

**BEFORE THE MANAWATU – WANGANUI REGIONAL COUNCIL (HORIZONS  
REGIONAL COUNCIL)**

*In the matter of*            **The Resource Management Act 1991; and**

*In the matter of*            **The Proposed One Plan: Consolidated Regional  
Policy Statement, Regional Plan and Regional  
Coastal Plan for the Manawatu - Wanganui Region**

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**STATEMENT OF EVIDENCE BY DAVID RICHARD MURPHY  
FOR PALMERSTON NORTH CITY COUNCIL**

**GENERAL SUBMISSIONS ON THE OVERALL ONE PLAN**

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Dated: 17 June 2008

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## Introduction

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1. My name is David Richard Murphy. I hold the position of Senior Policy Planner with the Palmerston North City Council. I have the tertiary qualification of Bachelor of Resource and Environmental Planning (honours) from Massey University and I am a full member of the New Zealand Planning Institute. I have six and a half years planning experience, of which four and a half years have been in local government with the Palmerston North City Council (PNCC).
2. I have read the One Plan Hearing Procedures and Directions and Requests from the Chairperson circulated to all submitters by Horizons Regional Council (Horizons) on 9 May 2008. I have read the Code of Conduct for Expert Witnesses (section 5 of the Environment Court Consolidated Practice Note 2006). I agree to comply with this Code of Conduct.
3. I have overseen PNCC's formal response to the Proposed One Plan: Consolidated Regional Policy Statement, Regional Plan and Regional Coastal Plan for the Manawatu - Wanganui Region (the One Plan) since the initial submission on the One Plan "Road Map" in October 2005. This work has included attendance at a number of meetings, including pre-hearing meetings, with Horizons officers; the preparation of PNCC's submissions on earlier One Plan working documents; and the preparation of PNCC's formal submission and further submission on the Proposed One Plan.
4. While this is my own expert planning evidence, given the general nature of the hearing topic (General submissions on the overall One Plan) and the strategic importance of the One Plan, I do refer, in parts, to the collective view PNCC has on the One Plan.

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## Structure of Evidence

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5. My evidence is structured in the following manner:
  - (a) Introduction (above)
  - (b) Structure of Evidence (this section)
  - (c) Scope of Evidence
  - (d) PNCC's interest in the One Plan
  - (e) The basic elements of the One Plan;
  - (f) PNCC's submission points on the Overall One Plan
  - (g) Dialogue with Horizons Regional Council before and after public notification of the One Plan;

- (h) Preferred approach to reaching resolutions on the One Plan;
- (i) An overview in terms of the requirements set out in the Resource Management Act 1991;
- (j) PNCC Strategic Planning and Policy documents;
- (k) Horizons Regional Council s42A Reports
- (l) Summary of PNCC's key areas of concern with the One Plan by topic area;
- (m) Conclusions.

### **Scope of Evidence**

6. The primary purpose of my evidence is to:
  - Support the general submission points made by PNCC on the overall One Plan; and
  - Respond to Horizons' s42A reports.
7. I have also taken the opportunity to introduce to the panel the key concerns PNCC has with the One Plan by topic area. It is hoped that this approach will be of assistance to the Chairperson and Deputy Chairperson of the Hearings panel who will be hearing all of PNCC's evidence on each One Plan topic area.
8. Recommended amendments to the One Plan and specific areas of agreement or disagreement will be contained within the expert evidence presented by PNCC at the upcoming hearings on the individual One Plan topic areas.
9. My planning evidence takes into account the following matters that have occurred since the lodgement of PNCC's original submission on the One Plan:
  - Ongoing discussions that have occurred between PNCC and Horizons officers and experts on the One Plan, e.g. pre-hearing meetings;
  - The more detailed evidence provided by Horizons through its s42A reports; and
  - The recent decision of PNCC to initiate a review of its Urban Growth Strategy.

### **PNCC's Interest in the One Plan**

10. PNCC lodged a submission on the One Plan in August 2007. PNCC also lodged a further submission on the One Plan in December 2007.
11. PNCC has a statutory duty to the Palmerston North community to ensure the sustainable management of the City's natural and physical resources is achieved in

an integrated manner. It follows that the City's interest in the One Plan rests on the following grounds:

