissions period has been extended to 60 working days, with the period for further submissions extended to 30 working days. Any person will be able to make a submission on the Auckland Unitary Plan. The Ministry for the Environment will form a working group with Auckland Council to ensure a robust submissions process that takes account of the size and complexity of the Auckland Unitary Plan.

Does the streamlined process include any changes to the legal effect on the Unitary plan on notification?

No changes are proposed to the status quo which allows the council to seek an order from the Environment Court prior to notifying the plan for all rules to be given legal effect at notification.

How does the new process work compared to the current one?

One of the key changes to the process is the effort put into early consultation and involvement in the development of the plan by stakeholders and communities. Enlisting communities earlier in its development aims to avoid the delays and costs of resolving issues through the appeals process in the Environment Court.

The council will still be responsible for engaging with its community and stakeholders to develop the plan, by running the submissions and further submissions process and by making the final decisions on the Plan. In the new process, there is more emphasis on the engagement and submissions process, with more time and energy being put into pre-notification drafts, supporting submitters and resolving issues.

An independent hearing panel, appointed by the Ministers of the Environment and Conservation, will be responsible for a fair and independent process for making decisions, and for making sure that their decisions are based on robust evidence and advice. This will involve some of the key elements of the appeals process in the Environment Court such as formal mediation and disputes resolution. Lastly, the hearing panel will pass its recommendations to the council. Only those recommendations not accepted by the council can be appealed to the Environment Court on merit. Effectively, the hearing panel process will be used to combine the existing council hearing and Environment Court hearing of appeals into a single hearing process.

The expectation is that under the new process almost all of the plan will be operative within three years from notification, instead of the seven to ten years likely under the current process, approximately half of which would be due to the time taken for the council to resolve appeals in the Environment Court.

How does the process affect designations and heritage orders?

The processes covering designations and heritage orders are not affected by this streamlined Auckland Unitary Plan process.

What will it cost to develop the Unitary Plan?

Auckland Council has estimated that developing the Unitary Plan under the current framework will cost the council between \$14 million and \$21 million. Environment Ministry estimates suggest that the cost for the council will be similar under the Government's proposed one-off process.

How can I make a submission on the Bill?

Once the Bill has had its first reading, it will likely be referred to the Local Government and Environment Select Committee which will call for submissions as part of its consideration of the Bill.



[Amy Adams](#) [Environment](#)

Greater Christchurch Urban **Development Strategy**

Report To: Urban Development Strategy Implementation Committee

Subject: Population Estimates for Greater Christchurch

Report Author(s): Urban Development Strategy Implementation Manager

Report Date: 9 November 2012

1. PURPOSE OF THE REPORT

This report provides an update on population estimates work commissioned on behalf of Urban Development Strategy (UDS) Partners. The work covers the Greater Christchurch¹ area and is also broken down by territorial authority area. This report then compares this work with the recently published Statistics New Zealand (Stats NZ) Subnational Population Estimates at June 2012.

2. BACKGROUND

Stats NZ produce annual Population Estimates for the period until the end of June each year. These are publicly released in October of each year and are broken down to territorial authority level.

For the year to 30 June 2011 this Stats NZ data showed a net loss of 8,900 from Christchurch City (-2.4%) from the pre-earthquake Christchurch population of 376,700 (at 30 June 2010). Selwyn District gained 1,500 (+3.9%) and Waimakariri District gained 940 (2%) in this same period.

3. UDS COMMISSIONED POPULATION ESTIMATES

Whilst annual population estimates have been previously considered sufficient for planning purposes, the earthquakes have required closer and more frequent monitoring of population movements. This will be particularly relevant as the recovery gathers pace and people move into and around the sub-region as part of repair and rebuild activity.

To support this, UDS Partners commissioned Monitoring and Evaluation Research Associates Ltd (MERA) to develop a methodology for producing quarterly estimates to compliment the Stats NZ data. This work drew on similar data sets used by Stats NZ and covered the period from June 2011 to June 2012. The final methodology, data availability and timing made it sensible and feasible to consider monthly estimates.

¹ For the purposes of this report Greater Christchurch comprises the whole of the three territorial areas of Christchurch, Selwyn and Waimakariri.

The MERA report Executive Summary is included as **Attachment 1** to this report. A subsequent UDS media release is included as **Attachment 2** to this report.

4. POPULATION ESTIMATE RESULTS AND COMPARISON TO JUNE 2012

The MERA estimates are shown by quarter in Table 1 below:

<i>Quarterly Change in Resident Population by Council Area, June 2011- June 2012</i>					
Council Area	'Mid-range' estimate for Quarter ending:				
	June 2011 Base (Statistics NZ)	Sept. 2011	Dec. 2011	Mar. 2012	June. 2012
Christchurch City	367,710	364,800	363,400	363,000	363,000
Waimakariri	48,600	48,800	49,000	49,200	49,300
Selwyn	41,100	41,400	41,700	42,100	42,300
Greater Christchurch	457,410	455,100	454,000	454,200	454,600

Table 1: MERA Quarterly Population Estimates June 2011 to June 2012

The June 2012 figures are then compared to Stats NZ estimates, released on 23 October 2012, in Table 2 below.

<i>Resident Population by Council Area, June 2011- June 2012</i>					
Council Area	'Mid-range' estimate for Quarter ending:				
	June 2011 Base (Statistics NZ)	MERA June 2012	Stats NZ June 2012	MERA vs Stats NZ Difference	Annual % change using Stats NZ data
Christchurch City	367,710	363,000	363,200	+200	-1.2
Waimakariri	48,600	49,300	49,200	-100	+1.3
Selwyn	41,100	42,300	42,300	0	+2.9
Greater Christchurch	457,410	454,600	454,700	100	-0.6

Table 2: MERA and Stats NZ comparison of Population Estimates June 2012

The close correlation of MERA and Stats NZ estimates suggests that the MERA methodology is robust enough to be used as a complimentary but more frequent measure to the official population estimates.

The headline results from both sets of figures suggest that population loss has bottomed out in Christchurch City and the Greater Christchurch sub-region as a whole. Continued growth in Selwyn and Waimakariri, has offset the losses over the last two years but does not yet

however return population across Greater Christchurch to its pre-quake figure of 463,900 (30 June 2010).

The Stats NZ media release in relation to the June 2012 data is included as **Attachment 3**.

A presentation to this meeting of this Committee on these results will consider these estimates and the drivers of change also evident in recent post-earthquakes resident population projections and how this information is inputting into growth modelling to support recovery planning activity.

5. RECOMMENDATIONS

It is recommended that the Committee:

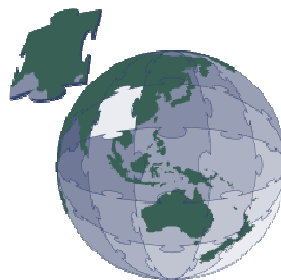
- a. Note the recent population changes as signalling a turning point in population recovery.
- b. Note that further analysis of growth prospects is underway as inputs to recovery planning.

***Indicative population estimates for “Greater
Christchurch” post June 2011***

Executive Summary

by James Newell

MERA



Monitoring and Evaluation Research Associates Ltd

August 2012

Disclaimer

While every effort has been made to ensure that the information herein is accurate, no liability is accepted for errors of fact or opinion which may be present, or for the consequences of any financial decision based on this information.

Regard any absolute statistical counts in this volume as estimates only. Metadata for time series are resolved on a best fit basis. In interpretation or application, apply a rounding factor above that implied by the number of significant figures in any stated count..

All statistics from the Census of Population and Dwellings sources have had the corresponding random rounding, small domain filtering and other then current confidentialising protocols applied.

The contents of this report are the professional opinions of the authors.

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August 2012

Acknowledgements

This report was prepared for the Greater Christchurch Urban Development Strategy Partners

Executive Summary and Recommendations

The Brief

The brief for this assignment was to prototype a process for preparing indicative population estimates for Greater Christchurch by local authority area from June 2011 by quarter to March 2012 in advance of the release of the official Statistics NZ population estimates. Methodology, data availability and timing made it sensible and feasible to consider monthly estimates and extend the period to June 2012. The extension of the estimates to June 2012 enabled these indicative annual estimates to be compared with Statistics NZ estimates for previous years

Key Results

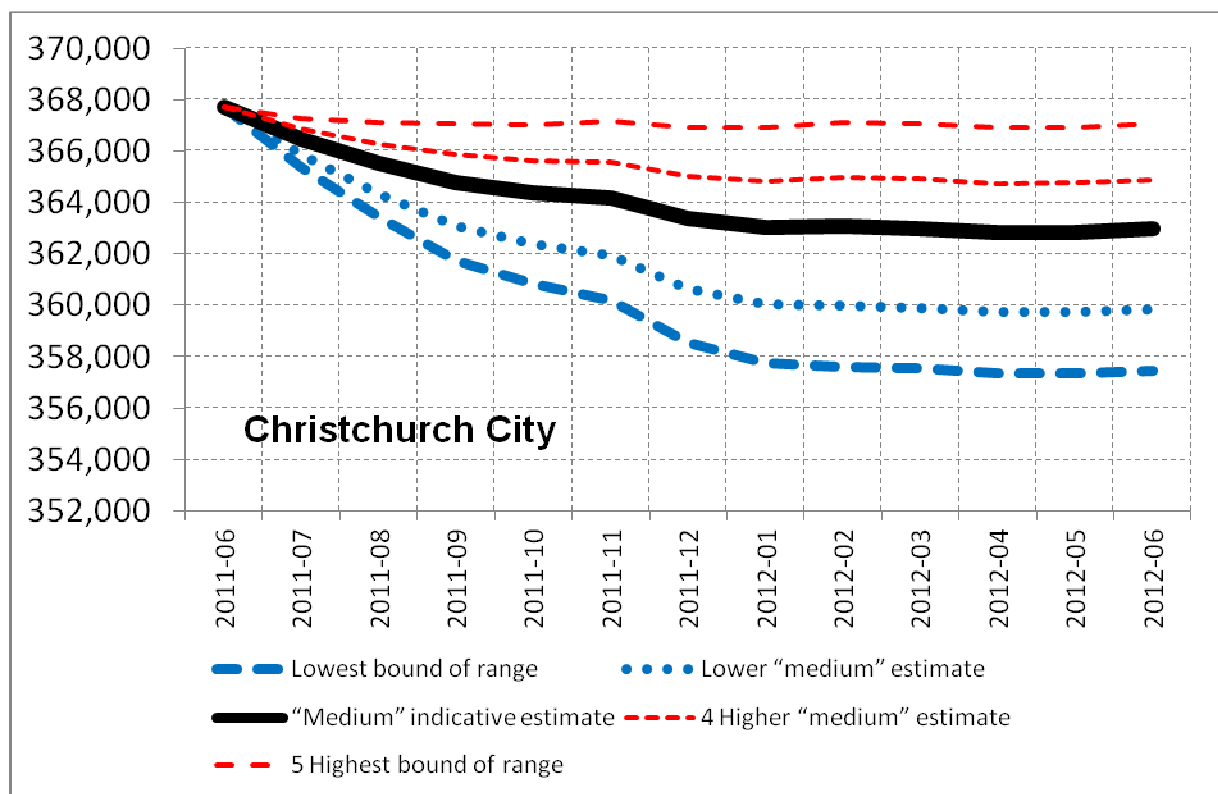
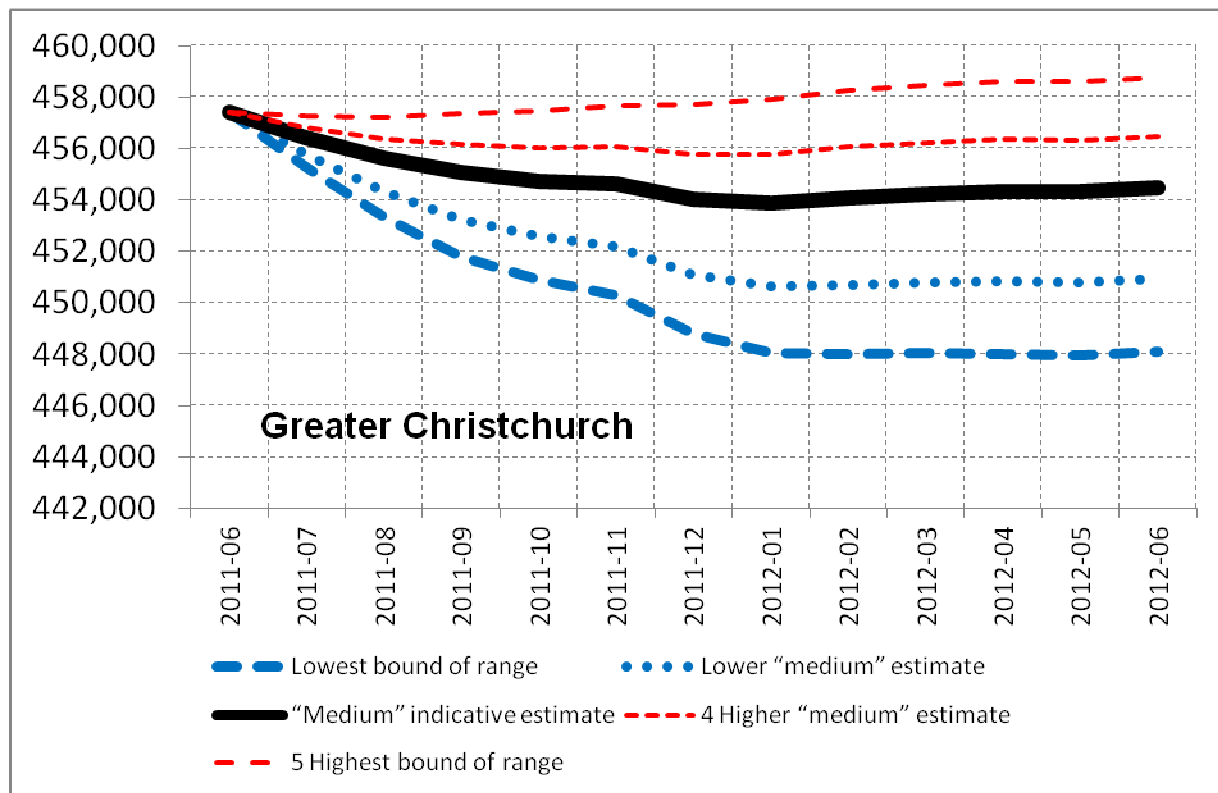
This report outlines the underlying demographic trends and components of change in the resident population for the 2012 June year. It summarises five indicative scenarios representing the likely range in population change for the three TLAs of Christchurch City, Waimakariri and Selwyn Districts and a sum for the resulting "Greater Christchurch". Key uncertainties are the pattern of migration to/from Greater Christchurch from elsewhere in New Zealand and the recent intra-regional migration flows between the three TLAs of Greater Christchurch.

