

SECTION 32 REPORT

Settlement Zone

May 2022

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1 Executive Summary

The report provides an evaluation of the proposed provisions in the Settlement zone chapter of the Proposed Far North District Plan (**PDP**) in accordance with section 32 of the Resource Management Act 1991 (**RMA**). The management of physical and natural resources in an integrated way, including the management of small coastal and rural settlements, is a core function of territorial authorities under section 31(1)(a) of the RMA. The Far North District contains numerous small settlements spread out across the district that vary in size and the types of activities in each settlement. These settlements predominantly contain residential activities, but they can also contain small-scale community, commercial and industrial activities and often act as key community hubs and service centres for surrounding rural communities. Settlements in the District also range in scale, from clusters of 15-20 houses through to larger settlements with 300+ dwellings. The approach in the Operative District Plan (**OPD**) was to zone settlements either Rural Production or Coastal Residential, depending on their location, which did not accurately reflect the activities and character of settlements in the district.

The approach in the PDP is to align the Settlement chapter with the direction set by the National Planning Standards (**Planning Standards**), which anticipate using a specific Settlement zone for *“Areas used predominantly for a cluster of residential, commercial, light industrial and/or community activities that are located in rural areas or coastal environments¹.”* The application of the Settlement zone was based on several key criteria, including a minimum cluster of at least 15 houses and the settlement not having reticulated wastewater servicing. The application of criteria resulted in 35 settlements being identified and zoned as Settlement zone across the district. The policy framework applied to these settlements focused on enabling a mix of compatible activities that support community well-being and enabling activities that are consistent with the character, scale and amenity of rural and coastal settlements. Activities that could result in reverse sensitivity effects on adjacent zones (particularly Rural Production) or are incompatible with being in a settlement are discouraged through the proposed provisions.

The proposed rule framework for the Settlement zone enables a mix of activities that are compatible in a settlement context, provided they can provide adequate on-site infrastructure services. Key standards focus on appropriate bulk and location controls and outdoor living space, outdoor storage and landscaping requirements. It is anticipated that this combination of activity and standard controls will support settlements to adapt and grow to suit the needs of residents and rural communities in the surrounding area while maintaining the character and amenity of those settlements. Overall, this section 32 evaluation concludes that the objectives for the Settlement zone chapter in the PDP are an appropriate way to achieve the purpose of the RMA and the proposed provisions are the most appropriate way to achieve the objectives, based on an assessment of effectiveness, efficiency, benefits and costs.

¹ Description of ‘Settlement Zone’ in the National Planning Standards.

2 Introduction and Purpose

2.1 Purpose of report

This report provides an evaluation undertaken by the Far North District Council (**Council**) in preparation of district plan provisions for the Settlement zone chapter in the Proposed Far North District Plan (**PDP**). This evaluation report is required under section 32 of the Resource Management Act 1991 (**RMA**).

Section 32 of the RMA requires Councils to examine whether the proposed objectives in proposed plans are the most appropriate to achieve the purpose of the RMA and whether the provisions (i.e. policies, rules and standards) are the most appropriate way to achieve the objectives. This assessment must assess the effectiveness and efficiency of the provisions in achieving the objectives, including the environmental, economic, social, and cultural effects, benefits and costs anticipated from the implementation of the provisions. Section 32 evaluation reports are part of on-going process in RMA plan development and a further evaluation under section 32AA of the RMA is expected in response to submissions received on the Settlement zone chapter following notification of the PDP.

While this report covers the provisions in the Settlement zone chapter, the other closely related chapter to consider is Subdivision. The elevation for these sections is set out in the evaluation report specific to each topic.

2.2 Overview of topic

This section 32 evaluation report relates to the PDP provisions that apply to the 'Settlement zone', with a focus on the management of land use activities within that zone and how activities in the zone interact with adjacent zones. The Settlement zone is a new zone in the PDP that is aligned with the categories of district plan zones provided for in the national planning standards. The Settlement Zone is intended to cover a large number of small settlements in rural and coastal areas of the district that are not reticulated and are of a smaller scale than the main urban centres that are zoned urban.

Under the Operative Far North District Plan (**OPD**), small rural settlements are typically either zoned Rural Production or Coastal Residential (a few lots are zoned Commercial or Industrial). The Settlement zone is intended to ensure these settlements remain predominately for residential activities, while also providing for compatible small-scale community, commercial and industrial activities where these are consistent with the scale, character, intensity and amenity of the settlement. This is aligned with the National Planning Standards (**NPS**) definition of Settlement zone which is broadly applicable to small clusters of residential, commercial, light industrial and/or community activities in rural and coastal areas. As such, the Settlement zone has been applied to unreticulated rural and coastal settlements in the district. In some cases, the Settlement zone has been applied to predominantly Māori settlements that are not eligible for a Māori Purpose Zone because the land is held in general title.

3 Statutory and Policy Context

3.1 Resource Management Act 1991

The **Section 32 Overview Report for the PDP** provides a summary of the relevant statutory requirements in the RMA relevant to the PDP. This section provides a summary of the matters in Part 2 of the RMA (purpose and principles) of direct relevance to the Settlement Zone.

Section 74(1) of the RMA states that district plans must be prepared in accordance with the provisions of Part 2. The purpose of the RMA is the sustainable management of natural and physical resources which is defined in section 5(2) of the RMA as:

“...sustainable management means managing the use, development and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural wellbeing, and for their health and safety while –

- (a) Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
- (b) Safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
- (c) Avoiding, remedying, or mitigating any adverse effects of activities on the environment.”*

To achieve the purpose of the RMA, all those exercising functions and powers under the RMA are required to:

- Recognise and provide for the matters of national importance identified in section 6
- Have particular regard to a range of other matters in section 7
- Take into account the principles of the Treaty of Waitangi in section 8 of the RMA.

There are no section 6 matters directly relevant to the Settlement Zone. If overlays that address section 6 matters (e.g. historic heritage sites) in the Historical and Cultural Values, Natural Values and Natural Hazards chapters of the PDP overlap with the Settlement Zone, then the more stringent rules in those chapters prevail.

The following section 7 matters are directly relevant to the Settlement Zone:

- (a) The maintenance and enhancement of amenity values...:
- (b) Maintenance and enhancement of the quality of the environment...

Section 8 is relevant insofar as the location of the Settlement zone will have an impact on Māori communities, either through zoning a Māori community as Settlement zone (e.g. Mangamuka) or through split zoning a Māori community Settlement Zone and Māori Purpose Zone (e.g. Panguru or Te Kao).

3.2 Higher order planning instruments

Section 75(3) of the RMA requires district plans to give effect to higher order planning instruments - National Policy Statements (**NPS**), the New Zealand Coastal Policy Statement (**NZCPS**), National Planning Standards (**Planning Standards**), and the relevant Regional Policy Statement (**RPS**). The **Section 32 Overview Report** provides a more detailed summary of the relevant RMA higher order planning instruments relevant to the PDP. The sections below provide an overview of provisions in higher order planning instruments directly relevant to the Settlement Zone.

3.2.1 National Planning Standards

Section 75(3)(ba) of the RMA requires that district plans give effect to a Planning Standards. The Planning Standards were gazetted in April 2019 and the purpose is to assist in achieving the purpose of the RMA and improve consistency in the structure, format and content of RMA plans.