- PNCC has a responsibility to promote the sustainable management of natural and physical resources within Palmerston North City.
- PNCC has a strong interest in policy documents that influence the social, economic and cultural wellbeing of the City's residents.
- PNCC has a responsibility for avoiding, remedying, or mitigating any adverse effects of activities on the environment.
- PNCC will have to "give effect to" the Regional Policy Statement contained within the One Plan as part of the forthcoming District Plan review. The One Plan is therefore a PNCC policy document as much as it is a Horizons policy document.
- PNCC is required to "have regard to" any *proposed* Regional Policy Statement or Regional Plan when processing changes to the District Plan and resource consent applications.
- PNCC is responsible for the provision and ongoing maintenance of critical infrastructure including the provision of water, wastewater and roading services.
- PNCC has invested significantly in the Wastewater 2006 project and has an existing resource consent to discharge wastewater into the Manawatu River. PNCC also made a historical investment to harvest water for the City within the Turitea catchment (the Turitea dam). The One Plan has implications for both these infrastructural assets.
- The goal of PNCC's LTCCP is for Palmerston North to have a population of 100,000 by 2020 (it is currently approximately 78,800). The LTCCP includes the following vision: "Palmerston North is recognised as the best provincial City in New Zealand". Both the goal and the vision of PNCC's LTCCP reflect the direction provided for the City by the local community. The One Plan will have a direct influence on how PNCC achieves the goal and vision of its LTCCP.
- PNCC has undertaken reviews of urban and industrial growth options for the City. Determining appropriate areas to meet the City's demand for urban and industrial growth is challenging and made difficult by a number of constraints including the Palmerston North Airport; the boundary with Manawatu District Council; the foothills of the Tararua ranges; the Mangaone Stream; and the Manawatu River. The growth of Palmerston North is also subject to a number of other key considerations including sustainable transport; accessibility compactness; the strategic integration of infrastructure with land use; and good urban design and visual amenity.
- Preferred urban and industrial growth paths are best determined based on a robust analysis of all possible constraints and key considerations. It is therefore important that the One Plan achieves its purpose under the Resource Management Act 1991 (RMA) while also providing sufficient flexibility to provide for the continued growth of the City in a sustainable manner. It is also important that the One Plan does not constrain PNCC's ability to achieve the goal and vision of its LTCCP.

- PNCC has recently resolved to undertake a review of its urban growth strategy. PNCC would like to work as closely as possible with Horizons in determining future urban growth paths for the City and, if possible, reach agreement on how best the One Plan can support PNCC's new urban growth strategy.
- PNCC and Horizons are jointly responsible for a number of resource management functions under the RMA e.g. contaminated land and indigenous biodiversity. It is important that the roles and responsibilities of the two authorities are clearly communicated.
- The roles of PNCC and Horizons are complementary and it is very important for the community that the two organisations take every opportunity to work together, not only to address matters concerning the future well being of Palmerston North citizens, but also to deliver on the purpose of the RMA and Local Government Act 2002 (LGA 2002) in an efficient and effective manner.
- The One Plan raises potentially significant economic and social implications for the City. As a growing City with a relatively large rate base, PNCC is conscious that the economic and social implications of the One Plan will be even more significant for the smaller rural TLAs located within the Horizons region. The other TLAs within the region are key partners of PNCC and it is important that all local authorities within the region, including Horizons, work together to achieve the sustainable management of the region's natural and physical resources.
- It should be noted that PNCC was not a signatory to the joint TLA submission on the One Plan or the joint memorandum lodged with Horizons prior to the start of the hearings. This matter is further discussed at paragraphs 40-48 and 54-58 of my evidence.

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### **The Basic Elements of the One Plan**

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14. The One Plan is a consolidated Regional Policy Statement, Regional Plan and Regional Coastal Plan for the Manawatu-Wanganui Region. It consists of two key parts:
  - Part I – The Regional Policy Statement
  - Part II – The Regional Plan
15. The One Plan also has a series of important appendices that support Parts I and II of the One Plan. These are contained with the section of the One Plan titled Annexes.
16. PNCC supports the general concept of consolidating Horizons' RMA planning documents into one document. In my opinion the final operative version of the One Plan will represent an efficient streamlined regional planning document that will direct and assist future resource management decisions in the region. I do observe however, that it will be essential that the document distinguishes between RPS policies and objectives and plan policies and objectives. The former are to be given more weight and direct the latter.

The Four “Big Issues”:

17. The One Plan identifies four “big issues”:
  1. Surface Water Quality Degradation
  2. Increasing Water Demand
  3. Unsustainable Hill Country Land Use
  4. Threatened Native Habitats
18. The City does not take issue with the identification of the four big issues. My understanding is that the identification of the four big issues by Horizons was primarily based on early community feedback on the One Plan; community feedback received on Horizons' Community Plan (LTCCP); the *Picture our Environment* Road Show; State of the Environment Reporting; and Horizons' internal science research. This approach is confirmed by Bettina Anderson's s42A report, at paragraphs 44-47.
19. The four big issues identified by Horizons have also been recognised as significant issues at the national level in the recently released national State of the Environment Report: *Environment New Zealand 2007*.