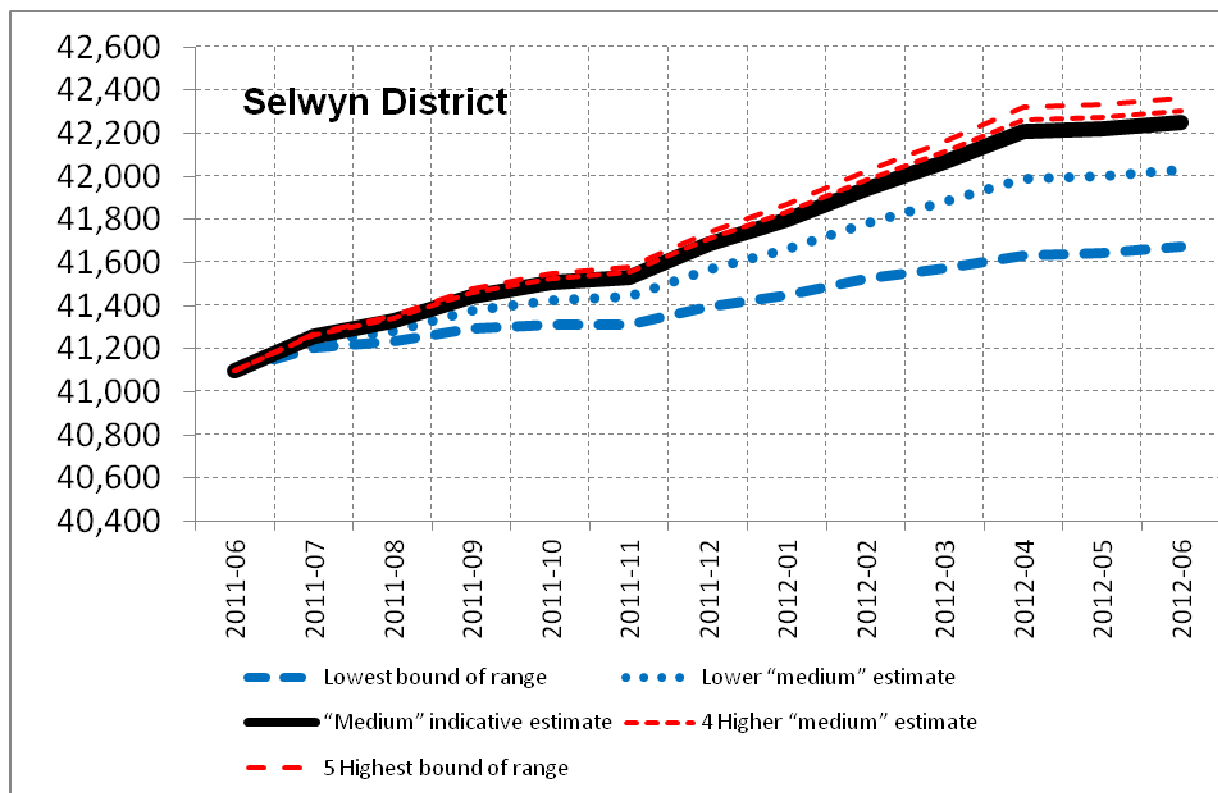
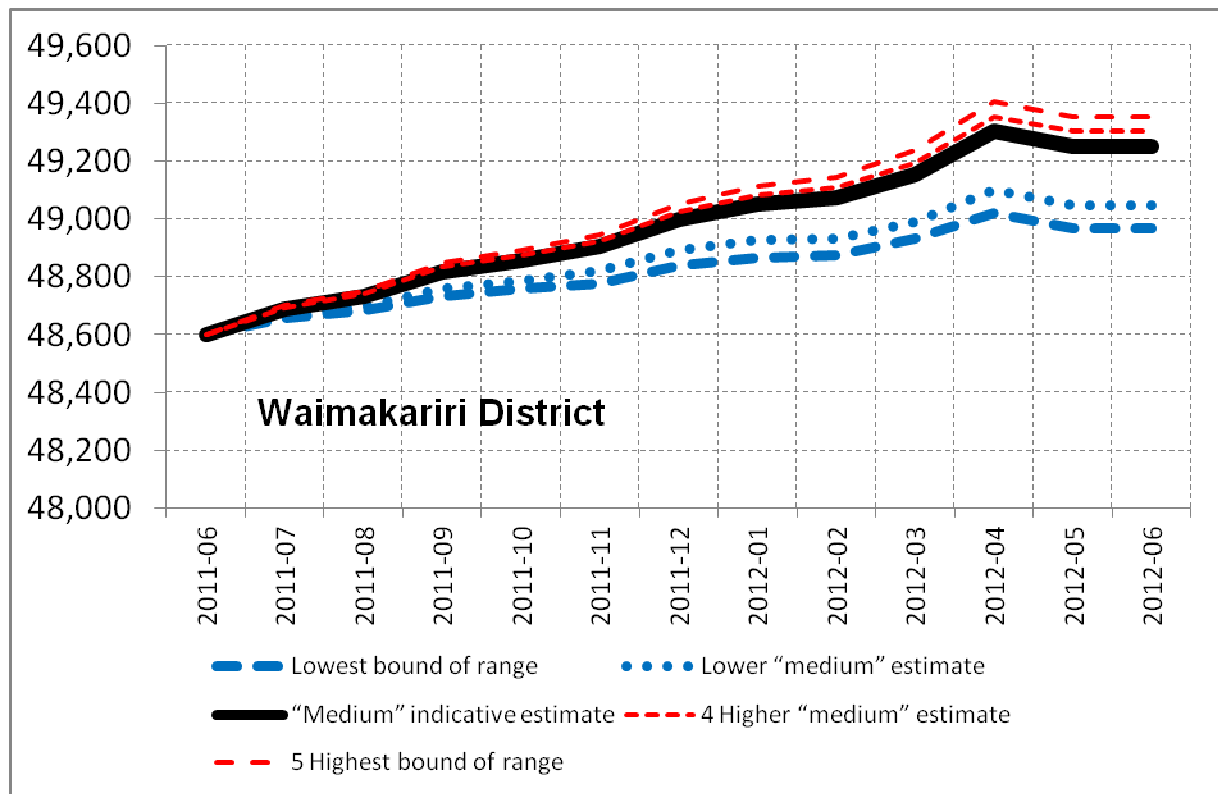
The "mid-range" of internal migration scenarios suggests the June 2012 population of Greater Christchurch decreased by a further 2,900 over the June 2012 year. Much of that additional loss is estimated to have occurred over the first two quarters to December 2011, as population illustrated in the figure below.

As shown in the figure, the population of "Greater Christchurch" is estimated to have continued to decrease until towards the end of the third March 2012 quarter before the decrease flattened out and possibly started to increase again towards the end of the June 2012 quarter. By TLA the indicated pattern of change is as follows.

		Waimakariri District	Christchurch City	Selwyn District	Greater Christchurch
Estimated Population	2006	44,060	361,820	35,000	440,860
	2011	48,600	367,720	41,100	457,420
Population Change	2008-2009	800	3,700	1,100	5,600
	2009-2010	800	4,000	1,000	5,700
	2010-2011	900	-8,900	1,600	-6,500
Population Change Range Scenarios 2011-2012	Lowest outlier	400	-10,300	600	-9,300
	Low mid-range	400	-7,900	900	-6,500
	Mid-range	700	-4,700	1,200	-2,900
	High mid-range	700	-2,800	1,200	-900
	Highest outlier	800	-700	1,300	1,400

Range of estimates of the usually resident populations of “Greater Christchurch”, Christchurch City, Waimakariri and Selwyn Districts by month post June 2011





The mid-range estimate suggests a net decrease of 2,900 in the population of Greater Christchurch in the year to June 2012. At the high end, a return to the 2010 estimated volumes of internal migration would see a small increase of around 1,400. At the other extreme, if net internal migration losses have continued at 2011 volumes then a decrease in population of 9,300 is estimated for the year to June 2012. This would be larger than the 6,500 net decrease estimated for the June 2011 year due to the larger volume of net external migration loss and lower births. NZ Post redirections data suggest that net population loss during the June 2012 year due to net long term internal departures from Greater Christchurch was concentrated over the July 2011 to February 2012 period.

As shown below, official statistics reveal a net external migration loss and further reduction in births for Greater Christchurch during the June 2012 year as compared with 2011.

Population Component	Change over the Year to June				Difference from 2009/2010	
	2009	2010	2011	2012	2010/2011	2011/2012
Births	6,060	6,040	5,840	5,280	-200	-760
Deaths	3,280	3,260	3,620	3,340	340	80
Natural increase	2,780	2,780	2,240	1,920	-540	-840
Adjusted external Arrivals	9,900	9,300	8,350	7,850	-950	-1,450
Adjusted external departures	7,900	6,850	9,100	9,300	2,250	2,450
Adjusted external net migration	2,000	2,450	-750	-1,450	-3,200	-3,900

The decrease in the estimated usually resident population of Greater Christchurch is the result of a decrease in the population of Christchurch City somewhere in the range of a decrease of 10,300 at the low end and a decrease of 700 at the higher growth end (refer Table below).

Locality	Internal migrations Scenario	Quarters ending				
		2011-06	2011-09	2011-12	2012-03	2012-06
Christchurch City	Lower Range	367,710	361,800	358,500	357,500	357,500
	Mid-range	367,710	364,800	363,400	363,000	363,000
	High of Range	367,710	367,100	366,900	367,100	367,100
Waimakariri	Lower Range	48,600	48,700	48,800	48,900	49,000
	Mid-range	48,600	48,800	49,000	49,200	49,300
	High of Range	48,600	48,800	49,100	49,200	49,400
Selwyn	Lower Range	41,100	41,300	41,400	41,600	41,700
	Mid-range	41,100	41,400	41,700	42,100	42,300
	High of Range	41,100	41,500	41,700	42,200	42,400
Greater Christchurch	Lower Range	457,410	451,800	448,800	448,000	448,100
	Mid-range	457,410	455,100	454,000	454,200	454,500
	High of Range	457,410	457,400	457,700	458,500	458,800

Both Selwyn and Waimakariri Districts are estimated to have gained population over the June 2012 year. The population of Selwyn and Waimakariri Districts are estimated to have increased in a range from around half of that for the June 2010 year up to a higher rate close to that estimated for the June 2011 year at the high end. Given the complexity of intra-regional migration movements which haven't been directly measured for these indicative estimates, the uncertainty in the estimates of population for these two Districts is higher than for Christchurch City. Net gains for these Districts from internal migration are offset by lower natural increase (lower births) and higher external migration departures for the June 2012 year as compared with either the 2010 or the 2011 June years. The increase in external net migration for Selwyn District is estimated to have been larger than for Waimakariri. Christchurch City is estimated to have sustained the same increased volumes of external departures in 2012 as in 2011 but to have seen a further decrease in arrivals from 2011, themselves a reduction on 2010 levels.

The pattern of population change over the year to June 2012 is estimated to have decreased the usually resident population of both "Greater Christchurch" (Figure 23) and Christchurch City (Figure 24). This decrease in population is estimated to have "flattened out" by February 2012 under the "mid-range / medium" and higher growth scenarios for internal migration. The resident populations of Greater Christchurch and Christchurch City are estimated to have increased for the last month or two of the June 2012 quarter.

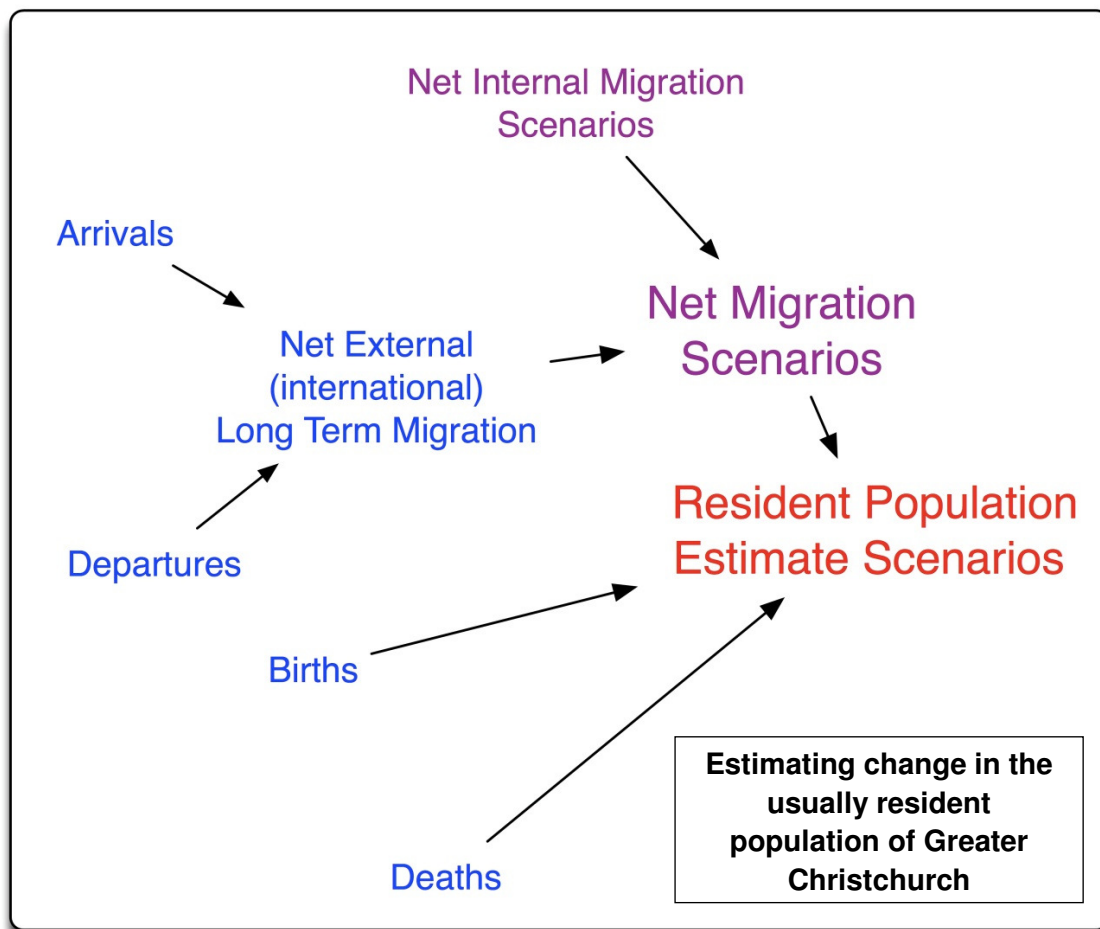
It is estimated that the usually resident populations of Waimakariri and Selwyn Districts increased steadily over the first three quarters but stayed static or grew more slowly over the June 2012 quarter (Figures 24 and 25). However, this could understate some of the intra-regional net migration gains from Christchurch City likely to have been experienced by these two districts as population relocates from red and green TC3 properties in the City.