Zone Framework Standard 8 in the national planning standards sets out the zones that may be included in district plans. Under this standard, the Settlement zone is defined as

“Areas used predominantly for a cluster of residential, commercial, light industrial and/or community activities that are located in rural areas or coastal environments.”

This definition suggests that the Settlement zone is broadly applicable to small clusters of residential, commercial, light industrial and/or community activities in rural and coastal areas and there are numerous settlements of this nature in the Far North district. However, where a town or urban centre is of a size that warrants separate urban zoning (e.g. commercial v residential) then the Settlement Zone will not be applicable or appropriate. Although the issue of servicing is not covered in the National Planning Standard definition of a Settlement zone, the absence of reticulated services (particularly wastewater) is another factor that has influenced whether a settlement or town is zoned Settlement zone e.g. Moerewa is large enough to qualify for separate urban zoning to make distinctions between different activities but has been zoned Settlement as it is not connected to reticulated services.

3.2.2 National Policy Statements

Section 75(3)(a) of the RMA requires that district plans give effect to any National Policy Statement (NPS). There are no NPS directly relevant to the Settlement zone (other than the New Zealand Coastal Policy Statement 2010 addressed below).

3.2.3 New Zealand Coastal Policy Statement 2010

The New Zealand Coastal Policy Statement 2010 (NZCPS) is mandatory under the RMA. The purpose of the NZCPS is to state objectives and policies to achieve the purpose of the RMA in relation to the coastal environment. The NZCPS applies to the Coastal Environment and is relevant for the policy framework that applies to Rural Coastal Settlements in the district, particularly areas subject to Coastal Hazard Risks and areas with Outstanding Natural Character. The table below outlines the provisions in the NZCPS directly relevant to the Settlement zone.

NZCPS	
Policy 6	Activities in the coastal environment
Policy 7	Strategic planning
Policy 13	Preservation of natural character
Policy 25	Subdivision, use, and development in areas of coastal hazard risk

Overall, the NZCPS policies anticipate some subdivision, use and development in the coastal environment, but only in specified circumstances. The NZCPS also provides clear direction to consolidate existing coastal settlements to avoid sprawling or sporadic growth, preserve the natural character of the coastal environment, and to avoid development that would increase the risk of adverse effects from coastal hazards. These policies are particularly important in determining the appropriate growth for the 24 coastal settlements in the district.

3.2.4 National Environmental Standards

Section 44 of the RMA requires local authorities to recognise National Environmental Standards (NES) by ensuring plan rules do not conflict or duplicate with provisions in a NES. There are no NES directly relevant to the Settlement Zone.

3.2.5 Regional Policy Statement for Northland

Section 75(3)(c) of the RMA requires district plans to ‘give effect’ to any RPS. The RPS was made operative on 14 June 2018. The table below outlines the provisions in the RPS directly relevant to the Settlement Zone.

RPS	
Objective 3.5	Enabling economic wellbeing
Objective 3.11	Regional form
Policy 5.1.1	Planned and co-ordinated development
Policy 5.1.2	Development in the coastal environment
Policy 5.1.3	Avoiding the adverse effects of new use(s) and development

These provisions are provided in full in **Section 9**. In summary, these RPS objectives and policies require the PDP provisions relating to the Settlement zone to:

- Manage resources in a way that is attractive for business and investment to improve the economic wellbeing of communities
- Effectively integrate the infrastructure of settlements with proposed subdivision, use and development
- Ensure settlements have a sense of place, identity and support a range of lifestyle, employment and transport choices
- Ensure subdivision, use and development in the Settlement zone is guided by the ‘Regional Form and Development Guidelines’ in the RPS
- Ensure the Settlement zone recognises potential cumulative effects of subdivision, use and development
- Avoid potential reverse sensitivity effects from settlements on adjacent productive rural zones and adjacent existing or planned regionally significant infrastructure
- Consolidate settlements in coastal areas and avoid further sprawl.

The provisions in the PDP for the Settlement zone are consistent with these RPS objectives and policies as the Settlement zone provisions provide for a range of activities (including residential plus other commercial and community activities) and directs those activities to have appropriate on-site servicing. The Settlement zone provisions also consider potential reverse sensitivity effects at the zone interface and aim to consolidate settlements within the Settlement zone boundary.

3.3 Proposed Regional Plan for Northland

Section 75(4)(b) of the RMA states that district plans must not be inconsistent with a regional plan for any matter stated in section 30(1) of the RMA. The operative Northland Regional Plans and proposed Northland Regional Plan are summarised in the **Section 32 Overview Report**. The table(s) below provides an overview of regional plan provisions directly relevant to the Settlement Zone.

Proposed Northland Regional Plan	
Objective F.1.5	Enabling economic well-being ²
Objective F.1.11	Improving Northland’s natural and physical resources
Policy D.2.2	Social, cultural and economic benefits of activities

² This objective is subject to appeal.

These provisions are provided in full in **Section 10**. In summary, these regional plan objectives and policies seek to:

- Manage natural and physical resources in way that is attractive for business and investment that will improve the economic well-being of Northland and its communities
- Provide for the economic well-being of settlements by recognising the significant benefits of providing for local employment
- Have regard to the social, cultural and economic benefits of proposed activities, recognising the significant benefits to local communities, Māori and the wider region, particularly in areas where alternative opportunities are limited
- Enable and positively recognise activities that contribute to improving Northland's natural and physical resources.

The provisions in the PDP for the Settlement zone are consistent with these regional plan objectives and policies as the Settlement zone provisions enable compatible activities within the zone that support economic and social well-being.

3.3.1 Iwi and Hapū Environmental Management Plans

When preparing and changing district plans, Section 74(2A) of the RMA requires Council to take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority, to the extent that its content has a bearing on the resource management issues of the district. At present there are ten iwi planning documents accepted by Council which are set out and summarised in the Section 32 Overview Report. The plans contain statements of identity and whakapapa and identify the rohe over which mana whenua are held. The cultural and spiritual values associated with the role of kaitiaki over resources within their rohe are articulated.

Many of the identified issues within the various management plans relate to concerns over Genetically Modified Organisms, Cultural Landscapes, Sites of Cultural Significance, Indigenous flora and fauna, Public Access, Climate Change, Minerals, Soil, Air quality and Water quality, particularly with regards to Subdivision and development activities. The plans also identify the wellbeing of the environment and its inhabitants as being an important consideration. The objectives and policies refer to the amenity values of the environment, landscapes and features as being important and requiring management.

In summary, these plans acknowledge the potential impacts of land use and subdivision on the environment as key issues. However, they predominantly focus on the impact of land use and subdivision rules on their own whenua, which will largely be covered by the Māori Purpose Zone as opposed to the Settlement Zone.

3.4 Other Legislation and Policy Documents

When preparing or changing a district plan, section 74(2)(b)(i) of the RMA requires council to have regard to management plans and strategies prepared under other Acts to the extent that it has a bearing on resource management issues of the district. The **Section 32 Overview Report** provides a more detailed overview of strategies and plans prepared under legislation that are relevant to PDP. This section provides an overview of other strategies and plans directly relevant to the Settlement Zone.