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**PNCC’s submission points on the Overall One Plan**

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PNCC submission points:

20. The decisions requested within PNCC's original submission points on the overall One Plan, as outlined within *Horizons Regional Council's Planners Report on Submissions to the Proposed One Plan*, are listed below:
  - *That the submission by the Palmerston North City Council is accepted in full and that those sections of the Proposed One Plan that are supported by the Palmerston North City Council be included in the final One Plan adopted by Horizons Regional Council.*
  - *PNCC requests that Horizons makes all consequential amendments required to the Regional Plan to give effect to the submission points made by PNCC on the RPS section of the One Plan.*
  - *That the submission by the Palmerston North City Council is accepted in full and that those sections of the Proposed One Plan that are opposed by the Palmerston North City Council be removed from the final One Plan adopted by Horizons Regional Council or amended to give effect to the submission points made by PNCC.*
21. As mentioned above, PNCC supports the general concept of consolidating the RPS and Regional Plans. The relevant extract from the PNCC submission is provided below:

*The concept of a consolidated Regional Policy Statement, Regional Plan and Regional Coastal Plan for the Manawatu - Wanganui Region is supported.*

Structure of PNCC submission:

22. Given the unique makeup of the One Plan, the submission lodged by PNCC focused mainly on Part I of the One Plan, the RPS. For each topic area the submission also requested that consequential amendments be made to Part II of the One Plan to give effect to the submission points made on Part I. I considered that this was the most effective means of drafting the submission as it provided detailed comment on the guiding policies of the One Plan (the RPS) but, importantly, did not pre-empt the specific changes that were required to Part II of the One Plan to give effect to the submission points made on Part I.
23. One consequence of this approach, is that PNCC has not provided so much detail as to the consequential changes it seeks to Part II of the document as a result of the changes it seeks in relation to Part I. Accordingly, depending upon the changes made to Part I, there may be a need for variations to be promulgated in relation to Part II. There is only so much that can be done under the guise of consequential amendments arising as a result of submissions on Part I. Indeed, there would have been merit in the panel hearing and making decisions on Part I before moving to Part II. The consequence of merging the hearing of the two parts, is that to some extent the tail will be wagging the dog. Put simply, one can not determine the appropriate form of Part II without knowing the final form of Part I.
24. Given the structure and drafting of the One Plan, the final make up of the provisions on Part II of the One Plan must be subject to the outcome of decisions made on Part I of the One Plan. The decisions on Part I of the One Plan are also likely to reflect a range of differing submissions in addition to the specific submission points made by PNCC. By submitting and asking for any consequential changes required to Part II of the One Plan, in my opinion, PNCC is entitled to participate in the final make up the Part II provisions as well as the provisions of the RPS.
25. While I support the concept of a consolidated regional planning document and the strong focus of PNCC's submission on Part I of the One Plan, the structure of the One Plan does, in my opinion, raise a potential issue as to how Horizons will progress significant consequential amendments required to either document.
26. Decisions on different parts of the One Plan need to be consistent. If other submitters have not grasped the unique relationship between Part I and II of the One Plan, they may not have framed their submissions widely enough and may get "caught out" by decisions made on other parts of the Plan that significantly affect the part they are interested in. While this is the case for most new notified RMA planning documents, consolidation of the RPS and all Regional Plans into one document may increase this risk for some submitters, for example if they have submitted on rules in Part II but not on the high level policies in Part I. Variations may therefore be required to ensure a fair process for all.
27. The decision on whether or not changes required to the One Plan should be made through the hearings process or a variation will need to be determined on a case by case basis and will depend on the scope of other parties' submissions and the significance of the change. PNCC is well placed to

participate in any changes to either the RPS or Regional Plan that do not require a variation given the structure of its original submission on the One Plan.

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### **Dialogue with Horizons Regional Council before and after public notification of the One Plan**

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28. The purpose of this section of my evidence is to provide some context to the extent and nature of the dialogue that has occurred between PNCC and Horizons before and after public notification of the One Plan.