The March 2012 quarter may have seen some return migration of children and their parents who had relocated on a short term basis in response to the major disruption to schools and services in the June 2011 quarter. The scale of any such return migration flow is as yet unmeasured.

Statistics on the value of residential consents issued, a leading indicator of increased actual rebuild / new build activity, show a trend of rising volumes by month, especially towards the end of the June 2012 quarter.

Methodology

This analysis is based on direct measurement of key components of population change and range estimates of internal migration by month. These are combined into a population estimates model as illustrated in the figure below. The 2012 estimates adopt Statistics NZ June 2011 estimates by TLA, age and sex as a June 2011 starting population. The vitals and net external migration assumptions and their application to an estimates model were tested by preparing monthly national population estimates and comparing these with the official Statistics population estimates. The national model is shown to be consistent with Statistics NZ official national population estimates by age and sex. The differences between these modelled monthly national population estimates and Statistics NZ official national quarterly estimates are less than 1 part in 10,000, a satisfactory result.



For this exploratory study, range estimates of internal migration are developed based on estimated trends over the 2009 to 2010 and 2010 to 2011 periods, drawing on indications from NZ Post redirections and an estimate of the earthquake effects on permanent long term arrivals and departures by month, age and sex.

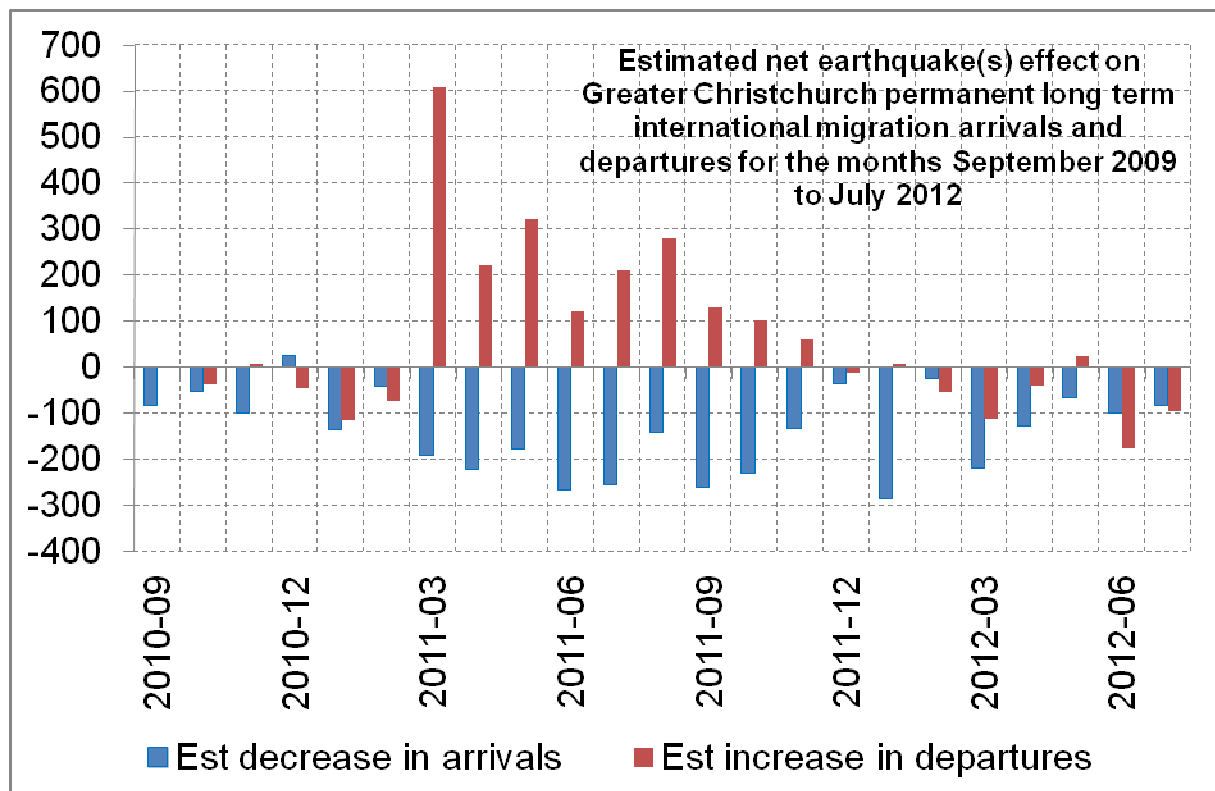
Estimates of net migration and net internal migration are made using a subnational “population accounting model” by age, sex and year for 2006 to 2011. This model is based on known (MERA customised) Statistics NZ official statistics on births, deaths and external migration and start year population estimates by age and sex. These are used to estimate

net migration and then net internal migration by age, sex and year. Statistics NZ provided the net migration assumptions by age and sex for the three TLAs of Greater Christchurch were used to test the concordance of MERA estimates of net migration against those inherent in the official subnational estimates. Overall, the MERA estimates of Statistics NZ net migration assumptions by TLA for the 2010/2011 period matched very closely the actual Statistics NZ net migration assumptions.

To provide context for these population estimates, a number of key indicators of demographic change are summarised for the last four years to June 2012 by month (refer Chapter 4). This includes external migration arrivals, departures and net external migration (Figures 9 to 11), NZ Post redirections (Figure 15 to 18) and residential and non-residential building permits by value (Figure 19 to 22). These indicators are suggestive of a period of further population loss post June 2011 tapering over the year to June 2012.

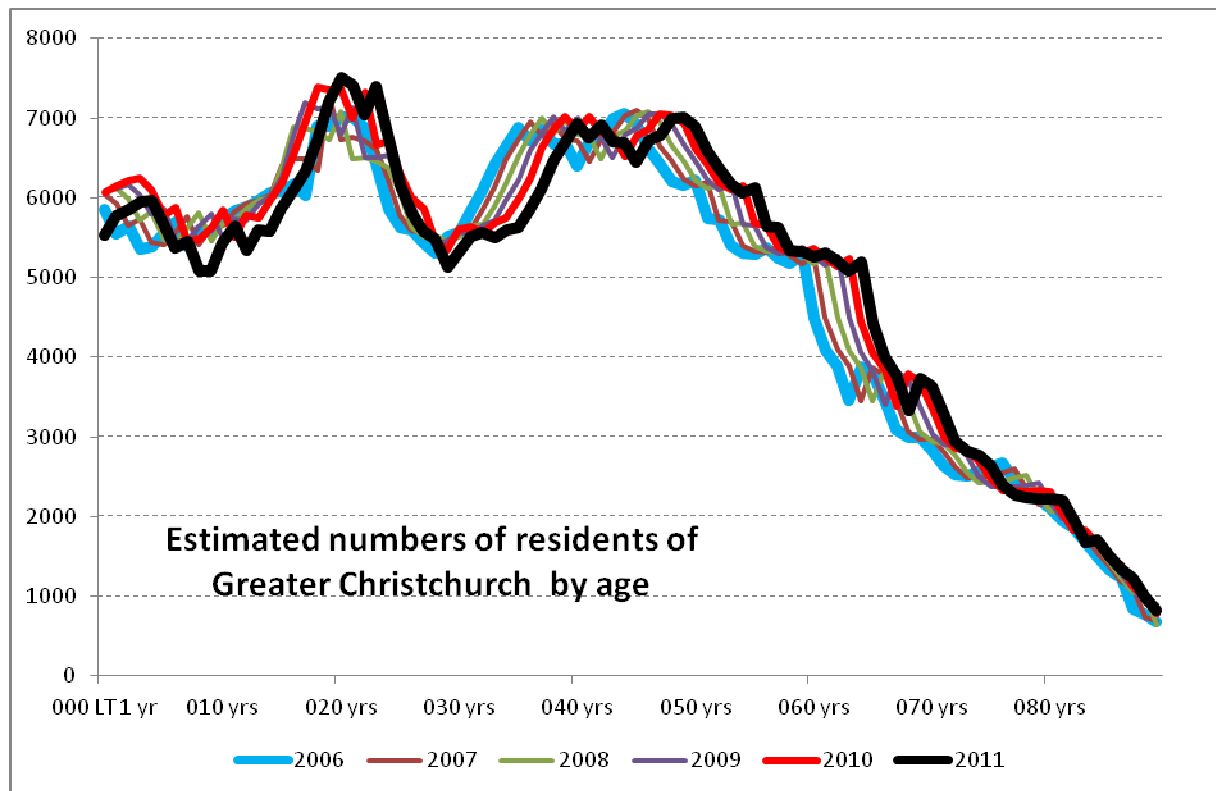
NZ Post redirections suggest that main earthquake driven inter-regional internal residential outflows occurred over the July 2011 to February 2012 period. The volume of NZ Post redirections decreased sharply after February 2012 (Figure 15). Analysis of trends in external migration arrivals and departures by month for the three TLAs generally agrees with this picture. This is also the picture shown in the trends of PHO (public health organisation) enrolments by quarter.

An estimate is made in this report of the effect of the Christchurch earthquakes on external migration arrivals and departures by month and the effect on population in Greater Christchurch illustrated below. The method used estimates the “expected” external migration flows assuming that recent relativities between local and North Island external migration flows for a corresponding month in the year before the earthquake are the best guess of the expected norm. The “earthquake effect” on arrivals and departures is the difference between these expected and observed external migration flows.



The story for individual age groups, countries of origin destination and individual TLAs of Greater Christchurch is a more complex one.

As shown below, the estimated 2006 to 2011 Greater Christchurch population age structure is very uneven with a relatively large number of residents aged 19 to 23 but relatively few aged 26 to 36 years. The aging in place of the “baby boomer” generation stands out. The unevenness of the age distribution has been described in terms “disordered cohorts” meaning that over time the number of a particular age can fluctuate dramatically.



Discussion

This first set of indicative “range” estimates has been informed mainly by “top down” aggregated official statistics. It was beyond the scope of this indicative exploratory study to incorporate richer “bottom up” statistics assembled from such sources as school enrolments, public health organisation enrolments, EQ residential land use relocations and any new residential capacity coming on line. Bringing top down and bottom up evidence together is important in deriving estimates of internal and especially intra-regional migration.

No information on intra-regional migration movements was available for this exploratory study. For the future, analysis here shows that the June year rolls by age and sex and other administrative data provide a means of estimating net migration of school age children as well as their families and others. Estimates of the school age usually resident population based on the June rolls were compared with and matched very closely Statistics NZ national population estimates by age and sex. This implies that June school rolls by age and sex can be used as a benchmark indicator for estimating internal migration by TLA in future

refinement of these population estimates. Further, the school re-enrolments system can provide a means of tracking internal population movements by quarter. School re-enrolments were analysed to September 2011 by Statistics NZ in the wake of the February 2012 earthquake. It seems likely based on past behaviour that extension of the analysis of re-enrolments to the first quarter of 2012 would have revealed some return migration of children and their families for the start of the 2012 school year.

Understanding the process of population adjustment, community relocation and rebuild in Greater Christchurch will be based on understanding and monitoring population migration flows and indicators of such for specific demographic groups and household types. Estimates of net migration flows are the net result of those flows. External migration flow components as described here need to be complemented by estimators of inter-regional and intra-regional migration flows by demographic group and family / household type. An uneven age structure and wide variation in the mobility / migration characteristics of different age groups makes analysis by age important.

Different administrative data inputs are suited to measurement of movements of broad age groups corresponding to pre-schoolers, primary, secondary and post-school youth, young early career adults and young adults with children, third age" pre-retirement age adults, retirement age "young old" and "old old". As discussed here and detailed in Tables 9 and 10, the June school rolls by age and sex have been shown to be a robust measure of changes in the school age population.

Applying a household formation model to the population estimates will allow reconciliation of migration movement assumptions with the processes of removing residential land use capacity in some areas and its replacement with increased residential capacity in other areas of Greater Christchurch.

This study has focussed on the usually resident population, but variation in the size and composition of others not usually resident will have been affected in different ways by the EQ and are will fluctuate in distinctive ways over the Christchurch recovery and rebuild process. Exploration of this was beyond the scope of this study. Estimates of the international and domestic short term resident population can be derived based on evidence from the external visitor data at national level combined with such information as bed nights used locally by month.

Recommendations....

This report relies on a partially specified population estimates model. To be complete, the internal migration component to the estimates needs to be based on direct measurement of internal migration flows for one or more indicator groups within the population. This will allow the estimates to track the process of population adaptation and community rebuilding following the earthquakes.

The population estimates framework provides an instrument for monitoring and measuring population and community recovery at a crucial stage of the recovery process. This fills some of the information gap for decision making on infrastructure and services that will exist until results from the New Zealand Census of Population and Dwellings (normally the key input to decision-making) become available. The 2013 Census results are not expected to be available until late 2013 for crude counts and until the first half of 2014 for the detailed demographic, household formation and migration statistics that underpin regional and local forecasting and decision-making.

The suggested future actions following on from this exploratory and indicative study include :

1. Extend the population accounts for Greater Christchurch to include estimators for the not usually resident components of the population – which include domestic and international short term residents or visitors for rebuild work, other business, study or recreation / holidays.
2. Implement the quarterly population estimates model, demonstrated as a working prototype here, to prepare September 2012 quarter population estimates. Adding to the population components direct estimates of internal migration driven by a combination of administrative statistics (PHO enrolments, school rolls, etc.).
3. Tune this operational internal migration sub-model so when applied to 2012 year data its population estimates are consistent overall and to a lesser by age and sex with the June 2012 year Statistics NZ official population estimates when due in October.
4. Build in explicit estimates of intra-regional population and household movements between the TLAs of Greater Christchurch and Canterbury.
5. Extend this work to estimates of corresponding changes in households and household / family types.