3.4.1 Long Term Plan – Community Outcomes

The community outcomes identified through the Long-Term Plan under the Local Government Act 2002 (LGA) are relevant to the Settlement Zone. The community outcomes are as follows:

- ***Communities that are healthy, safe, connected and sustainable*** - *Our aspiration is that communities have access to everything that they need to have a good quality of life. We have the freedom of opportunity and choice in the way that we live. We know our communities and can participate in all that they have to offer.*

- **Connected and engaged communities prepared for the unexpected** - Our communities are aware, informed and well-equipped to be able to respond to an unexpected event. We are resilient and know that we can look to each other to get through whatever comes our way. This is our strength.
- **Proud, vibrant communities** - Our communities celebrate who they are and where they live. We embrace and respect the diversity within our communities and take pride in our unique places and spaces. We are working together to achieve our aspirations.
- **Prosperous communities supported by a sustainable economy** - Our communities are unlocking the potential of our district and are empowered to pursue opportunities. We are leveraging our valuable resources and producing quality products that will directly support our communities. Our communities are known for quality, for manaakitanga and for prosperity.
- **A wisely managed and treasured environment that recognises the special role of tangata whenua as kaitiaki** - Our natural resources are valued and are thriving. We are safeguarding them for the future and ensuring that they are being used sustainably. We are actively seeking balance in the environment to maintain its life-sustaining properties for everybody to enjoy.
- **We embrace and celebrate our unique culture and heritage and value it as a source of enduring pride** - Our unique culture and heritage define our journey as a district. We embrace and respect all cultures within our communities, and we are proud of our unique history.

The Settlement Zone provisions align with these community outcomes, specifically the desire to have access to things necessary for a good quality of life, e.g. employment opportunities and access to services close to where people live. Providing for a mixture of commercial and industrial activities in settlements means there are opportunities for communities to form a sustainable local economy. Finally the objectives and policies for the zone recognise the unique character of each settlement and require decision makers to consider adverse effects in the context of impacting the character and amenity currently enjoyed by residents, which is consistent with the desired outcomes for proud and vibrant communities that celebrate unique culture and heritage.

3.4.2 Long Term Plan – Infrastructure Strategy 2021 – 2051

This Infrastructure Strategy has been prepared in accordance with the requirements of Section 101B of the LGA. The Infrastructure Strategy:

- Identifies the significant infrastructure issues for transport, water, wastewater and stormwater in the district over the next 30 years (2021-2051)
- Summarises the main options for managing those issues, Council’s strategic response and the likely course of action
- Sets out the likely cost implications of managing infrastructure over the next 30 years.

Of particular importance to the Settlement zone is that funding is focused on addressing issues and undertaking upgrades of existing urban three waters infrastructure, rather than investment in new three waters infrastructure for existing coastal and rural settlements³. This indicates that settlements that are not serviced are unlikely to gain access to new services in the next 30 years so will likely rely on on-site servicing solutions for the life of this district plan. It also means that any settlements that do have some reticulated water supply or stormwater infrastructure are unlikely to see that infrastructure upgraded or extended in the next 30 years.

³ Refer: [our-infrastructure-strategy.pdf \(fndc.govt.nz\)](#)

4 Current State and Resource Management Issues

This section provides an overview of the relevant context for the Settlement Zone, current approach to manage the Rural and Coastal Settlements through the OPD, and key issues raised through consultation. It concludes with a summary of the key resource management issues for the Settlement Zone to be addressed through the PDP.

4.1 Context

The Far North District has a range of Rural and Coastal Settlements that vary significantly in size, but also vary in terms of their function and the range of services they provide to their communities. Larger settlements such as Moerewa, Houhora Heads/Pukenui and Okaihau have 100-300 houses and provide a range of commercial and community services, whereas smaller settlements such as Waimamaku may only have 15-20 houses and no other services or businesses.

The key criteria for identifying settlements were that a potential settlement:

- **Must** have at least 15 houses clustered around a central point (i.e. not just a ribbon of houses along a stretch of road)
- **Must** not have reticulated wastewater servicing (all wastewater reticulated areas have been given an urban zoning)
- **May have** an existing Urban zoning or Coastal Residential zoning (although there are a few exceptions where a settlement has a Rural Production zoning under the Operative Plan i.e. Mangamuka)
- **May have** existing commercial activities or existing community infrastructure (e.g. schools, halls, churches etc).

In addition, consideration was also given to the existing subdivision pattern and size of existing lots, as a cluster of smaller lots (i.e. around 3,000m² or smaller) indicated a Settlement zone, whereas larger lots were more appropriately zoned Rural Production.

The full list of settlements and how they were identified in relation to the specified criteria is attached as **Appendix 1**, however the following table provides some overall information about the number and size of settlements in the Far North District. Note that only two settlements have over 300 houses and most settlements have less than 100 houses:

Settlements in the Far North District		
Total number of places / communities reviewed and considered	54	
Number of settlements only zoned Settlement Zone	24	
Number of settlements to be split zoned Settlement zone and Māori Purpose zone	9	
Number of settlements to be split zoned Settlement zone and Rural Lifestyle zone	2	
Number of houses within identified settlements	Number of houses	Number of settlements
	>400	2
	300-400	1
	200-300	4
	100-200	8
	50-100	11
	<50	9

4.2 Operative District Plan Approach

4.2.1 Summary of current management approach

The ODP includes a chapter on the urban environment, which includes a residential zone, commercial zone and industrial zone, and a rural environment chapter which includes a Rural Production zone, Rural Living Zone and Minerals Zone. There is also a coastal environment chapter which includes a General Coastal Zone, Coastal Living Zone, Coastal Residential Zone and a number of Special Purpose Zones specific to different settlements. Each zone chapter includes specific provisions intended to achieve the desired outcomes for that zone. The effectiveness of those provisions are discussed in more detail in the Overview Section 32 Report and the section 32 reports for the residential, rural, commercial and mixed use, and industrial zones.

4.2.2 Limitation with current approach

The Council has reviewed the current operative district approach, which has been informed internal workshops and feedback from the community and stakeholders on the draft district plan. A number of limitations with the current operative district plan approach have been identified through this process, including:

- The zones in the Operative District Plan are not aligned with the district plan zones provided for in the national planning standards and need to be updated
- The approach to how small rural and coastal settlements are zoned in the Operative District Plan does not provide sufficient clarity on the desired outcomes for these settlements and the appropriate mix of activities to be located within these settlements

- The Operative District Plans does not provide sufficient direction on how to manage the interface between rural and coastal settlements and the Rural Production Zone and potential reverse sensitivity effects.

4.3 Key issues identified through consultation

The **Section 32 Overview Report** provides a detailed overview of the consultation and engagement Council has undertaken with tangata whenua, stakeholders and communities throughout the district to inform the development of the PDP and the key issues identified through this consultation and engagement. This section provides an overview of key issues raised through consultation on the draft district plan in relation to the Settlement Zone and a summary of advice received from iwi authorities on the Settlement zone.