#### **Dialogue before public notification of the One Plan**

29. Given the long lead in time before public notification of the One Plan, a number of meetings were held at the officer level between PNCC and Horizons before public notification of the One Plan. Horizons officers and elected members have also provided a number of presentations to PNCC officers and PNCC elected members throughout the development of the One Plan. Personally I have found these meetings and presentations useful to gain a better understanding of Horizons' approach to the One Plan.
30. The general information provided by Horizons throughout the One Plan process has also been of assistance. The various One Plan "Road Maps" and One Plan "Timelines" have been useful in managing PNCC's formal response to the One Plan. The general openness of Horizons officers and their willingness to meet with PNCC to discuss the One Plan is also acknowledged.
31. While Horizons is to be commended on the level of consultation that occurred prior to formal notification of the One Plan, like most RMA planning documents, some of the finer details of the One Plan were not confirmed by Horizons until immediately prior to notification. While I appreciate the significant amount of time and resources required to develop new policy under the RMA, this was of some concern to PNCC given the significant impact the notified version of the One Plan may have on a number of PNCC's policies, operations and activities.

#### **Dialogue after public notification of the One Plan (Pre-Hearing Meetings)**

32. At the time of writing this evidence, I had represented PNCC at three pre-hearing meetings with Horizons. These were:
- a) 8 May 2008 – General pre-hearing meeting to discuss the submission points made by PNCC and potential areas of agreement;
  - b) 20 May 2008 – Pre-hearing meeting with all submitters on the Landscapes sections of the One Plan; and
  - c) 26 May 2008 – Pre-hearing meeting with all Territorial Local Authorities (TLAs).
33. While no formal agreement was reached on the specific make-up of any provisions of the One Plan at these pre-hearing meetings, I found the meetings useful in confirming PNCC's approach at the hearings.



34. The commentary provided below on each of the pre-hearing meetings is based on my own notes from each meeting.

### **8 May 2008 – General Pre-Hearing**

35. This meeting was not coordinated by an independent facilitator. While all the One Plan topic areas that PNCC submitted on were covered at this meeting, the primary focus of the meeting was water quality. PNCC has engaged Keith Hamill, an Environmental Scientist with Opus International Consultants, to provide advice on the water quality sections of the One Plan, in particular the potential implications of the proposed water quality standards on PNCC's recently consented wastewater treatment plant. Keith Hamill attended the pre-hearing meeting and has prepared a report for PNCC on the water quality standards. PNCC's legal advisors on the One Plan, Simpson Grierson, were also in attendance.
36. The pre-hearing meeting provided Keith Hamill with the opportunity to ask questions of Horizons' scientists. It is envisaged that the report prepared by Keith Hamill for PNCC will be shared with Horizons with the aim of reaching some agreement on the matters contained within the report prior to the upcoming hearings on water quality.
37. Discussion also focused on the role of the water quality *standards* contained within the One Plan and whether or not, in terms of point source discharges to water, they are actually water quality *guidelines* given the unrestricted discretionary activity status of point source discharges to water within Part II of the One Plan.
38. PNCC's key concerns regarding the land, biodiversity, infrastructure, landscapes, natural hazards (flooding) and administration chapters of the One Plan were also discussed. These concerns are discussed within the *Summary of PNCC's key areas of concern with the One Plan by topic area* section of this evidence, at paragraphs 114-126.

### **20 May 2008 – Landscape submitters Pre-Hearing**

39. This pre-hearing meeting included most submitters on the landscape sections of the One Plan. The pre-hearing meeting was held in Palmerston North and the discussion centred around the management of landscapes with respect to wind-farm development. Importantly for PNCC, there was some discussion around the roles of Horizons and TLAs in managing landscapes. An informal agreement was reached that Horizons would consider developing criteria to assist in the identification / determination of outstanding natural landscapes at the local level (one submitter disagreed with this approach).

### **26 May – Territorial Local Authorities Pre-Hearing**

40. This pre-hearing meeting included officers from Manawatu District Council, Horowhenua District Council, Wanganui District Council, Ruapehu District Council, Rangitikei District Council and Tararua District Council. I represented PNCC at the meeting.
41. David Forrest, Andrew Cameron and Andrew Green were also in attendance and jointly represented all the TLAs within the region except for PNCC. I expressed early in the meeting that PNCC has engaged its own legal advisors,

Simpson Grierson, for the upcoming hearings on the One Plan. Horizons officers and its legal advisor John Maassen were also in attendance.