This study has largely been confined to analysis of “top down” official and aggregate administrative statistics. There are a range of “bottom up” statistics that will significantly improve on this preliminary work. School rolls and re-enrolments are one, but other administrative data notably Public Health Organisation enrolments, LEEDS data, MSD benefits data etc. can extend the picture of internal migration movements across a range of key age groups. The predicted relocation of residential land use from red zoned and much of the land classed as “green TC3” should be explicitly incorporated into this analysis.

A working local authority population accounting model by age and sex is a key instrument used in this study to analyse the assumptions behind population estimates. This model can be closer “tuning” to Statistics estimates to improve consistency on the estimated changes for particular age groups.

10 October 2012

Earthquakes population loss bottoms out

Loss of resident population from Greater Christchurch following the earthquakes appears to have bottomed out and there are now clear signs of the expected return to growth, according to quarterly estimates through to June 2012 prepared for councils in the area.

'Middle of the range' estimates for Greater Christchurch's resident population are that it has fallen by 2800 in the last year, but this loss appears to have happened in the last part of 2011. The previous year's loss was 6500.

Continuing gains to Waimakariri and Selwyn districts during the year were offset by a loss in Christchurch City, which is estimated to have declined by around 4700.

Statistics New Zealand estimates for June 2012 – the official annual snapshot – are due out later in October. However, because Greater Christchurch councils are facing unprecedented patterns of change, they have commissioned quarterly estimates to indicate clearly what is happening in the sub-region.

"It's now over five years since the last Census, and the upcoming March 2013 one was delayed due to the earthquakes with results not available until late 2013 at the earliest," said Waimakariri District Mayor David Ayers. "For good planning we need to be monitoring change more closely than that".

Mayor Ayers is Deputy Chairperson of the Urban Development Strategy Implementation Committee charged with overseeing growth management planning for Urban Development Strategy partners.

Statistical analyst James Newell, who developed the methodology from which the quarterly estimates are derived, explained there will be inevitable differences when these estimates are compared with official numbers later this month.

"What's more important is to understand the reasons for, and the directions of, population change on a regular basis, and this work contributes to that understanding," said Mr Newell.

"While births and deaths are recorded, and gains and losses to and from the region from international migration measured, the exchange of population to and from Greater Christchurch in relation the rest of New Zealand is the most uncertain element to estimate.

Margins for error from the upper to lower bounds are wide due to the uncertainty around internal migration affecting Greater Christchurch and the Council areas within it."

The Greater Christchurch report is available at www.greaterchristchurch.org.nz

Quarterly Change in Resident Population by Council Area, June 2011- June 2012

Council Area	'Mid-range' estimate for Quarter ending:				
	June 2011 Base (Statistics NZ)	Sept. 2011	Dec. 2011	Mar. 2012	June. 2012
Christchurch City	367,710	364,800	363,400	363,000	363,000
Waimakariri	48,600	48,800	49,000	49,200	49,300
Selwyn	41,100	41,400	41,700	42,100	42,300
Greater Christchurch	457,410	455,100	454,000	454,200	454,500

Resident Population Change by Council Area, 2006-12

Source: 2006-11 - Statistics New Zealand Census/Estimates 2011-12 - MERA Report		Waimakariri District	Christchurch City	Selwyn District	Greater Christchurch
Resident Population	2006 Census	44,060	361,820	35,000	440,860
	2011 Estimate	48,600	367,720	41,100	457,420
Annual Estimated Change	2008-2009	+800	+3,700	+1,100	+5,600
	2009-2010	+800	+4,000	+1,000	+5,700
	2010-2011	+900	-8,900	+1,600	-6,500
Change Scenarios 2011- 2012	Lowest outlier	+400	-10,300	+600	-9,300
	Mid-range	+700	-4,700	+1,200	-2,800
	Highest outlier	+800	-700	+1,300	-1,400

Christchurch's population loss slows

Embargoed until 10:45am – 23 October 2012

Christchurch city's population decreased by 4,600 people (1.2 percent) in the June 2012 year, Statistics New Zealand said today. This was due to a net migration loss (more departures than arrivals) of 6,000 people, partly offset by a natural increase (more births than deaths) of 1,400 people. In the previous year, Christchurch's population declined by an estimated 8,900.

Compared with the pre-earthquake population of 376,700 at 30 June 2010, Christchurch city's population has therefore declined by about 13,500 (3.6 percent).

"There are some interesting differences across age groups," population statistics manager Andrea Blackburn said. "There was a net outflow of children and their parents from Christchurch after the earthquake, and fewer young adults arrived for study."

Over the two-year period, the population aged 0–19 years in Christchurch city decreased by an estimated 9,300 (9.6 percent), while the population aged 35–49 years decreased 5,700 (7.0 percent). The population aged 20–34 years decreased only 1,200 (1.5 percent) over the two-year period, indicating there had been some inflows of workers. In contrast, the population aged 50 years and over increased 2,700 (2.3 percent), due to people moving into this age group from younger ages. The estimates also indicated that people aged 50+ were less likely than people of other ages to have left Christchurch over this period.

Selwyn district remained the fastest growing territorial authority area, increasing 2.9 percent (1,200) in the June 2012 year. Part of this growth was due to the relocation of people from earthquake-affected areas. The next fastest growing areas were Hurunui district (up 1.8 percent), Ashburton district (up 1.7 percent), Hamilton city (up 1.7 percent), Queenstown-Lakes district (up 1.6 percent), and Auckland (up 1.5 percent).

However, growth was lower across most of New Zealand in the June 2012 year than in the previous year. "The patterns of population change have to be seen in the context of the nation's overall population growth, which at 0.6 percent was the lowest since 2001," Mrs Blackburn said. International migrant departures (people leaving New Zealand permanently or long-term) rose 9 percent, births fell 3 percent, and deaths rose 2 percent in the June 2012 year.

Population estimates are based on available information such as birth and death registrations, international travel and migration data, primary health care enrolments, and linked employer-employee data. The population estimates will be revised after the 2013 Census of Population and Dwellings.

Ends

For media enquiries contact:
Kim Dunstan
Christchurch 03 964 8700
Email: info@stats.govt.nz

Authorised by:
Geoff Bascand
Government Statistician

Published 23 October 2012

Greater Christchurch Urban Development Strategy

Report To: Urban Development Strategy Implementation Committee

Subject: Household Modelling Update

Report Author(s): Urban Development Strategy Implementation Manager

Report Date: 9 November 2012

1. PURPOSE OF THE REPORT

This report updates the Committee on household modelling work being undertaken on behalf of Urban Development Strategy (UDS) Partners in conjunction with the Canterbury Earthquake Recovery Authority (CERA). The work will help inform recovery planning, in particular the potential future demand for housing across the Greater Christchurch area.

2. BACKGROUND

At the meeting of this Committee in March 2012 a presentation was given on the development of a Household Growth Model (HGM) to take into account the impact of the earthquakes on the anticipated future demand for housing identified as part of the UDS and Proposed Change 1 to the Regional Policy Statement (PC1).

The HGM, produced by Market Economics, outlined four plausible recovery scenarios (Rapid, Quick, Moderate and Slow) with key uncertainties being the extent of initial population loss and then the likely subsequent trend of future demographic change. The HGM model did not at that time take into account the impact on household growth arising from the anticipated influx of additional workers as part of repair and rebuild activity.

The four HGM scenarios are depicted below in Figure 1.

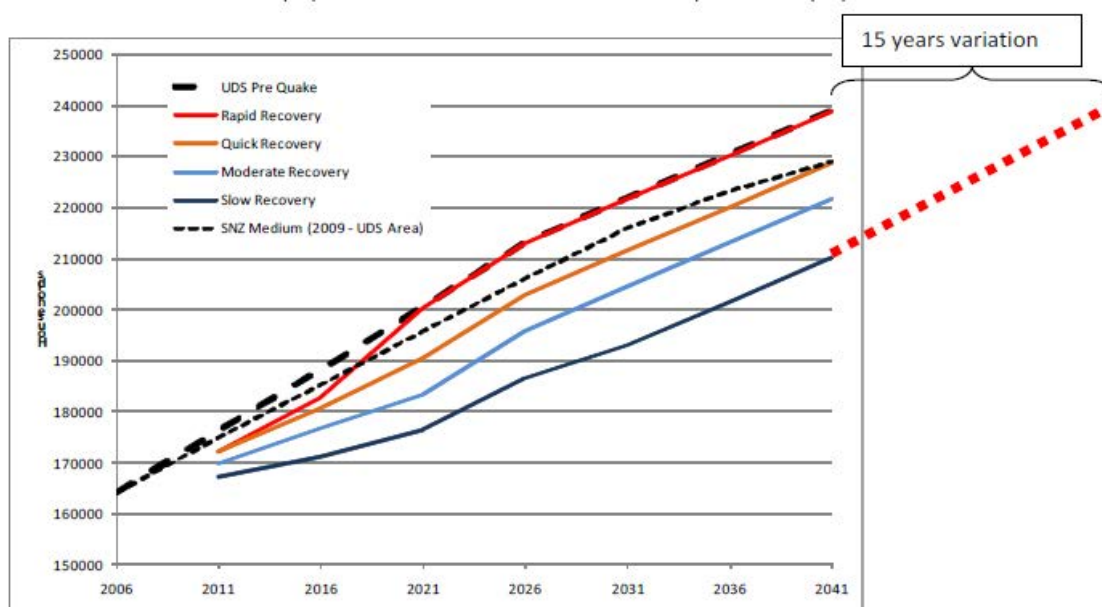


Figure 1: Household Growth Model scenarios (March 2012)

3. INTEGRATING HOUSEHOLD MODELS

Subsequent to this initial work on the HGM, CERA commissioned work to compliment the HGM by assessing short term housing needs for recovery purposes, by establishing a Short Term Housing Model (STHM). As well as resident household growth from the HGM this included the impact of the migratory workforce as well as the need for accommodation from people displaced from their homes for a temporary period to enable repair work to be carried out. This work was also undertaken by Market Economics.

A further Model, the Temporary Workforce Model (TWM) acts as an input to the STHM, which is itself informed by a wider Economic Futures Model (EFM). The Temporary Workforce Model ("TWM") examines the additional workforce requirements for the volume of reconstruction activity (infrastructure, housing, commercial), taking into account the direct labour requirements, the flow-on requirements in terms of the range of support activities, and the available Canterbury workforce.

Recent work has enabled these models to be linked to produce a composite picture of overall household demand linked to anticipated housing supply projections. It also incorporates feedback mechanisms as, for example, the scale of the migratory workforce will be dependent on the availability of accommodation and this in turn will impact on the capacity to complete the necessary repair and/or new build housing programmes. This linkage is shown in Figure 2 below.

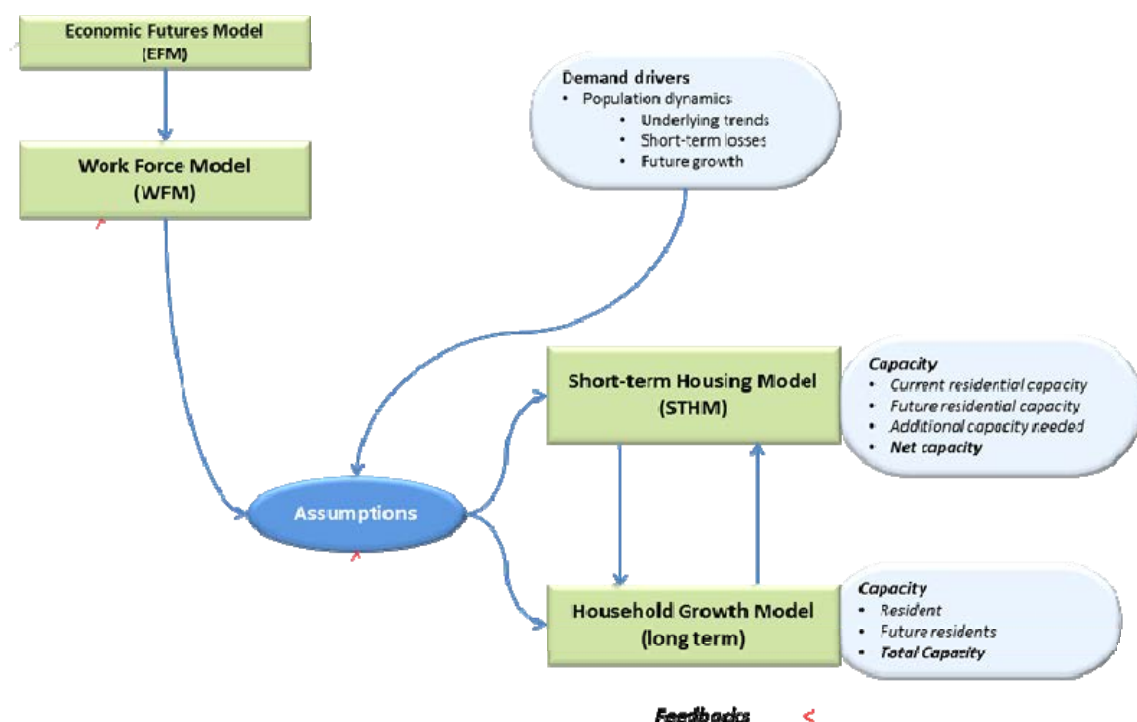


Figure 2: Household model integration

This 'Integrated Household Model' (IHM) has been peer reviewed by a specialist economic advice consultancy, Taylor Duignan Barry, and found to be fit-for-purpose.

4. MODEL REFINEMENT AND DATA UPDATE

Work is now underway to comprehensively update the suite of models with current data and to make refinements to the model identified by Market Economics, staff and through the peer review process.

This work is likely to be completed by the end of November and will then be reported to the Chief Executives Advisory Group (CEAG) and also to the Committee on 14 December 2012.

Also at this Committee meeting, as part of the presentation on recent and projected population growth, further explanation will be given on how these models work and collectively feed into recovery planning, as well as on-going growth management planning.

5. RECOMMENDATIONS

It is recommended that the Committee:

- a. Note the household growth and housing supply modelling work that is underway for recovery planning and on-going growth management planning purposes.
- b. Note that at the next meeting it is anticipated that overall results of the housing supply/demand picture that is emerging over the next ten years will be available.

Greater Christchurch Urban Development Strategy

Report To: Urban Development Strategy Implementation Committee
Subject: Residential Monitoring Report
Report Author: Stephen Timms, Principal Strategy Advisor, ECan
Meeting Date: 9 November 2012

1. PURPOSE OF REPORT

- 1.1 This report provides a summary of UDS residential monitoring that has recently been completed. The monitoring is undertaken as a requirement of Proposed Change 1 (PC1) to the RPS, but is critically important to inform planning decisions and earthquake recovery.