4.3.1 Summary of issue raised through consultation

There was a moderate level of interest in the Settlement Zone from the community through consultation and engagement of the PDP. Key issues identified through this process include:

- Various requests for amendments to zoning boundaries, either to include or exclude specific properties/settlements within the Settlement Zone.
- Concern about the extent to which commercial activities will be provided for in the Settlement Zone and the extent of the Commercial Overlay. There was feedback from some submitters that:
 - The Commercial Overlay does not cover all existing commercial activities (e.g. supermarkets.)
 - Each Settlement Zone should have at least a small area of Commercial Overlay or be more permissive of commercial activities outside Commercial Overlay (e.g. discretionary rather than non-complying).
 - The provisions should clarify what activities are considered to be commercial activities to provide more certainty to plan users.
- Request to redraft the Settlement Zone provisions to specify building and structure rules (rather than standards) to ensure consistency with the drafting of other zone chapters, particularly the Mixed-Use Zone in the draft district plan.
- Requests to clarify some of the accessory building, additions and alterations and outdoor living rules from individual submitters.
- Potential gap in the rules regarding residential density based on the number of bedrooms, as the standards do not apply to sites less than 1,000m².

4.3.2 Summary of advice from iwi authorities

Section 32(4A)(a) of the RMA requires that evaluation reports include a summary of advice on a proposed plan received from iwi authorities. The **Section 32 Overview Report** provides an overview of the process to engage with tangata whenua and iwi authorities in the development of the PDP and key issues raised through that process. One piece of feedback was received from Iwi Authorities regarding the Settlement provisions. Section 3.4 above provided a summary of the key concerns and issues raised in hapū and iwi environmental management plans. In summary the feedback stated:

- Majority of Maori communities live and rely on the services of this zone.

Section 5 of this report outlines how the proposed management approach responds to this advice in accordance with section 32(4A)(b) of the RMA.

4.4 Summary of Resource Management Issues

Based on the analysis of relevant context, current management approach, and feedback from consultation, the key resource management issues for the Settlement Zone to be addressed through the PDP are:

- Ensuring that small rural and coastal settlements in the district are appropriately zoned with provisions that support the economic, social and cultural well-being of those communities
- Providing for an appropriate mix of residential, community, commercial, and light industrial activities in the Settlement zone that is consistent with on the character, scale and amenity of each settlement
- Ensuring that residential and non-residential activities provide on-site infrastructure unless reticulated services are available.
- Ensuring that subdivision provisions provide for lots consistent with the character of the settlement and have sufficient land area to provide for onsite infrastructure.

5 Proposed District Plan Provisions

The proposed provisions are set out in the Settlement Zone chapter of the PDP. These provisions should be referred to in conjunction with this evaluation report.

5.1 Strategic Objectives

The PDP includes a strategic direction section which is intended high level direction for the PDP and guidance on how best to implement the strategic outcomes sought in the PDP. The strategic objectives of direct relevance to Settlement Zone chapter are:

- **SD-SP-04: Promotion of communities and places that will meet the needs for not only our present population but future generations which are adaptive to climate change.** - Applying the Rural Production zone across the majority of the District with a single set of provisions has not appropriately responded to issues faced by our different areas and communities. It is also important that the District Plan acknowledges and reflects that rural settlements differ from urban centres in terms of what they need and what communities expect from their living and working environment.
- **SD-UFD-03: Appropriate development infrastructure in place or planned to meet the anticipated demands for housing and business activities.** The ability to provide the infrastructure expected by our communities is limited by the Districts low population density, socio-economic constraints, the impacts of natural hazards and climate change, and incompatible land uses. This has resulted in parts of the District having limited access to efficient, resilient and affordable infrastructure and services. A lack of consolidated and coordinated development has resulted in inefficient use of existing infrastructure and has compromised the affordability of future infrastructure provision.
- **SD-UFD-04: Urban growth and development resilient and adaptive to the impacts from natural hazards or climate change.** Some urban zoned land (commercial, mixed-use, industrial, and residential) in our District is not currently serviced by infrastructure. An urban zoning leads to an expectation that services are either already available or will be provided to enable development to occur. However, demand for urban infrastructure must be balanced against what our communities can afford. Consideration should be given to the provision of on-site infrastructure to promote community resilience to climate change.

5.2 Proposed management approach

This section provides a summary of the proposed management approach for the Settlement Zone focusing on the key changes from the Operative District Plan. The **Section 32 Overview Report** outlines and evaluates general differences between the PDP provisions and Operative District Plan, includes moving from an effects-based plan to a 'hybrid plan' that includes effects and activities-based planning and an updated plan format and structure to align with the national planning standards.

The main changes in the overall proposed management approach are:

- Applying a single Settlement Zone to existing small rural and coastal settlements in the district rather than an inconsistent mix of rural and urban zones
- Revised objectives and policies for the Settlement Zone that clarify the desired outcomes for the zone, focusing on enabling a mix of compatible activities that support community well-being
- Provisions to enable activities that are consistent with the character, scale and amenity of rural and coastal settlements and discourage those activities that are incompatible and/or are likely to have significant adverse effects on existing character and amenity
- Provisions to manage reverse sensitivity effects between the Settlement Zone and adjacent zones.

The sections below provide a high-level summary of the objectives, policies, and rules and other methods for the Settlement Zone chapter.

5.3 Summary of proposed objectives and provisions

This section provides a summary of the proposed objectives and provisions which are the focus of the section 32 evaluation in section 7 and 8 of this report.

5.3.1 Summary of objectives

The proposed management approach for the Settlement Zone includes objectives that:

- Ensure that settlements provide for low density residential activities but also other compatible activities and services
- Ensure that subdivision, use and development achieves a scale and intensity that reflects the rural and coastal character and amenity of each settlement
- Recognise that the physical and environmental attributes of a site and any infrastructure constraints will determine whether a particular subdivision, use or development is appropriate.
- Aim to manage potential reverse sensitivity effects both within the zone and at the interface with other zones.

5.3.2 Summary of provisions

For the purposes of section 32 evaluations, 'provisions' are the *"policies, rules, or other methods that implement, or give effect to, the objectives of the proposed plan or change"*.

The proposed management approach for the Settlement Zone includes policies that:

- Enable a range of residential and complementary non-residential activities to establish in the Settlement Zone
- Ensure all residential activities can provide adequate on-site infrastructure services
- Enable non-residential activities in the Settlement Zone if they are an appropriate scale, intensity, character and amenity, support community well-being, can provide adequate on-site infrastructure and do not undermine urban centres
- Avoid land use and development that results in reverse sensitivity effects
- Set out specific matters to consider when assessing the adverse effects of development in the Settlement Zone through resource consent processes.

The proposed management approach for the Settlement Zone includes rules and standards that:

- Provide for the following activities as permitted activities, subject to compliance with various standards:
 - Residential activity
 - Minor residential unit
 - Accessory buildings and structures (including additions and alterations)
 - Relocated buildings

- Fences and boundary walls
- Visitor accommodation
- Home business
- Education facility
- Grazing of animals (except pig farming)
- Commercial activity (subject to gross floor area caps of 300m² for retail and 100m² for offices)
- Community and healthcare facility (subject to gross floor area cap of 300m²)
- Provide for industrial activities as a discretionary activity subject to a 300m² gross floor area cap
- Provide for any activity not provided for as a permitted or non-complying activity as a discretionary activity
- Provide for the following activities as non-complying activities:
 - Mining and quarrying
 - Offensive trade
 - Intensive indoor primary production
- Key standards are controls on bulk and location of structures (max height, height in relation to boundary etc), size of outdoor living space, outdoor storage and landscaping requirements.
- Provide for subdivision that enables as a controlled activity lots of 3,000m² and 1,500m² as a discretionary activity.