42. The joint memorandum prepared for the other TLAs that was lodged with Horizons prior to the hearings dominated the early parts of the pre-hearing meeting. The TLA memorandum sought an early hearing on the possible non-compliance of the One Plan with section 67 of the RMA. Central to concerns of the other TLAs was *the absence of guiding policies within the Regional Plan and a "disconnect" between the RPS and that Plan.*
43. PNCC was not a party to the joint memorandum prepared for the other TLAs.
44. Based on the advice of Council officers, PNCC made a conscious decision not to sign the joint memorandum prepared for the other TLAs to ensure that it is well positioned to proactively contribute towards resolving its submission points on the One Plan.
45. The decision not to sign the memorandum was consistent with PNCC's approach throughout the One Plan process to date. PNCC did not sign the joint TLAs' original submission on the One Plan. PNCC also submitted in support of the general concept of consolidating the RPS and all Regional Plans into one document.
46. PNCC did lodge a further submission in support of the other TLAs' original submissions, however, having now had the opportunity to read the Planners Report and accompanying s42A reports, I support the recommendations made by Horizons on the overall One Plan.
47. Once the issue of the joint TLA memorandum was put to one side, general discussion followed at the pre-hearing meeting on various parts of the One Plan including the role of the water quality standards and the practical implications of the proposed flood hazards policy.
48. Given my involvement in PNCC's earlier pre-hearing meeting with Horizons officers on 8 May 2008, I left the joint TLAs pre-hearing meeting early at 2pm.

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### **Preferred approach to reaching resolutions on the One Plan**

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49. So far as reasonably possible PNCC would like to take a non-adversarial approach to resolving its submission points on the One Plan. Where possible PNCC would like to reach agreement with Horizons on its submission points in order to minimise the need for any Environment Court appeals.
50. PNCC and Horizons are jointly responsible for the sustainable management of Palmerston North's natural and physical resources. In my opinion it is therefore very important that the two organisations take every opportunity to work together in establishing a new regional planning framework.
51. Based on the discussions that have occurred at the pre-hearing meetings held to date, subject to the approach of other submitters at the upcoming hearings, in my opinion, there is a good opportunity for PNCC and Horizons to reach an agreed position on a number of One Plan topic areas, in particular biodiversity,

landscapes, natural hazards (flooding) and infrastructure. Positive discussions have also occurred with respect to water quality.

52. Where possible PNCC would like to meet with Horizons to share its expert evidence prior to the hearings on individual One Plan topic areas and establish an agreed way forward.
53. Given the tight timeframe for the hearings and the time involved in preparing Horizons' section 42A reports and submitters' expert evidence, there will need to be a strong willingness from Horizons, other affected submitters and PNCC to reach agreed positions on the various topic areas prior to the hearings.

TLA Memorandum:

54. As mentioned above, PNCC made a conscious decision not to sign the joint memorandum prepared for the other TLAs to ensure that it is well positioned to proactively contribute towards resolving its submission points on the One Plan.
55. In my opinion the re-notification of the One Plan, as sought within the joint TLAs' memorandum, would result in an inefficient use of resources and would be to the detriment of Horizons, all TLAs, other submitters and the overall One Plan process. In this respect I do not support the notion of re-notifying the One Plan.
56. PNCC abides the decision of the Hearings panel in respect of the procedural issues raised by the other TLAs in the joint memorandum. It appreciated the issues being raised by the other TLAs. The critical question for the Hearings panel, is whether the merit issues raised, so far as they may have substance, can be adequately addressed via the current hearings process.
57. As discussed at paragraph 23, if the Hearings panel determine that additional objectives and policies are required to be added to Part II of the One Plan in order to provide a better connection with Part I (as advanced in the memorandum), there may be a need for variations to be promulgated to Part II of the Plan.
58. One advantage of progressing any significant changes required to the One Plan by way of variation, as opposed to re-notifying the One Plan, is that submissions on such a variation would be limited to the scope of the variation, not the entire One Plan.

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**An overview in terms of the requirements set out in the Resource Management Act 1991**

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59. I do not intend undertaking a full analysis of the One Plan against the requirements of the RMA. This section of my evidence focuses on the parts of the RMA that are most relevant to PNCC's submission points on the overall One Plan. It also introduces those parts of the RMA that are relevant to PNCC's key concerns on individual One Plan topic areas.

Compliance with the RMA:

60. Large parts of Horizons' s42A reports, in particular the reports prepared by John Maassen, Andrea Bell, Phillip Percy and Bettina Anderson, concentrate on the reasons why they consider the structure of the One Plan and the process followed in developing the One Plan complies with the requirements of the RMA. In general I agree with the conclusions reached in each of these reports. A more detailed review of each s42A report is provided later in this evidence.
61. A number of other TLAs raised concern over the consolidation of the RPS and Regional Plans. As identified in the s42A reports prepared by John Maassen, at paragraphs 41-43, and Andrea Bell, at paragraph 31, the option of preparing a regional policy statement and regional plan at the same time, in one document, is clearly envisaged under section 78A of the RMA.
62. As identified by John Maassen, at paragraph 38 of his report, PNCC supported the general concept of consolidating the RPS and Regional Plans into one regional planning document.
63. It is also noted that both John Maassen, at paragraphs 47-49, and Andrea Bell, at paragraph 34, confirmed that Part II of the One Plan (the Regional Plan) does have Objectives and Policies and therefore complies with s67(1)(a) and (b) of the RMA.
64. Both PNCC and the other TLAs raised concern about the adequacy of Horizons' s32 analysis. The s42A reports by John Maassen and Phillip Percy outline the reasons why they consider Horizons has met its obligations under s32 of the RMA.
65. PNCC raised particular concerns with regards to the s32 analysis carried out to support the land, biodiversity, water quality and natural hazards (flooding) sections of the One Plan. It is noted that John Maassen, at paragraph 21, and Phillip Percy, at paragraph 36, state that there is an onus on the submitter to explain how the One Plan provisions would be different if the correct s32 analysis was carried out. In my opinion this is not a correct.
66. Sections 32 (1) and (2) of the RMA require certain people to undertake a s32 analysis. The people listed in s32 (1) and (2) does not include submitters. Horizons has a duty to properly carry out its s32 assessment and that duty carries through to the Hearings panel. In particular the Hearings panel must be satisfied that the final provisions are the most appropriate way to achieve the purpose of the RMA and objectives of the One Plan. In my opinion, there is no onus on submitters to undertake a s32 analysis nor to draft provisions for Horizons. It may be useful or even good practice for submitters to look at s32 matters to help justify the changes they are seeking, but, in my opinion, that does not amount to an onus.
67. PNCC provided an in-depth planning analysis in its submission why it considers the proposed flood hazard policy to be inadequate. This was supported with reasons why PNCC prefers the current RPS flood hazard policy and considers it to be a more appropriate way of achieving the objectives of the Plan. Commentary was also provided on why PNCC considered that strict compliance with the proposed water quality standards was not the most effective and efficient means of meeting the purpose of the RMA.

68. With respect to the topics of land, biodiversity and water quality, I am pleased to note that recent discussions with Horizons officers have provided an opportunity to explore and confirm some of the s32 concerns raised in the PNCC submission. PNCC is also willing to actively contribute towards finding alternative provisions, as required by s32 of the RMA.
69. John Maassen also points out, at paragraph 25, that s32 analysis is prominent in the evaluation of planning provisions at three stages: prior to notification of a proposed plan; when submissions are heard and determined; and in the determination of any appeals to the Environment Court. This point is also highlighted by Phillip Percy at paragraph 10 of his report.
70. To the extent that PNCC's written submissions as lodged and its evidence to the Hearings panel throughout the hearings process put forward amended or alternative provisions, those provisions are, in my opinion, the most efficient and effective means of achieving the purpose of the RMA and the objectives of the One Plan. Likewise, it is expected that Horizons will provide further analysis that any proposed amendments to the One Plan have been further evaluated under s32 of the RMA.

Sections of the RMA relevant to PNCC's key areas of concern with the One Plan:

71. I would also like to bring to the attention of the Hearings panel the sections of the RMA that are most relevant to PNCC's key areas of concern with the One Plan.

**Section 30(gb) – Strategic Integration of Infrastructure with Land Use**

72. This clause was added as a regional council function as part of the amendments made to the RMA in August 2005. PNCC has recently resolved to revise its Urban Growth Strategy and is also facing increasing demand from privately initiated developments on the fringe of the City, some of which, in my opinion, may not result in the strategic integration of infrastructure with land use. The One Plan needs to include greater regional direction on this function, which will assist PNCC in its future urban growth planning.

**Sections 30(1)(ga) and 31(1)(b)(iii) – Indigenous Biodiversity**

73. While PNCC's submission supported Horizons taking the lead on the protection of indigenous biodiversity, given the specific function of TLAs with regards to the control of any actual or potential effects of the use of land, TLAs may still have a role to play in terms of listing sites of significance in their District Plans.

**Section 69 – Rules relating to Water Quality**

74. While this was not indicated in PNCC's submission, Horizons officers and its legal advisor John Maassen, have now confirmed that the water quality *standards* included in the One Plan are not water quality standards within the context of section 69 of the RMA. It was also confirmed by John Maassen at the 26 May pre-hearing meeting that this was a deliberate decision by Horizons when drafting the One Plan. An indication was also given that the standards may be better defined as water quality guidelines or goals.
75. Rule 13-27 of Part II of the One Plan, which deals with point source discharges to water, is a discretionary activity rule and does not require compliance with

the water quality standards included in Appendix D of the One Plan. The risk for PNCC, in terms of its existing wastewater treatment plant consent, is that the *standards* (or *guidelines*) in Appendix D are elevated to “section 69” standards through the One Plan hearings process.