2. BACKGROUND

- 2.1 This is the first report to combine household growth data across the three Territorial Authorities (TAs) of Greater Christchurch. It captures data between July 2006 and July 2012, as recorded through the different stages of the residential development process - from land identified for future urban development within PC1 urban limits, through to plan change, subdivision consent and building consent.
- 2.2 The reporting criteria are based on the requirements of Policy 15 of Chapter 12A of the Regional Policy Statement. It is not a comprehensive report of the housing market, nor does the report analyse the supply and demand of housing in light of the earthquakes, but only whether the anticipated provision of residential land and housing is being provided.
- 2.3 A copy of the full report, currently at the final draft stage, is included as **Attachment 1** to this report.








3. KEY FINDINGS


- 3.1 Chapter 12A provides for an additional 74,860 households in total, through to 2041. 38,610 of those are in greenfield areas (including existing residential zoned but undeveloped land) with 19,680 of these households being provided for within Christchurch City (CCC). Since 2007, land for a potential 9,117 households has been zoned for residential development within CCC. However, only 1,633 of these potential sections have subdivision consent at July 2012 within CCC.
- 3.2 More than 11,500 building consents for new dwellings have been granted between 2007 and 2012 across Greater Christchurch. This is against a Chapter 12A anticipated


target of 14,200 households by July 2012, some 23% short of the Chapter 12A figure. CCC household growth has been in decline since 2007, except for a slight upturn prior to the earthquakes in 2010. In 2011 only 645 new dwellings were granted consent.

- 3.3 Below is a summary of the findings, which analyses the actual building consent numbers against the figures outlined in Chapter 12A. This is not an indication of the loss of houses, or housing availability, only a comparison between Chapter 12A figures and building consents granted.

Results Summary

TA	Result	Indicator	Explanation
CCC	17% 	Household Numbers*	Actual numbers vs Chapter 12A targets
	5% 	Household Growth	Overall new growth 2007 – 2012
	56% 	Intensification	City Centre and Rest of City household numbers compared to total
SDC	11% 	Household Numbers	Actual numbers vs Chapter 12A targets
	23% 	Household Growth	Overall new growth 2007 – 2012
WDC	20% 	Household Numbers**	Actual numbers vs Chapter 12A targets
	17% 	Household Growth	Overall new growth 2007 – 2012

* These numbers EXCLUDE the red zone numbers. When red zone numbers are added to the incremental targeted numbers, the result is 43% 

** These numbers EXCLUDE the red zone numbers. When red zone numbers are added to the incremental targeted numbers, the result is 34% 

4. NEXT STEPS

- 4.1 The TA's have agreed to provide data every 6 months. The next 6 monthly report will be in March 2013, based on data up to December 2012. We expect this to provide even further information, to inform analysis of trends in the housing market and if planning policy is delivering the desired outcomes.
- 4.2 While TA staff have provided great assistance to capture the data and complete this report, we believe there are significant improvements that could be made. The goal is to reduce the level of resources needed to undertake this monitoring over time, and improve its use. Utilising a GIS format and geo-coding consents could save time, and enable better analysis and visual representation for reports. However, the TA's are not set up for this at present. Officers are exploring options to make it easier to complete these monitoring requirements, and ECan's GIS team will be assisting. We do not anticipate any budget implications and in fact any initiatives will be aiming to save money.

5. RECOMMENDATIONS

- 5.1 It is recommended that the Committee:
- a. Note the findings of this report and the attached Residential Monitoring Report and the planned six monthly updates as part of the on-going requirement for monitoring of residential land supply
 - b. Note the work underway to explore ways of simplifying and streamlining the monitoring process for all involved.

GREATER CHRISTCHURCH HOUSING AND RESIDENTIAL LAND SUPPLY 2012. RPS MONITORING – REPORT 1

UDS Partners



October 2012

UDS Partners

Christchurch City Council, Waimakariri District Council, Selwyn District Council, Environment Canterbury, New Zealand Transport Authority, Te Rununga o Ngai Tahu (TRONT).

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- Appendix A: UDS Proposed Urban Limits
Appendix B: Christchurch City Council – Categories

1 INTRODUCTION

This report provides a summary of the residential land and housing supply across greater Christchurch, and is a snapshot in time at 1 July 2012. The reporting criteria are based on what were the requirements of Policy 15 of Chapter 12A of the Regional Policy Statement, to monitor whether agreed targets for household growth are being achieved. This primarily relates to intensification targets within Christchurch City Council, along with rural residential and greenfield growth across the sub-region.

This is the first report to combine household growth data across the three Territorial Authorities of greater Christchurch, namely Christchurch City Council, Waimakariri District Council and the Selwyn District Council. It captures data between July 2006 and July 2012, as recorded through the different stages of the development process. That is each of the steps from land identified as potentially suitable for urban development under the UDS proposed urban limits (refer to Appendix A) through to plan change, subdivision consenting stages and building consent. This illustrates the potential amount of residential land in the pipeline, through to actually having a building consent approved for a dwelling to be constructed.

The urban development strategy and 12A provides for an additional 74,860 households in total, up to 2041. 38,610 of those are in greenfield areas (including existing residential zoned land) with 19,680 households provided for within Christchurch City. Since 2007, a potential for around 9,117 households has been zoned for residential use. However, only 1,633 of these potential sections have subdivision consent at July 2012. The only greenfield development formally progressing through the plan change process at the moment is 'Highfield', with a potential 2200 households. 2 further areas, Upper Styx and Sparks road are in the pre-application phase with plan changes being prepared for both. These plan changes will not cover the entire growth area, with indications that a further 1,400 sections (combined) could be realised through the plan changes. These existing, proposed and potential plan changes, along with existing zoned greenfield land (up to around 4000 sections) mean only a further 3000 greenfield sections would be required to be rezoned and consented by 2041, according to Chapter 12A projections.

With regard to building consent numbers across the TA's, more than 11,500 new building consents for new dwellings have been granted between 2007 and 2012. [NB: SDC has calculated from financial year 07/08, WDC and CCC from financial year 06/07]. This is against a chapter 12A anticipated target of 14,200 households by July 2012, some 23% short of the target.

2 BACKGROUND

This monitoring, under the RPS, is managed by Environment Canterbury. A stock take report in August 2012 provides further details of the importance of monitoring household growth and residential land supply within the Greater Christchurch area.

The report also discusses ways the process of data capture, and sharing and using that information can be improved, updated and adapted. We expect monitoring and gathering data to be somewhat of an iterative process initially with improvements to be made along the way. There will be more systematic and automated systems that could save time and effort for TA planners. There is also a lot of extra information outside of strict 12A monitoring that could give a more complete and robust picture of land availability, intensification and area uptake within Greater Christchurch.

This report represents a positive start in understanding residential growth within the sub-region. Processes can be adapted which will secure the ongoing success and future development of this monitoring programme.

The data captured has provided the following information:

- Percentage intensification
- Percentage split Greenfield / intensification
- Household growth per Greenfield Area
- Total Household Growth tracked against projections (numbers and percentage)
- Percentage complete of 10 year timeframe vs percentage households realised

Future reports should be able to gather additional information, and also compare results and trends, such as:

- Household growth across the Greater Christchurch area (uptake, based on dates of building consents)
- Development of Greenfield areas, indicating area/developer/development desirability

We asked the TA's to capture all data and populate a table against the criteria listed below. As yet, the TA's are not recording via this method, however the data provided has been adapted to reflect the tables purpose.

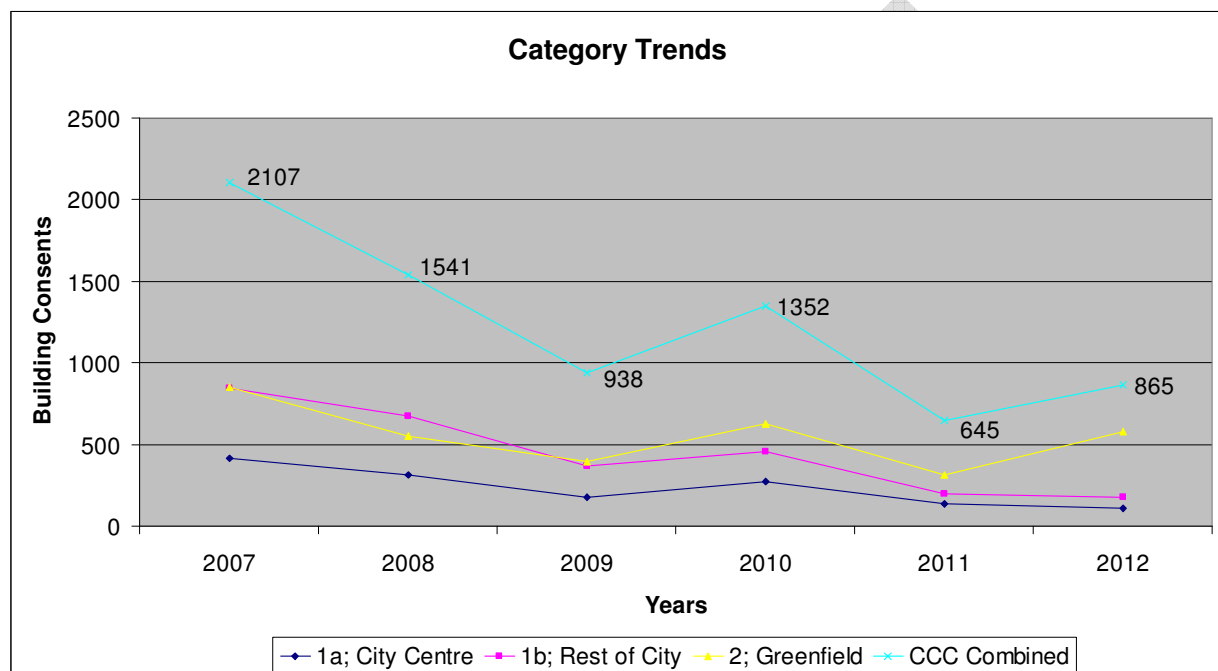
- **TA Area**
- **Town/Suburb**
- **ODP Area**
- **Resource Consent Number**
- **Developer**
- **Common Name**
- **Potential Households**
- **Revised Households**
- **Lodged for Subdivision Consent**
- **Subdivision Consent granted**
- **Lots with s224**
- **Building Consents issued**
- **Households realised**
- **Date of Building Consent Issue**
- **Year of Issue**
- **Ch12A - Table 1 number**

3 KEY FINDINGS

This first report will not be able to illustrate any indicative trends or comparisons over time for all TA's. Due to the Urban Development Strategy UDS, setting 2007 as a base, the reporting is for all residential growth since then to July 2012. Obviously the earthquakes of 2010-2011 have had a profound effect on the housing market, population/demographics and the residential land supply. These changes are still occurring. Population loss from Christchurch seems to have reached a peak and is not exceeding a net

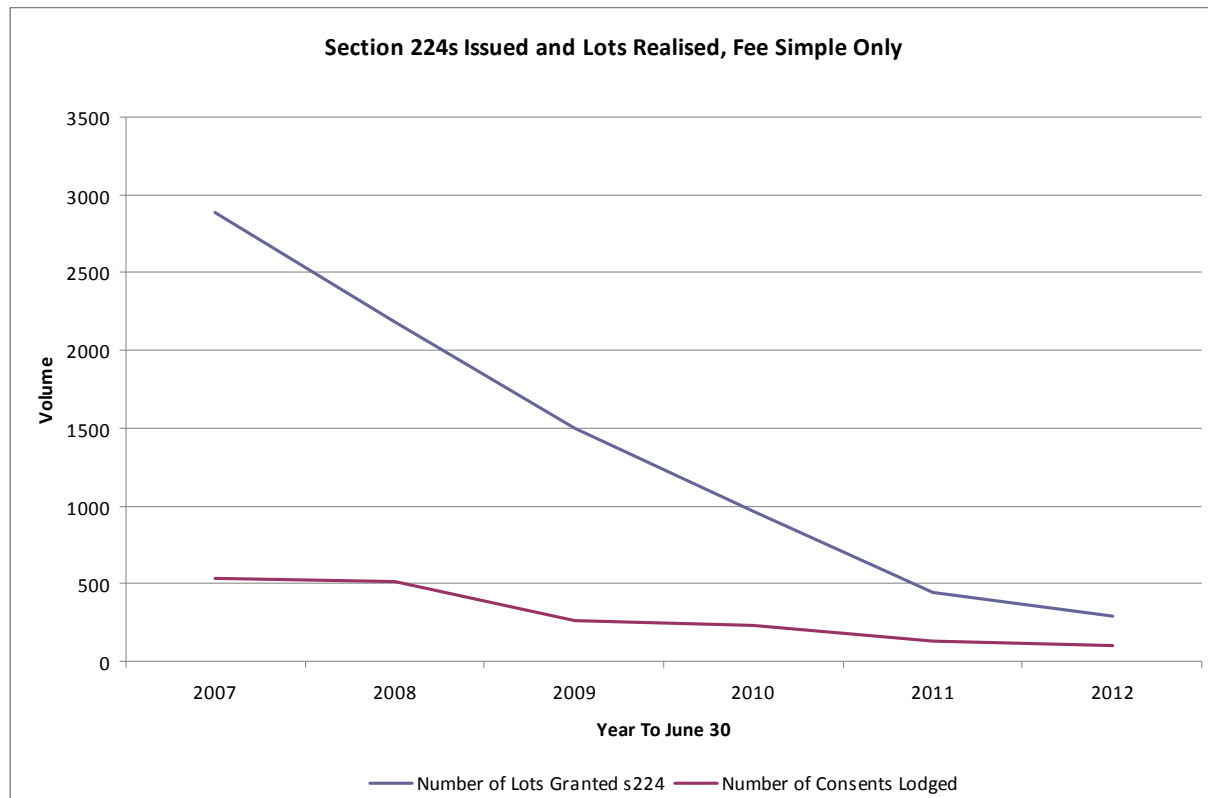
loss of about 9,000 people. However, insurance settlements are on-going and other changes are occurring as greater Christchurch recovers from the earthquakes. Only a proportion of red zoned property owners have accepted the government offer and relocated so far.

CCC Household Growth has been in decline since 2007, excepting an upturn prior to the earthquakes in 2010. In 2011, with 645 new households (building consents for residential development), it was the lowest number of new households since recording at this level began in 2004. The graph below indicates a steady decline in the overall numbers as well as in the Chapter 12 A defined categories. Greenfield and existing zoned numbers are the notable exception with a series of spikes and troughs.