5.3.3 Responding to advice from iwi authorities

Section 32(4A) of the RMA requires evaluation reports to summarise advice received from iwi authorities on a proposed plan and the response to that advice, including any provisions that are intended to give effect to the advice. Section 4.3.2 of this report provides a summary of advice received from iwi authorities on the Settlement Zone which focused on services provided in these settlements. The proposed management approach responds to this advice as follows:

- Te Runanga O Ngāti Rēhia
 - *Majority of Māori communities are in these and rely on the services of this zone.* The feedback was a statement rather than requesting any changes or demonstrating support for the zone provisions. The zone provides for commercial, industrial and community activities, which will allow for the continued operation and expansion of services in these rural / coastal settlements.

6 Approach to evaluation

6.1 Introduction

The overarching purpose of section 32 of the RMA is to ensure all proposed statements, standards, regulations, plans or changes are robust, evidence-based and are the most appropriate, efficient and effective means to achieve the purpose of the RMA. At a broad level, section 32 requires evaluation reports to:

- Examine whether the objectives in the proposal are the most appropriate to achieve the purpose of the RMA
- Examine whether the provisions are the most appropriate way to achieve the objectives through identifying reasonably practicable options and assessing the efficiency and effectiveness of the provisions, including an assessment of environment, economic, social and cultural economic benefits and costs.

These steps are important to ensure transparent and robust decision-making and to ensure stakeholders and decision-makers can understand the rationale for the proposal. There are also

requirements in section 32(4A) of the RMA to summarise advice received from iwi authorities on the proposal and the response to that advice through the provisions.

6.2 Evaluation of scale and significance

Section 32(1)(c) of the RMA requires that evaluation reports contain a level of detail that corresponds with the scale and significance of the environmental, economic, social and cultural effects that are anticipated from the implementation of this proposal. This step is important as it determine the level of detail required in the evaluation of objectives and provisions so that it is focused on key changes from the status quo.

The scale and significance of the environmental, economic, social and cultural effects of the provisions for the Settlement Zone are evaluated in the table below. It is also important to note that urban sustainability and affordable infrastructure were identified as Significant Resource Management Issues (SRMI) for the district which was re-enforced through consultation, highlighting the need to provide for settlements that have urban characteristics but do not have the reticulated infrastructure available to support urban intensification.

Criteria	Comment	Assessment
Raises any principles of the Treaty of Waitangi	The proposed provisions have limited significance in relation to the principles of the Treaty of Waitangi for most settlements, however there is medium significance for the eight settlements that are split zoned between the Settlement and Māori Purpose Zone.	Medium
Degree of change from the Operative Plan	This is a new zone proposed for the Far North District Plan to replace a mixture of urban zones, Rural Production Zone and the Coastal Residential Zone (the current operative zoning of most settlements). The degree of change from the Operative Plan varies for each settlement depending on what the current zone is under the Operative Plan. For land currently zoned Coastal Residential or with an urban zone there will be little change in terms of residential density, servicing requirements and subdivision opportunities (although operative urban zones allowed for more intensive subdivision and development, the lack of reticulated services meant these opportunities were not able to be taken up). However, for properties within settlements currently zoned Rural Production, the degree of change will be more significant. The most significant change across all land zoned Settlement will be the increased opportunities for commercial, community, healthcare and industrial activities as most land can only be used currently for residential and/or rural use. The subdivision framework in some instances is more enabling depending on the ODP zoning.	Medium
Effects on matters of national importance	The matters of national importance in section 6 of the RMA will largely be addressed by other	Low

Criteria	Comment	Assessment
	<p>chapters of the proposed District Plan (i.e. Natural Hazards, Heritage, Outstanding Features and Landscapes etc). These more stringent rules in other chapters will take precedence over the provisions of the Settlement Zone if there is a potential impact on a matter of national importance.</p>	
<p>Scale of effects – geographically (local, district wide, regional, national).</p>	<p>The 35 identified settlements are spread widely across the Far North District but occupy a relatively small amount of land in terms of the district as a whole (approximately 800ha). Any impacts of the new Settlement Zone are expected to be localised and limited to within the zone itself.</p>	<p>Low</p>
<p>Scale of people affected – current and future generations (how many will be affected – single landowners, multiple landowners, neighbourhoods, the public generally, future generations?).</p>	<p>The number of parcels proposed to be zoned Settlement are relatively small in the context of the Far North District (approximately 3,443), which limits the impacts of the new Settlement Zone to a small number of current landowners and occupiers living in the settlements. The proposed Settlement Zone has the potential to alter the mixture of activities in a settlement as there are more commercial, community, healthcare and industrial activity opportunities than in the Operative Plan, which is likely to have a positive impact on those settlements in terms of providing local services and job opportunities.</p> <p>However, the extent to which these opportunities are taken up is dependent on the character and function of each settlement (e.g. some settlements are coastal holiday spots and are not likely to develop into larger community settlements with services as there is no market or population to support this). It is anticipated that the majority of smaller settlements (i.e. less than 100 houses) are not likely to experience significant change as a result of the proposed provisions.</p>	<p>Low</p>
<p>Scale of effects on those with specific interests, e.g., Tangata Whenua</p>	<p>There are very few special interest groups that are likely to have an interest in the Settlement Zone. Initial engagement on the draft Settlement Zone chapter indicated that Foodstuffs New Zealand and the Pou Herenga Tai – Twin Coast Cycle Trail Trust were interested in clarifying how commercial activities were provided for in the Settlement Zone, but the remainder of feedback came from individual landowners. It is expected that tangata whenua will have a</p>	<p>Low</p>

Criteria	Comment	Assessment
	specific interest in the Settlement Zone, particularly in settlements where it interfaces with the Māori Purpose Zone.	
Degree of policy risk – does it involve effects that have been considered implicitly or explicitly by higher order documents? Does it involve effects addressed by other standards/commonly accepted best practice?	The most specific higher order direction on how to draft a Settlement Zone comes from the National Planning Standards, which direct that a Settlement Zone should provide for “ <i>Areas used predominantly for a cluster of residential, commercial, light industrial and/or community activities that are located in rural areas or coastal environments</i> ”. The Settlement Zone gives effect to this direction and manages the interactions between these activities within the zone. It does not involve effects addressed by other standards or commonly accepted best practice.	Low

6.3 Summary of scale and significance assessment

Overall, the scale and significance of the effects from the proposal is assessed as being low. Consequently, a low level of detail is appropriate for the evaluation of the objectives and provisions for the Settlement Zone in accordance with section 32(1)(c) of the RMA. This evaluation focuses on key changes in the proposed management approach from the operative district plan - minor changes to provisions for clarification and to reflect new national and regional policy direction are not included in the evaluation in section 7 and 8 below.

7 Evaluation of objectives

Section 32(1)(a) of the RMA requires that the evaluation report examine the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the RMA. The assessment of the appropriateness of the objectives for the Settlement Zone is against four criteria to test different aspects of ‘appropriateness’ as outlined below.