76. In my opinion, to avoid any uncertainty in the future, it needs to be clearly stated within the One Plan that Appendix D constitutes water quality guidelines not water quality standards prepared under section 69 of the RMA. It also needs to be clearly stated that the water quality guidelines are intended to assist with the assessment of resource consent applications and that strict compliance with the contents of Appendix D is not required.

#### **Section 128(1)(b) – Circumstances when consent conditions can be reviewed**

77. Should the water quality *standards* included in the One Plan be correctly framed as *guidelines* following the completion of the One Plan hearings process, this will help alleviate PNCC’s concerns regarding the ability for Horizons to review its wastewater treatment plant consent under s 128(1)(b) of the RMA.

#### **Section 77B(4)(c) – Discretionary activities**

78. Discretionary activities must comply with the standards, terms, or conditions, if any, specified in the plan or proposed plan. As mentioned above, Rule 13-27 of Part II of the One Plan is a discretionary activity rule and does not require compliance with the water quality *standards* included in Appendix D of the One Plan. Appendix D should therefore be renamed water quality guidelines to avoid confusion with water quality standards developed under section 69 of the RMA (refer to paragraphs 74 to 76).

#### **Section 104(2A) – Existing Investment**

79. Assuming the same regional planning framework and legislative context exists when PNCC is required to renew its resource consent for the wastewater treatment plant, section 104(2A) provides some relief that PNCC’s existing investment will hold some weight.

#### **Section 73(4) – District Plan must give effect to RPS**

80. The new requirement for District Plans to give effect to the RPS significantly influenced PNCC’s submission on the One Plan, in particular with regards to its submission points on the proposed flood hazard policy, landscapes and the strategic integration of infrastructure with land use.

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### **PNCC Strategic Planning and Policy Documents**

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81. The One Plan, with the inclusion of the RPS, will become the new strategic planning document for the region. In making decisions on the One Plan it is therefore important that Horizons has good understanding of the strategic planning occurring at the local level.

82. An analysis of the most relevant PNCC strategic planning and policy documents, and the implications the One Plan may have on these documents, is provided below.

### **Long Term Council Community Plan**

83. The LTCCP is the City's big picture plan and looks at issues in terms of the four well-beings – social, economic, environmental and cultural. The LTCCP summarises the Council's key actions from its policies and plans, and shows what these actions will cost.
84. The purpose of an LTCCP, as set out in section 93(6) of the LGA 2002 is to:
- *Describe the activities of a local authority;*
  - *Describe the community outcomes of the local authority's City;*
  - *Provide integrated decision making and coordination of the resources of the local authority;*
  - *Provide a long term focus for the decisions and activities of a local authority; and*
  - *Provide a basis for accountability of the local authority to the community.*
85. The goal of PNCC's LTCCP is for Palmerston North to have a population of 100,000 by 2020. The LTCCP includes the following vision: "Palmerston North is recognised as the best provincial City in New Zealand". Both the goal and the vision of PNCC's LTCCP reflect the direction provided for the City by the local community. The One Plan will have a direct influence on how PNCC achieves the goal and vision of its LTCCP.
86. PNCC is in the early stages of preparing its LTCCP for 2009/19.

### **Palmerston North City District Plan**

87. The Palmerston North City District Plan was prepared in the early to mid 1990s and is now due for review. PNCC is currently finalising a project plan and timeline for the District Plan review.
88. The current District Plan has strong guiding (Citywide) objectives with respect to maintaining a compact urban form and ensuring the efficient provision of essential services. Without pre-empting the District Plan consultation process, such Citywide objectives are likely to be maintained or retain some level of importance within the City's second generation District Plan.
89. Given the physical characteristics of Palmerston North, Citywide objectives such as compactness and the efficient provision of essential services can potentially conflict with other issues such as the avoidance or mitigation of natural hazards (flooding) and the protection of high class soils, both of which are of particular interest to PNCC and / or other submitters to the One Plan process.
90. PNCC is also responsible for the ongoing assessment of wind farm applications within the City. Wind farms are currently assessed as unrestricted discretionary activities under the Palmerston North City District Plan with limited policy guidance on the significance of local landscapes, the benefits to be derived from renewable energy or the effects of climate change. Further evidence on

how the One Plan should provide guidance on these matters will be presented during the upcoming hearings.