Developments that have been identified through PC1/Chapter 12A are beginning to show strong growth. Three areas in particular – Wigram Skies, Fulton Hogan (Longhurst and Knights Stream) and Prestons Road, have sections subdivided or awaiting subdivision consent. More than 1,300 sections have approved subdivision consent between these three areas. Existing zoned land development has remained very strong in terms of growth, with developed parts of Masham and Aidanfield subdividing, selling and building quickly. The total amount of existing zoned land anticipated to be provided by 12A at July 2012 is 97% built out.

In terms of subdivision consents granted and the number of incremental lots yielded within Christchurch that have been issued with section 224, the following graph clearly indicates a declining trend in numbers. This is for all subdivision consents regardless of greenfield, infill etc. It is likely, however, that this graph will spike with the recent subdivision consent activity largely in the greenfield subdivisions.




SDC, whilst being behind their household targets, have issued a large number of subdivision consents within their Greenfield areas and existing zoned land. In total there has been 2,401 lots achieve subdivision consent and a further 700 awaiting subdivision consent. Assuming these lots convert to households quickly, then SDC is well on target to meet their UDS incremental growth projection of 3,900 households by 2016.

3.1.1 Results Summary

TA	Result	Indicator	Explanation
CCC	17% 	Household Numbers*	Actual numbers vs Chapter 12A targets
	5% 	Household Growth	Overall growth 2007 - 2012
	56% 	Intensification	City Centre and Rest of City household numbers compared to total
SDC	11% 	Household Numbers	Actual numbers vs Chapter 12A targets
	23% 	Household Growth	Overall growth 2007 - 2012
WDC	20% 	Household Numbers**	Actual numbers vs Chapter 12A targets
	17% 	Household Growth	Overall growth 2007 - 2012

* these numbers EXCLUDE the red zone numbers. When red zone numbers are added to the incremental targeted numbers, the result is 43% 

** these numbers EXCLUDE the red zone numbers. When red zone numbers are added to the incremental targeted numbers, the result is 34% 

3.1.2 Definitions

Base Date – for the avoidance of doubt, year one (1) of the monitoring programme is 1 July 2006 through 30 June 2007. Year one (1) is commonly referred to as 2007.

Table titles:

- Chapter 12A Targets: the household targeted increase 2007 – 2016
- Adjusted to 2012: takes the target figure above and adjusts it according to the year the report relates to. For example, 30 June 2012 is six years through the current period, hence the adjusted figure is $6/10^{\text{ths}}$ of the Chapter 12A target
- Actual Data to 2012: The data that has been provided by the Territorial Authority
- % variance: Actual data to Adjusted Chapter 12A data variance. A negative figure indicates the percentage amount the Territorial Authority is behind the target amount.
- % actual growth: Actual data to real households provided 30 June 2006. For example, 10% growth is the amount of growth experienced from 30 June 2006 to current period (six years). It is NOT 10% growth year on year.

Intensification – see map in Appendix B that indicates the split between 1a, 1b and 2 for Christchurch City Council.

3.2 Christchurch City Council

The Christchurch City Council (CCC) have been tracking Household supply (building consents) against the Chapter 12A categories since 2004, hence data capture at a high level has been straight forward to obtain.

CCC	Chapter 12A targets	Adjusted to 2012	Actual data to 2012	% variance	% actual growth
1. Intensification					
a. City Centre	+3000	+1800	+1419	-21%	+ 8%
b. Rest of City (includes infill / brownfields)	+5500	+3300	+2726	-18%	+ 2%
2. Greenfield Areas and existing zoned land	+6510	+3906	+3312	-15%	+ 25%
TOTALS	+15010	+9006	+7457	-17%	+ 5%
Red Zone	+6812*	+4087		-43%	+5%
% intensification	57%		56%		

* Red zone numbers received from CERA at 12 October 2012, include Brooklands (510), Christchurch (5,794), Port Hills (508)

In summary, CCC are behind in the targets agreed within the RPS, from an amount of households perspective, by 17% overall. Importantly, however, CCC track very well in terms of Chapter 12A intensification targets as a percentage of total development. The Chapter 12A target for the period is 57% intensification, and the actual data presents as 56% intensification.

3.2.1 Dealing with the red-zone

It has been determined that the number of red-zoned houses within the Christchurch City area be totalled and added to the incremental targets for the 2007-2016 period. This method of dealing with the red-zone houses has been ratified by IMG. Applying that to the numbers provided at present clearly has a profound affect on the outcome with an additional 6,812 houses required equating to 4,087 additional houses to the adjusted 2012 target. This would result in a percentage variance of – 43% on target numbers. Overall growth of 5% would not be affected as the incremental target numbers have no affect on base numbers.

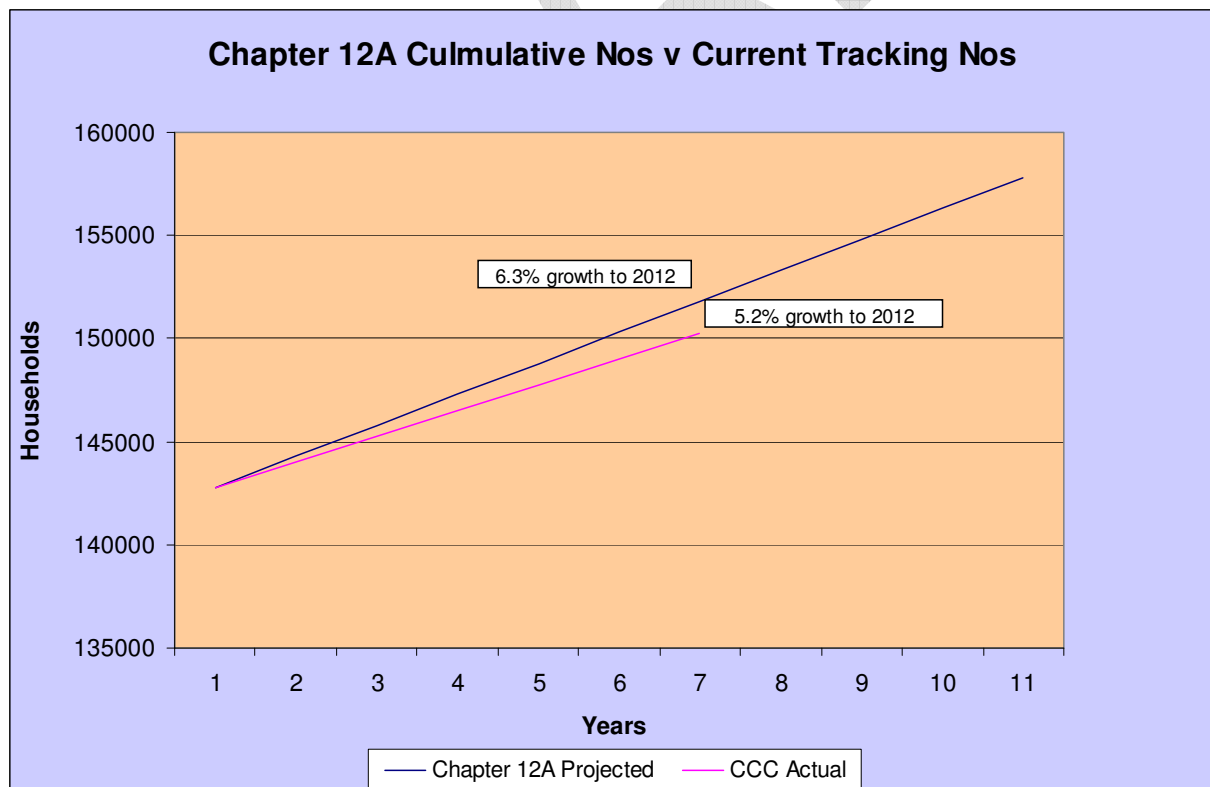
CCC	Chapter 12A total	Adjusted to 2012	Total to 2012	% variance
Greenfields	+24930	+3918	+3312	-15%

Household growth in greenfields has largely been restricted to land that was already zoned residential at 2007. Only Wigram Skies has had houses built on land rezoned post 2007. However, there has been a spike in subdivision consents among the other rezoned land parcels recently, with Wigram, Southwest Halswell and Prestons offering a combined total of more than 1,000 sections. This will quickly erase the 15% deficit against Chapter 12A targets, once the subdivided land is actually built on, however this does not mean the loss of housing stock in the red zone has been replaced in real terms.

It should also be noted that Table 2 is not designed to indicate growth – but merely highlight areas where growth is to occur and potential numbers of households in those areas. Hence the % variance above is not a representation of the purpose of Table 2. This is the same for all TA's.

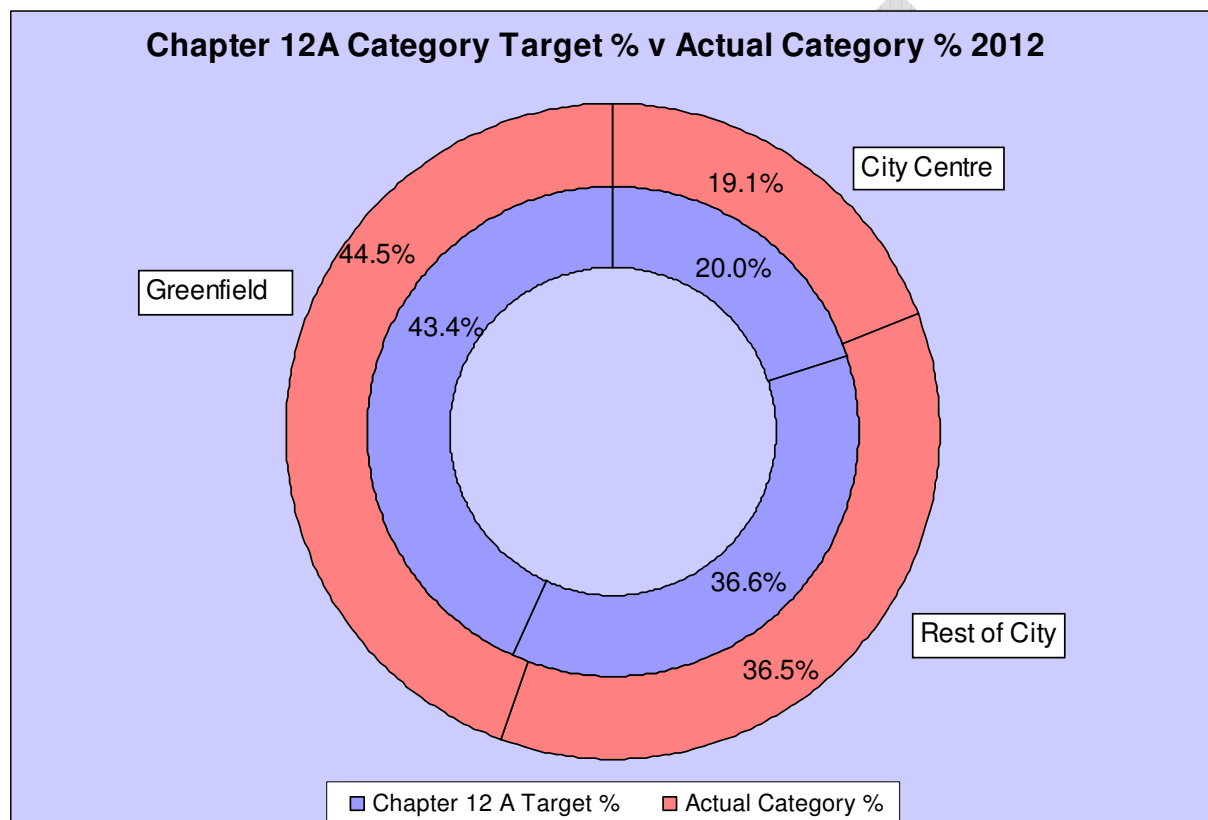
3.2.2 Expected v Actual Growth

Although it is unlikely growth followed a linear pattern throughout the periods of the UDS timeframe, this report highlights it so for purposes of comparison. The following graph indicates the lineal household growth curve in terms of actual vs planned numbers, including indicating the percentage of growth predicted at present day vs percentage of actual growth at present day. There is a 20+% variance between projected and actual at present, however this will be quickly converged as new subdivisions are developed.



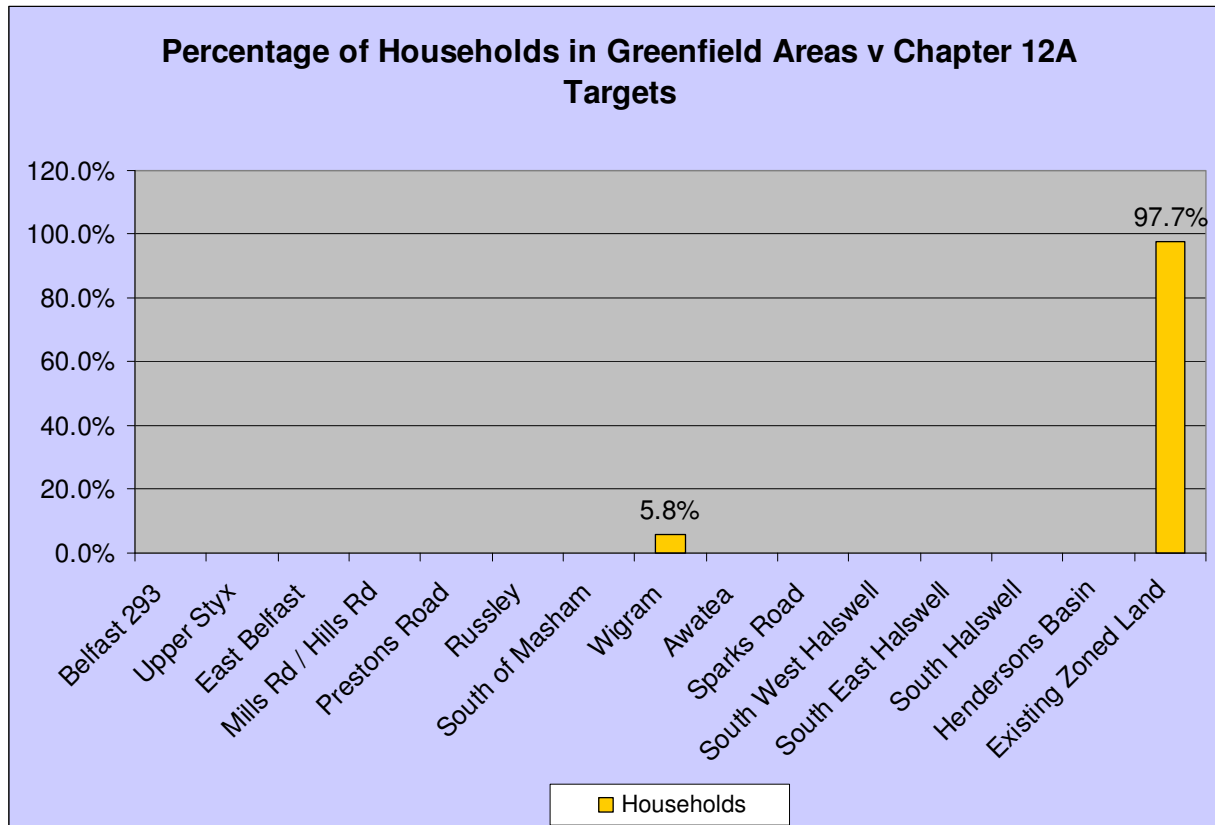
3.2.3 Intensification

A key aim of the UDS is to create a vibrant central city and key activity centres, and consolidate development rather than encouraging low density sprawl. Therefore attaining a target level of intensification (12A.3 Objectives) ensuring the growth of Greater Christchurch is not solely through ongoing Greenfield development. City Centre renewal and Rest of City infill and Brownfield developments combine as Christchurch intensification and the diagram below compares the percentage of actual household growth within these areas to the Chapter 12A targets. The diagram clearly indicates that growth is being realised almost exactly as Chapter 12A intended.