Criteria	Assessment
Relevance	<ul style="list-style-type: none"> Is the objective directly related to a resource management issue? Is the objective focused on achieving the purpose of the RMA?
Usefulness	<ul style="list-style-type: none"> Will the objective help Council carry out its RMA functions? Does the objective provide clear direction to decision-makers?
Reasonableness	<ul style="list-style-type: none"> Can the objective be achieved without imposing unjustified high costs on Council, tangata whenua, stakeholders and the wider community?
Achievability	<ul style="list-style-type: none"> Can the objective be achieved by those responsible for implementation?

Section 32 of the RMA encourages a holistic approach to assessing objectives rather than necessarily looking each objective individually. This recognises that the objectives of a proposal generally work inter-dependently to achieve the purpose of the RMA. As such, the objectives for the Settlement Zone have been grouped in the evaluation below.

Objective(s): SETZ-01 and SETZ-02 – Achieve rural and coastal settlements that provide for a compatible

mixture of residential and non-residential activities that are appropriate for the character and amenity of the settlement.	
Relevance	<p>Directly related to a resource management issue</p> <p>These two objectives are directly related to the resource management issue of providing communities with safe, well-functioning places to live and work. Providing for settlements in rural and coastal environments provides people with more choice about the size and character of the place where they live and concentrates people in areas where there are already some existing social and physical infrastructure. This addresses the need to consolidate growth around existing development nodes, which in turn results in larger markets to support local businesses and services.</p> <p>Focused on achieving the purpose of the RMA</p> <p>The purpose of the RMA is the sustainable management of natural and physical resources as stated in section 5(2) of the RMA.</p> <p>More specifically, sustainable management involves enabling people and communities to provide for their social, economic, and cultural well-being in a way that meets the needs of future generations. Providing for a range of residential and non-residential activities within a settlement to support social and economic well-being helps to ensure the settlement is viable and attractive as a place to live in the future and gives people alternatives to living in a fully urban environment. Providing for this broader range of activities in settlements located in more remote rural environments also ensures that these services are accessible to a wider rural catchment and can reduce the need for trips into larger towns.</p>
Usefulness	<p>Assists in addressing the identified resource management issue</p> <p>The objectives must assist in addressing the identified resource management issue (in this case achieving safe, well-functioning settlements that support the social and economic well-being of residents) and must also assist a council to carry out its statutory RMA functions.</p> <p>It is a core function of district councils under sections 31(a) and (aa) to manage the effects of land use or development in an integrated way while also providing sufficient development capacity in respect of housing and business land. The objectives providing for settlements that enable a range of permitted activities (predominantly residential activities but also compatible commercial, community, healthcare and industrial activities) achieves both of these functions as the objectives enable development but direct that the development must be appropriate in the context of the character and amenity of the settlement.</p>
Reasonableness	<p>Consistent with desired community and iwi/Māori outcomes, and will not result in unjustifiably high costs on the community or parts of the community</p> <p>The objectives should take into account the desired outcomes of the community and of iwi/ Māori and should not result in unjustifiably high costs on the community or parts of the community.</p> <p>These two objectives seek to recognise the desire of communities living in settlements to retain their rural and coastal character and amenity. Although some of the settlements may have a desire for change and an increase in the services and job opportunities available, the focus on retaining the current character and amenity of settlements means that the rate of any future change should be slow, proportionate to the scale of the settlement and only occur if there is a market demand/desire for change.</p> <p>The objectives are not considered to create unjustifiably high costs on the community, either through implementation, resource consenting or compliance as they are essentially setting up a framework for settlements to continue as they are currently, or alternatively a framework to enable appropriate levels of development if desired by</p>

	the settlement community.
Achievability	<p>Ability to achieve the objective with the available powers, skills, and resources of councils</p> <p>The objectives must be able to be achieved with the available powers, skills and resources of councils, while resulting in an acceptable level of uncertainty and risk.</p> <p>These objectives are considered to implementable within the skills and resources available to the district council as the wording of the objectives has been drafted to reflect the purpose of a Settlement Zone, as set out under the National Planning Standards. The objectives also implement direction from the Northland RPS that settlements should support a range of lifestyle and employment choices and should improve the economic wellbeing of communities (see full provisions in Section 10). Managing land use change and enabling opportunities for residential and business growth are also core functions of the FNDC. It is not anticipated that the objectives will substantially increase resource consenting / compliance requirements beyond available resource levels.</p> <p>An acceptable level of uncertainty and risk</p> <p>These objectives and associated provisions do not introduce a high degree of uncertainty and risk. These objectives are based on the goals for a Settlement Zone as set out in the National Planning Standards, implement the direction for managing settlements set out in the Northland RPS and are consistent with standard resource management practice for managing small rural and coastal settlements.</p>
Overall evaluation	
The above assessment concludes that the proposed objectives are the most appropriate way to achieve the purpose of the RMA, in terms of relevance, usefulness, reasonableness and achievability, and is preferred over the status quo.	

Objective(s): SETZ-O3 and SETZ-O4 – Subdivision, use and development is appropriate for the specific attributes and constraints of sites and reverse sensitivity effects are managed both within the zone and at the zone interface.	
Relevance	<p>Directly related to a resource management issue</p> <p>These two objectives are directly related to the resource management issue of ensuring subdivision, use and development addresses the potential adverse effects associated with site attributes and constraints. SETZ-O3 focuses on the potential issues that can occur when subdivision, use and development does not respond appropriately to physical or environmental attributes or constraints on a site, particularly any constraints on being able to service development. SETZ-O4 addresses the potential reverse sensitivity effects that can occur when incompatible activities set up next to each other within the Settlement Zone, or when a sensitive activity sets up too close to the interface with another zone (in the context of settlements, most are surrounded by Rural Production Zone).</p> <p>Focused on achieving the purpose of the RMA</p> <p>The purpose of the RMA is the sustainable management of natural and physical resources as stated in section 5(2) of the RMA.</p> <p>More specifically, sustainable management involves managing the use, development, and protection of natural and physical resources while avoiding, remedying, or mitigating any adverse effects of activities on the environment. Including objectives that focus on managing the potential adverse effects of subdivision, use and development with respect to the environmental features and constraints of a site, or the potential reverse sensitivity effects that could arise, will help achieve the purpose</p>

	of the RMA.
Usefulness	<p>Assists in addressing the identified resource management issue</p> <p>The objectives must assist in addressing the identified resource management issue (in this case managing the potential adverse effects of subdivision, use and development – both on the site environment and on adjacent properties/zones) and must also assist a council to carry out its statutory RMA functions.</p> <p>It is a core function of district councils under section 31(a) to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district. These two objectives will help FNDC achieve this statutory function by directing subdivision, use and development to design around the physical and environmental attributes of the site and any infrastructure constraints. They also direct FNDC to manage reverse sensitivity effects, which can have a marked impact on the ability of existing activities to continue to operate within the expectations of their zone.</p>
Reasonableness	<p>Consistent with desired community and iwi/Māori outcomes, and will not result in unjustifiably high costs on the community or parts of the community</p> <p>The objectives should take into account the desired outcomes of the community and of iwi/ Māori and should not result in unjustifiably high costs on the community or parts of the community.</p> <p>These two objectives seek to recognise the desires of both the community and iwi/ Māori to ensure development in the Settlement Zone can be accommodated within the environmental constraints of each proposal site. This is particularly important as the settlements identified as Settlement Zone do not have reticulated wastewater infrastructure so subdivision, use and development can have significant environmental impacts if on-site servicing is not well designed. Feedback on the Rural Production Zone also highlighted the need to manage reverse sensitivity effects at the zone interface between the Rural Production and Settlement Zones to ensure that primary production activities can continue to operate without complaints from more sensitive activities in settlements.</p> <p>The objectives are not considered to create unjustifiably high costs on the community, either through implementation, resource consenting or compliance as they are continuing to manage adverse environmental effects that can occur in settlements in a similar manner to how they are managed under the Operative Plan.</p>
Achievability	<p>Ability to achieve the objective with the available powers, skills, and resources of councils</p> <p>The objectives must be able to be achieved with the available powers, skills and resources of councils, while resulting in an acceptable level of uncertainty and risk.</p> <p>These objectives are considered to implementable within the skills and resources available to the district council as the objectives aim to manage effects that are currently being managed under the Operative Plan. The only key change is the focus on managing reverse sensitivity effects at the interface between the Settlement and Rural Production Zones as this is not a particular focus of the operative provisions. The objectives also implement direction from the Northland RPS that the proposed plan should avoid potential reverse sensitivity effects from settlements on adjacent productive rural zones (see full provisions in Section 10). Managing land use change the adverse effects associated with subdivision, use and development are also core functions of the FNDC. It is not anticipated that the objectives will substantially increase resource consenting / compliance requirements beyond available resource levels.</p> <p>An acceptable level of uncertainty and risk</p> <p>These objectives and associated provisions do not introduce a high degree of</p>

	uncertainty and risk. These objectives aim to manage adverse effects of subdivision, land use and development that are well understood (managing environmental impacts, particularly from servicing, and reverse sensitivity effects) and are already managed to some degree by the Operative District Plan.
<p>Overall evaluation</p> <p>The above assessment concludes that the proposed objectives are the most appropriate way to achieve the purpose of the RMA, in terms of relevance, usefulness, reasonableness and achievability, and is preferred over the status quo.</p>	

8 Evaluation of provisions to achieve the objectives

8.1 Introduction

Section 32(1)(b) of the RMA requires the evaluation report to examine whether the provisions are the most appropriate way to achieve the objectives by:

- (i) *identifying other reasonably practicable options for achieving the objectives; and*
- (ii) *assessing the efficiency and effectiveness of the provisions in achieving the objectives; and*
- (iii) *summarising the reasons for deciding on the provisions.*

When assessing the efficiency and effectiveness of the provisions in achieving the objectives, section 32(2) of the RMA requires that the assessment:

- (a) *identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—*
 - (i) *economic growth that are anticipated to be provided or reduced; and*
 - (ii) *employment that are anticipated to be provided or reduced; and*
- (b) *if practicable, quantify the benefits and costs referred to in paragraph (a); and*
- (c) *assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.*

This section provides an assessment of reasonably options and associated provisions (policies, rules and standards) for achieving the objectives in accordance with these requirements. This assessment of options is focused on the key changes from the status quo as outlined in the ‘proposed management approach’ in section 5.2 of this report.

Each option is assessed in terms of the benefits, costs, and effectiveness and efficiency of the provisions, along with the risks of not acting or acting when information is uncertain or insufficient. For the purposes of this assessment:

- **effectiveness** assesses how successful the provisions are likely to be in achieving the objectives and addressing the identified issues
- **efficiency** measures whether the provisions will be likely to achieve the objectives at the least cost or highest net benefit to society.

The sections below provide an assessment of options (and associated provisions) for achieving the objectives in accordance with sections 32(1)(b) and 32(2) of the RMA.

8.2 Quantification of benefits and costs

Section 32(2)(b) of the RMA requires that, where practicable, the benefits and costs (environmental, economic, social and cultural) of a proposal are quantified. The requirement to quantify benefits and costs if practicable recognises it is often difficult and, in some cases, inappropriate to quantify certain costs and benefits through section 32 evaluations, particularly those relating to non-market values.

As discussed in section 6.2, the scale and significance of the effects of proposed changes for the Settlement Zone are assessed as being low. Therefore, exact quantification of the benefits and costs

of the different options to achieve the objectives is not considered to be necessary or practicable for the Settlement Zone. Rather this evaluation focuses on providing a qualitative assessment of the environmental, economic, social and cultural benefits and costs anticipated from the provisions.

8.3 Evaluation of options

As the scale and significance of the proposed changes to the Settlement Zone was assessed as ‘low’ in section 6.3 of this report, the evaluation below has assessed two options – the status quo and the proposed provisions in the Settlement Zone chapter of the PDP.

8.3.1 Option 1: Status quo

<i>Option 1: Retain mixture of operative zonings (Rural Production, Residential, Coastal, Business) from the Operative District Plan for rural and coastal settlements</i>		
Benefits	Costs	Risk of acting / not acting
<ul style="list-style-type: none"> • Controls are generally well understood by both Council staff and plan users. • Will be able to operate ‘business as usual’ with little to no disruption to current consenting and compliance practice. <p><u>Economic growth and employment opportunities</u></p> <ul style="list-style-type: none"> • As the status quo seeks to retain ‘business as usual’, no economic growth is anticipated. 	<ul style="list-style-type: none"> • Operative zoning (particularly the Rural Production Zone) does not reflect the function of rural and coastal settlements and does not provide sufficient clarity on the desired outcomes for these settlements or the appropriate mix of activities to be located within these settlements. • Settlements will be treated inconsistently depending on their underlying zoning, which is not an effects-based way to manage the future growth of settlements across the district. • Lost economic opportunities as only lots zoned Business have an opportunity to develop commercial activities – Coastal Residential and Rural Production Zoning are not enabling of commercial activity. • Zones such as Coastal Residential are not used in the national planning standards so FNDC will not be fulfilling their statutory obligations. • The potential reverse sensitivity effects that occur at the interface between rural and coastal settlements and the Rural Production Zone will not be addressed. • Retaining the operative zoning (particularly for 	<ul style="list-style-type: none"> • The risk of retaining the status quo is that existing operational issues with the current mixture of operative zones for settlements (namely lack of direction for desired settlement outcomes, few economic opportunities for settlement growth, lack of alignment with national planning standards and potential reverse sensitivity effects at zone interfaces) will not be resolved.