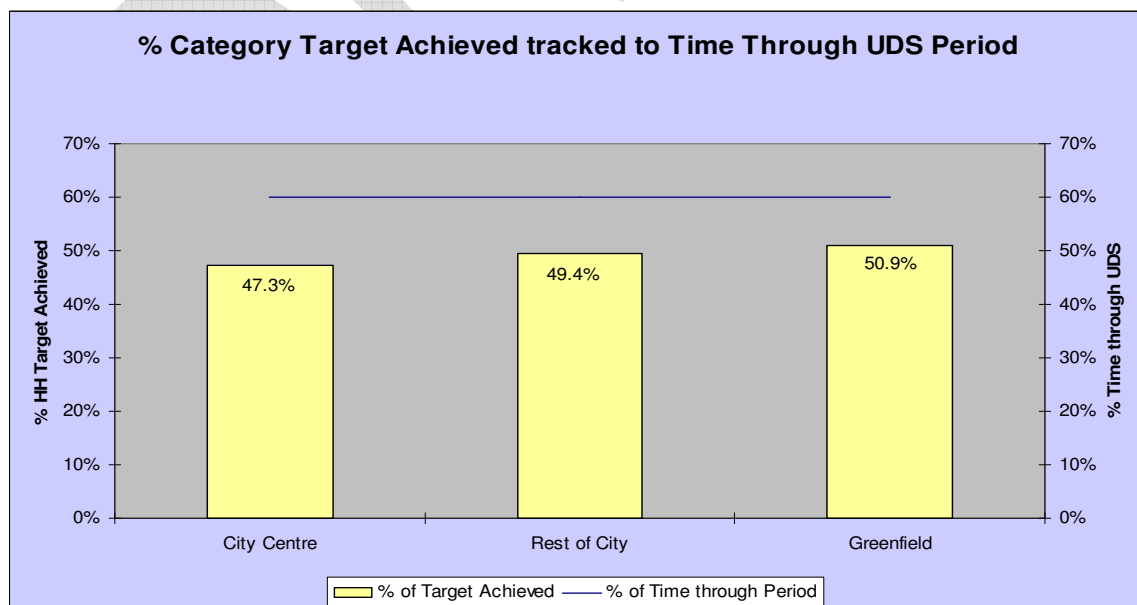
3.2.4 Greenfield Area Household Growth

Table 2 of Chapter 12A notes potential household numbers for Greenfield areas within the identified new growth areas. The following table indicates household growth as a percentage of Table 2 numbers. The noticeable outcome from reviewing the graph is that there has been little household growth within the identified new growth areas, other than land that was already zoned residential prior to adoption of the UDS. Within the next few years, however, these percentages will increase noticeably in areas such as Wigram, SouthWest Halswell and Prestons. Belfast 293 and Awatea, that have achieved residential zoning, are showing signs of being prepared for subdivision applications in the near future. Belfast Park (part of East Belfast), whilst zoned residential, appears some way off in terms of subdivision consent application and delivering housing.



3.2.5 Household Growth to Time

The following graph illustrates Household take up within the CCC categories and compares that to the period of time through the UDS timeframe, 2007-2016. For clarification, City Centre households are at 47.3% of the incremental households planned for the 2007-2016 period, whilst 60% of the UDS 2007-2016 timeframe has elapsed.



3.3 Waimakariri District Council

The Waimakariri District Council (WDC) has started the process of tracking land through development, subdivision and building consent by combining data sources and manually interpreting the information.

WDC	Chapter 12A targets	Adjusted to 2012	Actual data to 2012	% variance	% actual growth
2. Greenfields Areas and existing zoned land	+4150	+2490	+1859	-25%	+16%
3. Rural Residential Areas (outside Urban Limits)	+500	+300	+47	-84%	+3%
4. Existing Rural Zoning	+100	+60	+435	+263%	+78%
TOTALS	+4850	+2850	+2341	-20%	+17%
Red Zone	+1048*	+629		-34%	+17%

* Red zone numbers received from CERA at 12 October 2012, are Kaiapoi (893), Kairaki (71), Pines Beach (84)

WDC are behind Chapter 12A projections by 20% with Rural Residential (-84%) and Greenfield/Existing zoned land (-25%) being the reasons behind the shortfall. Growth is strong within WDC, however, and is tracking within a reasonable tolerance of Chapter 12A projections. Recent Building Consent numbers strongly indicate an increase in activity within the area. The numbers of consents have approximately tripled from a low in 2009 to 2012.

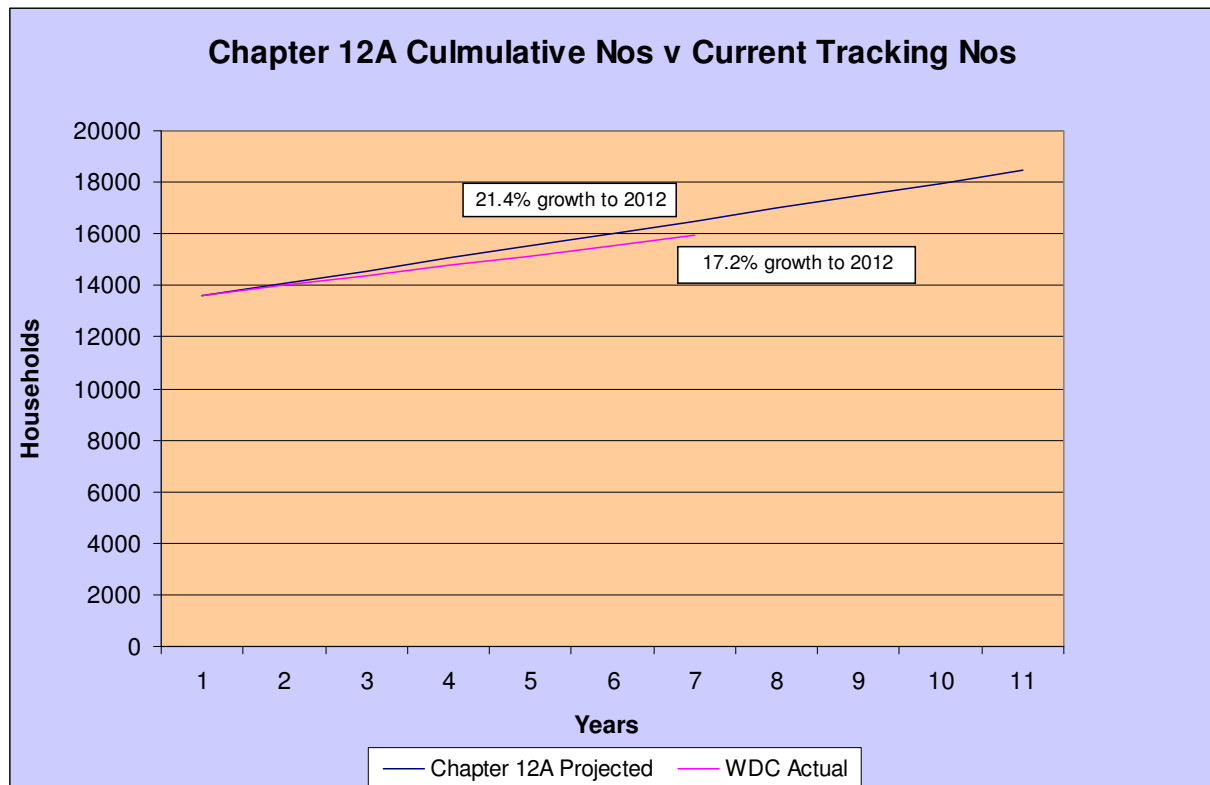
3.3.1 Dealing with the red-zone

It has been determined that the number of red-zoned houses within the Waimakariri District be totalled and added to the incremental targets for the 2007-2016 period. This method of dealing with the red-zone houses has been ratified by IMG. Applying that to the numbers provided at present clearly has a profound affect on the outcome with an additional 1,048 houses required, equating to 629 additional houses to the adjusted 2012 target. This would result in a % variance of – 34% on target numbers. Overall growth of 17% would not be affected as the incremental target numbers have no affect on base numbers.

WDC	Chapter 12A total	Adjusted to 2012	Total to 2012	% variance
Greenfields	+11040	+1735	+ 1859	+ 7.1%

3.3.2 Expected v Actual Growth

As mentioned in CCC above, it is unlikely growth was determined to be linear throughout the periods of the UDS timeframe, however this report highlights it so for purposes of comparison. The following graph indicates the lineal household growth curve in terms of actual vs planned numbers, including indicating the percentage of growth predicted at present day vs percentage of actual growth at present day. WDC growth rate of 17.2%, although behind the UDS targeted growth rate, is high compared to CCC's growth rate of 5.2%, but behind SDC's growth rate of 23.2%.



3.3.3 Greenfield Area Household Growth

Table 2 of Chapter 12A notes potential household numbers for Greenfield areas within the identified new growth areas. Within WDC, greenfield growth is strong, particularly in the Kaiapoi, Pegasus and Rangiora areas. The data available at present is does not allow direct comparison to Table 2 of Chapter 12A and hence, a table of Greenfield area household growth is not included for WDC.

Whilst, at time of print subdivision data was not available to report on, the significant rise in Building Consents from 2009 to 2012 indicates an increase activity which is likely to be reflected in subdivision consent figures.

3.4 Selwyn District Council

The Selwyn District Council (SDC) have manually tracked Greenfield and existing zoned land data from plan change through subdivision consent and building consent with the knowledge they would have to record this information as per Policy 15. They have undertaken this exercise over the last few months.

SDC	Chapter 12A targets	Adjusted to 2012	Actual data to 2012	% variance	% actual growth
2. Greenfields Areas and existing zoned land	+3700	+1850*	+1337	-28%	+ 22%
3. Rural Residential Areas (outside Urban Limits)	+200	+100	+ 0**	- 100%	+ 0%
4. Existing Rural Zoning	+100	+55***	+ 448	+ 715%	+ 224%
TOTALS	+4000	+2400	+ 1785	- 11%	+ 23%

SDC are behind their targeted growth set by Chapter 12A by approximately 11%. They have rezoned a significant amount of land however and the numbers of subdivision consents granted is high which will lead to household growth within the next few years, and likely making up the lost ground. As there was no breakdown provided in the base numbers, the split of the original 7,700 households in 2006 was made mathematically and will need to be proved. The rural zoning data presented highlights the necessity to ensure the base numbers and Chapter 12A targets are a reflection of what was intended.

* SDC have recorded data from July 2007 and are hence one year short. In order to provide a fairer comparison of numbers, the adjusted figure is based on five years of data not six years.

** 148 lots have been created through two plan changes since 2007, however, to date no subdivision or building consents have been lodged.

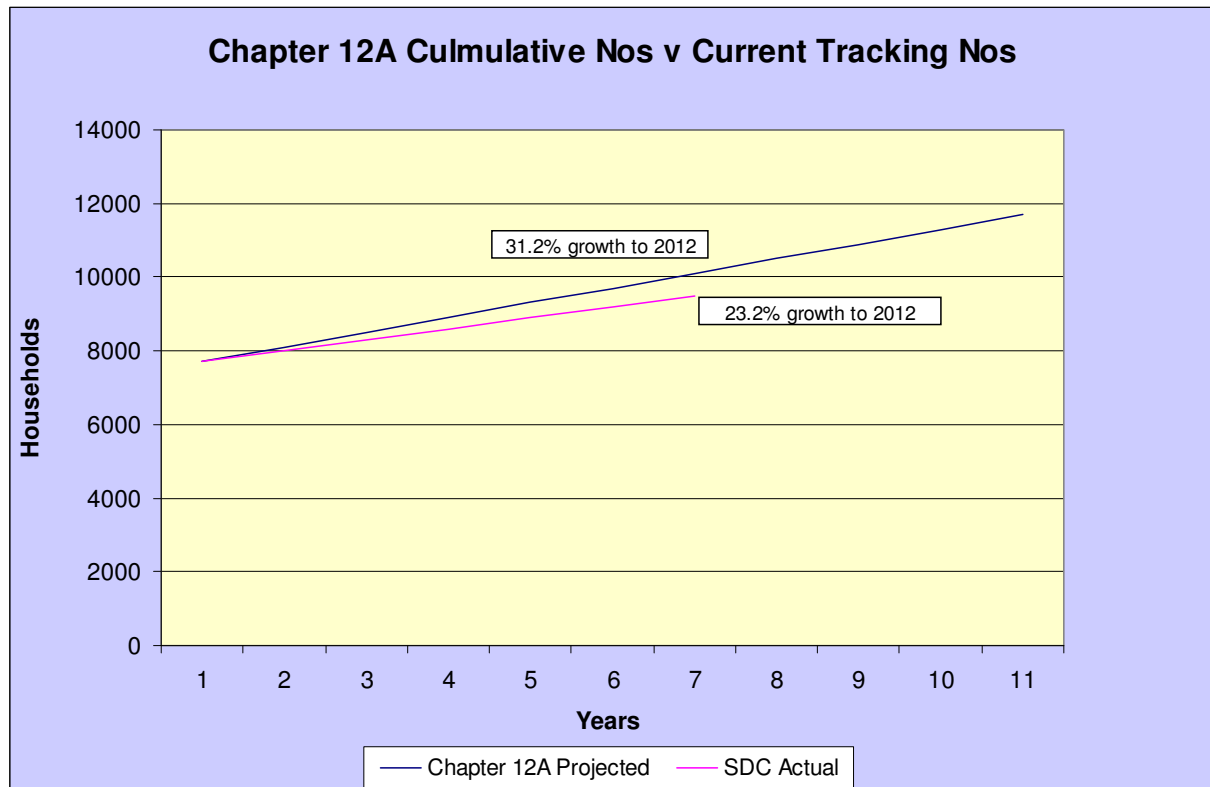
*** SDC have recorded data for calendar years for rural consents. Therefore the rural consent numbers in the table above are compared to 5.5 years of UDS projections, not 5 as greenfield and rural residential numbers are recorded. The numbers obtained make this largely insignificant however, and the trend obtained over time will be of more interest.