	<p>larger settlements such as Moerewa and Okaihau that currently have a mixture of urban zonings e.g. residential, industrial and business) creates an unrealistic expectation that council services will be provided in the future. It also creates a situation where the zone provisions allow for development potential that cannot be realised due to the lack of reticulation and infrastructure investment.</p>	
<p><u>Effectiveness</u></p> <ul style="list-style-type: none"> • No change in effectiveness of operative provisions in practice – rules and standards in the mixture of operative zones are likely to continue to achieve some of the desired objectives relating to the future growth and functioning of settlements. • However, status quo provisions will not give effect to the objectives that direct that a settlement should enable a mix of compatible activities that support community well-being and are consistent with the character, scale and amenity of rural and coastal settlements. They will also not be able to effectively manage reverse sensitivity effects between settlements and adjacent zones. 	<p><u>Efficiency</u></p> <ul style="list-style-type: none"> • Having a mixture of different zone rules to manage subdivision, use and development in different settlements is not an efficient approach as settlements will be treated differently to each other (and in some cases individual lots within a settlement will also be treated differently to neighbouring lots) if the status quo continues. • Less efficient from a plan user and plan administrator perspective as users will need to check which combination of underlying zones applies to each settlement and make potentially inconsistent decisions about appropriate activities for settlements based on the policy direction for each operative zone. This is opposed to a more efficient situation where plan administrators only need to know and understand one Settlement Zone and can consistently apply the provisions of that zone to all settlements. 	
<p><u>Overall evaluation</u></p> <p>On balance this option is not considered to be the most appropriate option to achieve the objectives because:</p> <ul style="list-style-type: none"> • The operative policy framework does not fully give effect to the majority of proposed Settlement Zone objectives in the PDP. • The operative provisions do not address the need to provide for a mixture of compatible residential and non-residential activities in settlements and do not provide enough economic opportunities for businesses to establish in settlements. • The operative provisions do not align well with the National Planning Standards direction on specific zones that must be used for settlements. 		

8.3.2 Option 2: Proposed approach

<i>Option 2: Introduce a Settlement Zone for rural and coastal settlements</i>		
Benefits	Costs	Risk of acting / not acting
<ul style="list-style-type: none"> • Potential environmental benefits from clearer controls around on-site servicing and ensuring both residential and non-residential development stay proportionate to the ability of a site to process wastewater. • Clearer direction around maintaining the character and amenity of settlements and ensuring non-residential activities are compatible with this desired outcome. • Strengthened ability for FNDC to manage reverse sensitivity effects, both within the zone and at the zone interface with other zones (particularly the Rural Production Zone). Decreases the likelihood that existing rural production activities are negatively impacted by development in settlements. • Improved social outcomes for residents if they are able to work closer to home with local job security and have access to an increased range of services. • Consistent subdivision framework across the different settlements, which also reflects the lack of waste water reticulation. • It will support a number of settlements with a high Maori population and also integrates with the Maori Purpose – Rural zone which in some instances does not completely apply to all land within a rural settlement. <p><u>Economic growth and employment opportunities</u></p> <ul style="list-style-type: none"> • Increased opportunities for economic growth in settlements (particularly those settlements with a larger, more permanent population) as the provisions controlling commercial, community, healthcare and industrial activities in settlements are more permissive compared to provisions in operative zones. This will help 	<ul style="list-style-type: none"> • Potential resistance from some settlement residents if they are opposed to enabling commercial activities. • Some potential conflicts between incompatible activities are possible due to the anticipated increase in non-residential activities in settlements, however the potential for this should largely be mitigated by the GFA caps proposed for non-residential activities and the requirement to comply with bulk and location controls and controls on operating hours and traffic movements (in the transport chapter). • The new provisions will require both Council staff and plan users to upskill in order to apply the new provisions correctly, which will result in some training costs and lost productivity. • Replacing a mixture of urban zones (e.g. residential, business and industrial) in larger settlements with a single Settlement Zone may result in land being made available for residential, business or industrial activities when the operative zoning only allowed for one of these activities. May not be in line with landowners current expectations for the range of activities permitted on their site and on surrounding sites. 	<ul style="list-style-type: none"> • There is limited risk of acting as the proposed provisions give effect to the National Planning Standards and relevant regional policy direction on the desired outcomes for settlements. Having a single Settlement Zone is also consistent with the way rural and coastal settlements are managed in other second-generation RMA plans.

<p>promote local employment opportunities for settlement residents. Removing the commercial overlay included in the draft PDP and extending the commercial opportunities to all settlement zoned land will ensure that all potential landowners have the same opportunity to establish non-residential activities.</p> <ul style="list-style-type: none"> • Opportunity for holiday or tourism-based settlements to set up commercial activities to support seasonal visitors e.g. dairy or small café, which could increase the attractiveness of those settlements. • Settlements may be able to increase their attractiveness to visitors in the district as they are able to broaden the variety of services available to tourists i.e. hospitality, accommodation. 		
<p><u>Effectiveness</u></p> <ul style="list-style-type: none"> • Provisions designed to drive positive outcomes for settlements will be more effective at achieving the objectives than the operative provisions and better aligned with higher order documents, namely the National Planning Standards and Northland RPS. • Tailoring provisions to target key areas where there are known issues (e.g. reverse sensitivity, maintaining character and amenity of settlements, lack of economic opportunities to support settlement growth and viability long term) is a more effective way of managing settlements than a collection of different operative zones with provisions that are not focused specifically on the needs of rural and coastal settlements. 	<p><u>Efficiency</u></p> <ul style="list-style-type: none"> • Although the suite of provisions in the Settlement chapter are new as a whole, the content of the provisions should be familiar to plan users (e.g. bulk and location controls, GFA caps etc are commonly used provisions in the Operative Plan), so they should be able to be understood and implemented efficiently. • Only needing to refer to the provisions of one zone chapter to manage settlements is more efficient for plan administrators. It will also help FNDC make more consistent decisions across multiple settlements, which will assist with maintaining plan integrity. 	
<p><u>Overall evaluation</u></p> <p>On balance this option is considered to be the most appropriate option to achieve the objectives because:</p> <ul style="list-style-type: none"> • The proposed Settlement Zone chapter responds to the direction in both the National Planning Standards and the Northland RPS to have a stand alone zone to manage rural and coastal settlements and to have a clear and focused direction for the outcomes expected in that zone. • The policy framework addresses some of the key issues with the operative plan provisions, particularly with respect to encouraging a mixture of compatible residential and non-residential activities and responding to reverse sensitivity effects within the zone and at the zone interface. • The provisions will enable additional opportunities for economic development in settlements where there is demand for additional job opportunities and community facilities and services, which supports the long-term viability of these settlements. • The provisions are based on well understood activity descriptions and controls that are already in use in other zones, so the provisions should be clear and easy to implement. 		

9 Summary

An evaluation of the proposed objectives and provisions for the Settlement zone chapter has been carried out in accordance with section 32 of the RMA. This evaluation has concluded that the objectives are the most appropriate way to achieve the purpose of the RMA and the provisions are the most appropriate way to achieve the objectives for the following reasons:

- It will ensure that small rural and coastal settlements in the district are appropriately zoned with provisions that support the economic, social and cultural well-being of those communities
- The approach better enables the appropriate mix of residential, community, commercial, and light industrial activities across the Settlement zone that is consistent with the character, scale and amenity of each settlement
- It will ensure that residential and non-residential activities provide on-site infrastructure unless reticulated services are available.
- The proposed provisions respond to the direction in both the National Planning Standards and the Northland RPS to have a stand alone zone to manage rural and coastal settlements and to have a clear and focused direction for the outcomes expected in that zone.
- The provisions will enable additional opportunities for economic development in settlements where there is demand for additional job opportunities and community facilities and services, which supports the long-term viability of these settlements and surrounding areas that rely on and need these services.

10 Appendices

10.1 Appendix 1: Settlement zone assessments