SDC	Chapter 12A total	Adjusted to 2012	Total to 2012	% variance
Greenfields	+11750	+1846	+1337	-28%

As above, there are a large number of subdivisions that have recently been granted subdivision consent and/or section 224 from the Council. These will quickly revert to households and likely erode the deficit noticeable at present.

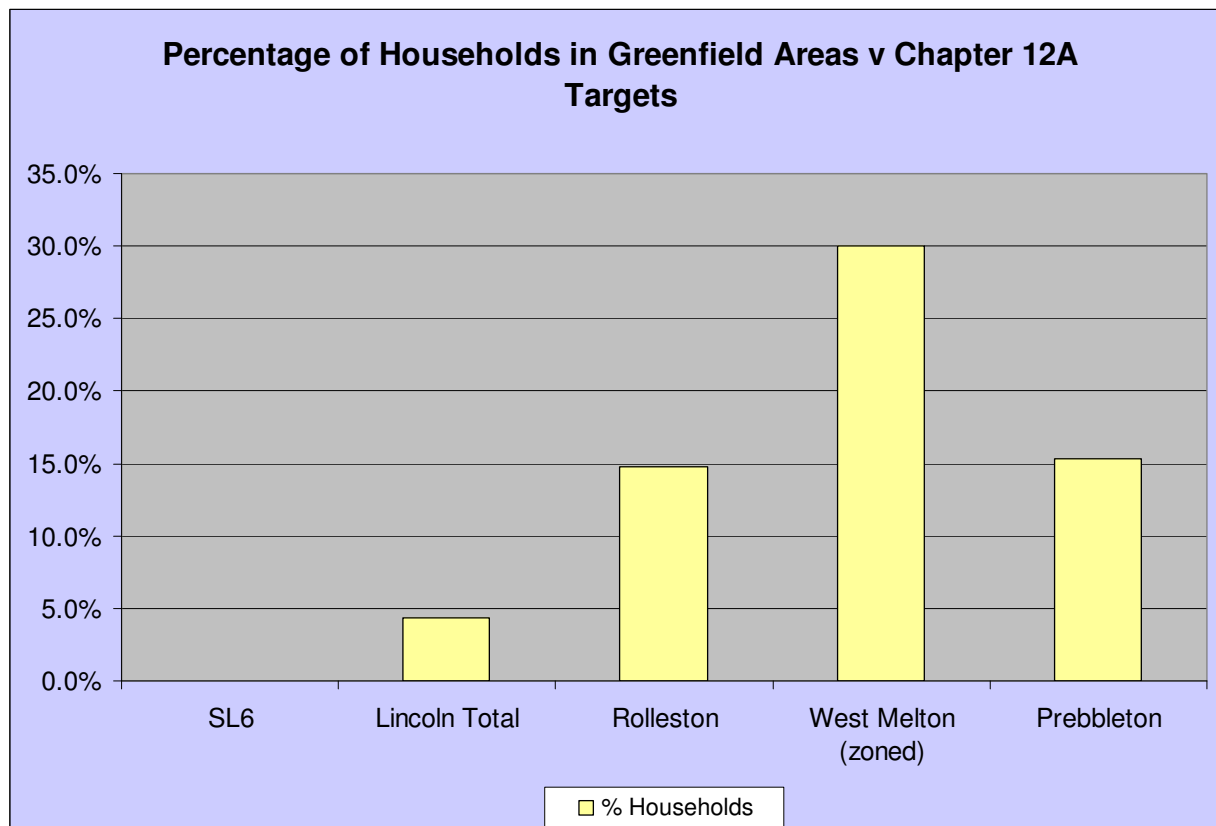
3.4.1 Expected v Actual Growth

The following graph indicates the lineal household growth curve in terms of actual vs planned numbers, including indicating the percentage of growth predicted at present day vs percentage of actual growth at present day. SDC growth rate of 23.2%, although behind the UDS targeted growth rate, is very high compared to CCC's growth rate of 5.2%.



3.4.2 Greenfield Area Household Growth

Table 2 of Chapter 12A notes potential household numbers for Greenfield areas within the identified new growth areas. The following table indicates household growth as a percentage of Table 2 numbers. Within SDC, there is strong Greenfield growth evidenced in the following table. When these figures are considered along with the amount of applications for subdivision consent being currently processed or consented, it is likely these percentages will climb quite markedly within the remainder of the 2007-2016 first UDS timeframe. As an example, Lincoln have 500 consented lots against only 176 Building Consents. Assuming these lots are sold and built on by 2016, that would triple the Lincoln percentage from that indicated below.



4 NEXT STEPS

Whilst the TA's have provided great assistance to provide the data and complete this report, we believe there are significant improvements that could be made, to ensure data can be captured more efficiently to save time and effort for TA planners and other staff. There could also be improvements to ensure all data is in a suitable, identical format across the TA's. Having met and discussed the issues with database experts and TA planners, it appears the best methods for data capture and resultant interpretation and display of the information would be for the information to be recorded spatially, via a GIS format, with consents being geo-coded. This ensures a very small level of duplication for the TA's and provides information on a platform that will have multiple uses. Whilst it is appreciated this is difficult for all TA's to achieve, considering varying budgets and resources – it should remain a goal for all to achieve. ECan and/or CERA or other sources could potentially assist with the logistics and effort to capture this, and various funding streams could be explored to provide necessary resources.

There is a requirement for the potential household numbers in table 2 of Chapter 12A to be reviewed. Whilst the numbers for Greenfield areas are substantial, as the areas develop it is becoming increasingly obvious that these numbers may not be achieved. For example, Wigram Skies has household projections within table 2 indicating 2,205 sections should be created, however developers are indicating that less will be delivered, with potentially 300 to 400 less sections. Prestons might be up to 700 houses short of projections, equating to approximately 1,500 less people. Belfast 293 has also revised its numbers down 200 sections, and Highfield is likely to yield less than indicated in table 2. With these developments yielding less sections than anticipated, there are implications for planning,

infrastructure, developer contributions, planning of community services, etc. It also has implications on the amount of land that needs to be made available for development, should sequencing of land development be relied on and taken further. Although it is early stages, and further monitoring is required, this is potentially a serious issue, if 12A/UDS projections are relied on for the planning of infrastructure, calculating contributions, and the like.

CCC which will, by 2041, have over 75% of the incremental household growth in Greater Christchurch already tracks data spatially, right down to building consent level – which provides data for the vacant land register, giving a very accurate picture of land use and household growth within Christchurch. Ideally SDC and WDC would be able to provide this level of information spatially, ensuring consistent data for ECan and the other UDS partners to track growth, and report on for all interested parties.

Through previous experience with database information and its relative inability to be flexible in its interpretation of data, particularly across multiple disciplines, obtaining geo-coded information would appear to be the best option.

It is clear that land availability and uptake of housing are under enormous scrutiny within Greater Christchurch, as the area recovers from the earthquakes. To understand quickly and efficiently where land is available, what areas are developing fastest and when new areas of land require development is beneficial not only with regard to Policy 15 of Chapter 12A, but for a range of purposes and groups such as:

- The public, to understand where land is available.
- Developers, to assist in planning for future stages of development.
- Councils/CERA to:
 - Ensure appropriate land supply to meet market demands and manage infrastructure and other ancillary development.
 - Accurately understand expected rates and development contributions, leading to clearer revenue forecasting.
 - Obtain greater knowledge of infrastructure requirements to better plan for infrastructure networks and upgrade requirements.
 - Strategically plan for community facilities, green spaces and other long-term investments in the appropriate areas.
- Government Agencies, such as Ministry of Education / Police / CDHB / Fire Service etc, to understand where growth is occurring, leading to long-term planning of needs requirements.

5 CONCLUSION

This report is the first attempt to establish a baseline for monitoring of residential land supply and housing in greater Christchurch. The report demonstrates that there are significant amounts of residential land potentially available for housing, but that for various reasons subdivision applications and building consents have shown a declining trend over the monitoring period. We anticipate that the next report to December 2012 (to be finalised and reported by March 2013) will show significant upturn in activity for subdivision and building consents for new houses in most instances.

There are a number of work streams to be better defined and processes to set in place. However, the information received shows that the TA's are mostly able to deliver the monitoring needs, but need assistance in some areas. As data can be used for many purposes, it is important to ensure it is being derived from one source, and this exercise is proving that is achievable across the TA's, however, it will take time to perfect.

The next report will allow trends to be established against previous data capture and better inform where growth is headed, whether intensification targets remain on track and what the changing face of post-earthquake greater Christchurch may look like.

It is encouraging that this information can be combined and provided across the region, to assist decision makers with regard to all urban growth issues.

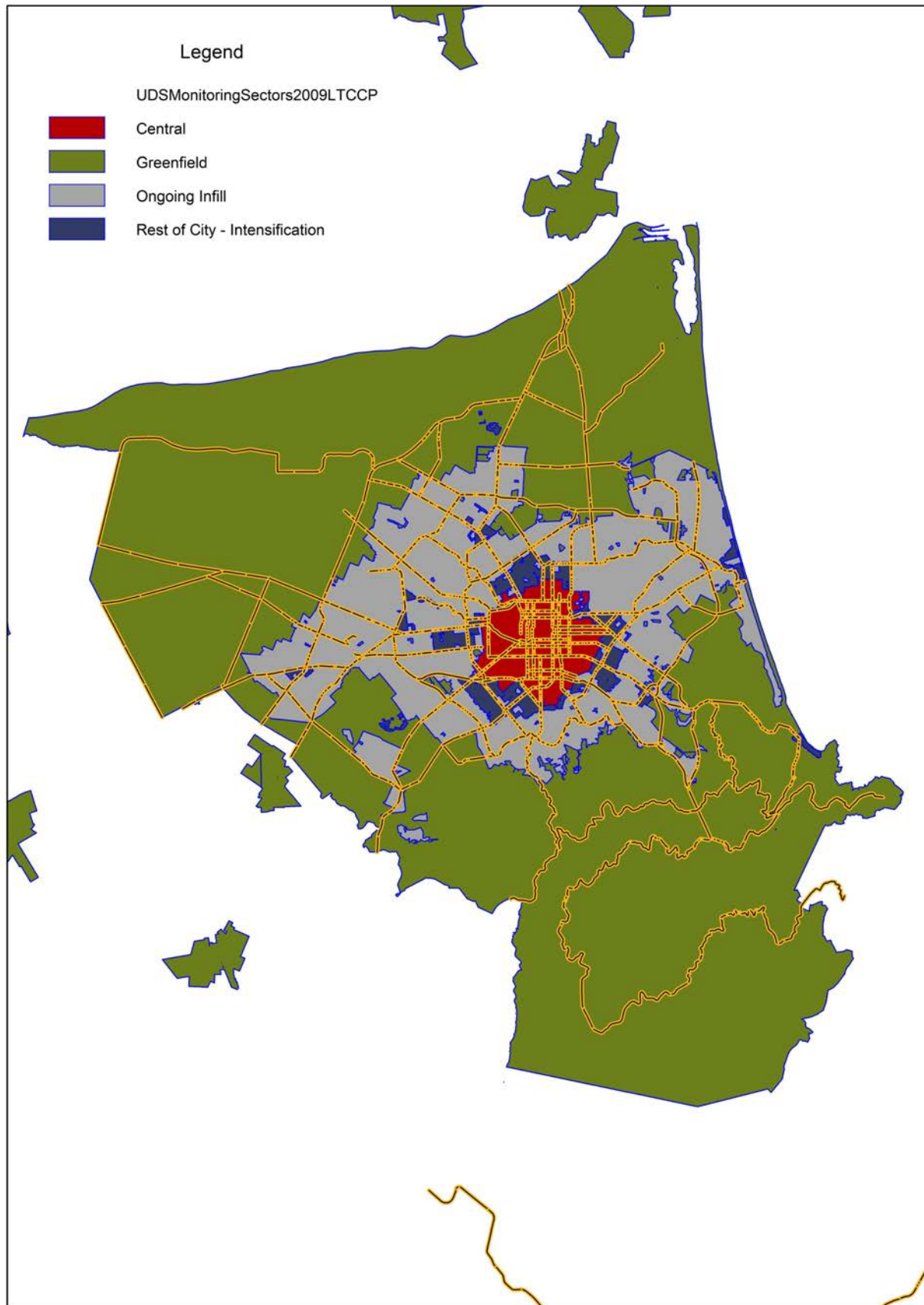
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Appendix A

Christchurch City Council – Map of Categories



Appendix A – CCC Map of Categories



8. RESOLUTION TO EXCLUDE THE PUBLIC

Attached.

GREATER CHRISTCHURCH URBAN DEVELOPMENT IMPLEMENTATION COMMITTEE

RESOLUTION TO EXCLUDE THE PUBLIC

Section 48, Local Government Official Information and Meetings Act 1987.

I move that the public be excluded from the following part of the proceedings of this meeting, namely item 9.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

	GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER	GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF THIS RESOLUTION
9.	CONFIRMATION OF PX MINUTES 14 SEPTEMBER 2012) GOOD REASON TO) WITHHOLD EXISTS) UNDER SECTION 7	SECTION 48(1)(a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

ITEM	REASON UNDER ACT	SECTION	PLAIN ENGLISH REASON	WHEN REPORT CAN BE RELEASED
9.	Maintain legal professional privilege	7(2)(g)	Legal advice to be received by the Committee in confidence.	

Chairperson's

Recommendation: That the foregoing motion be adopted.

Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

- “(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):
- (a) Shall be available to any member of the public who is present; and
 - (b) Shall form part of the minutes of the local authority.”