91. Key One Plan topic areas for the upcoming District Plan review are therefore Land (high class soils), Natural Hazards (flooding), Infrastructure and Landscapes.

### **Urban Growth Strategy (Residential)**

92. PNCC recently resolved to review the City's Urban Growth Strategy.
93. The Council's most recent residential Urban Growth Strategy was adopted in December 2003. That strategy sought to manage the future residential growth of Palmerston North in a way that is consistent with the City's vision and objectives.
94. Importantly, in terms of the content of PNCC's original submission on the One Plan, the Cloverlea and Te-Matai urban growth areas that were identified in PNCC's most recent Urban Growth Strategy were subject to some form of flood hazard and were located on productive soils.
95. While the decision to review the City's Urban Growth Strategy affects some of PNCC's specific submissions points on the One Plan, in my opinion, the technical submission points on the One Plan that may affect future urban growth planning for the City are still relevant. For example, the reasons for opposing the proposed flood hazards policy go beyond supporting the Te-Matai land as a future urban growth zone.
96. The decision to review the Urban Growth Strategy may also result in private plan change requests providing some interim direction for urban growth planning in the City. Given the nature of some private plan change requests, this may lead to a reduction in the strategic integration of infrastructure with land use.
97. The timeframes for reviewing the City's Urban Growth Strategy and confirming the final makeup of the One Plan provide a good opportunity for PNCC and Horizons to work together to develop complementary regional and local policy.

### **Joint Industrial Land Review**

98. The purpose of the JILR is to develop a coordinated and systematic cross boundary approach to meet the growth needs of industry in Palmerston North City and Manawatu District over the next 20 years.
99. The key finding of the JILR stage one report was:
 

*Three areas have been identified as suitable long term (20+ years) growth nodes for industrial development namely south-east Feilding, Longburn and north-east of the North East Industrial Zone.*
100. PNCC and Manawatu District Council are now in the early stages of preparing a Combined Urban Growth Strategy to confirm the approach for industrial land provision over the next 20 years.



101. Given that the Combined Urban Growth Strategy is yet to be developed, the provision of future industrial land may be guided in the interim by private plan change requests. Like the City's residential urban growth planning, this may lead to a reduction in the strategic integration of infrastructure with land use.
102. John Maassen comments in his s42A report, at paragraph 45, that *in the Manawatu-Wanganui region issues relating to land use and integration between land use and infrastructure are not great*. While I agree that the issues facing Palmerston North City may not be as great as those in the Auckland, Bay of Plenty or Canterbury regions, in my opinion there is a need for some regional direction on this matter to ensure pending private plan change requests do not result in the ad-hoc provision of infrastructure, especially in light of s30(1)(gb). Importantly, private plan change requests will need to give effect to any regional direction provided in the RPS on this matter.
103. I note specific direction has been provided within the One Plan on other issues that occur in isolation within the region, e.g. direction on the management of air quality within Taumaranui and Taihape.

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### Horizons Regional Council s42A Reports

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104. An evaluation of each of Horizons' s42A reports within the context of PNCC's original submission on the One Plan is provided below.

#### Helen Marr

105. I note that all of PNCC's original submission points on the Overall Plan are accepted at least in part within Helen Marr's Planners Report on Submissions to the Proposed One Plan.
106. I also note that PNCC further submitted in support of a number of the other TLAs' submission points. As previously indicated, having read the s42A reports I am now confident that the overall structure of the One Plan meets the requirements of the RMA. PNCC also submitted in support of the concept of consolidating the RPS and Regional Plans into one document.
107. The various recommendations in Helen Marr's report are noted, in particular the recommendation that the Hearings panel *remove section 11.2 General Objectives and Policies from Chapter 11 and put them in a separate, new chapter called "Regional Plan General Objectives and Policies"*.

#### John Maassen

108. PNCC's legal advisors, Simpson Grierson, will provide legal submissions in support of its submission points on the overall One Plan. This will include commentary on John Maassen's s42A report.

#### Andrea Bell

109. In my opinion Andrea Bell's s42A report is very comprehensive and clearly indicates that the overall structure of the One Plan complies with the

requirements of the RMA, in particular sections 62, 67 and 64 relating to the preparation and contents of Regional Policy Statements, Regional Plans and Regional Coastal Plans.

### **Phillip Percy**

110. In my opinion the s42A report by Phillip Percy is also very comprehensive and clearly indicates that the overall preparation of the One Plan complies with the requirements of the RMA, in particular the assessment required under section 32. The above statement is made in relation to the overall consolidation of the One Plan as opposed to the merits of the individual chapters. Planning evidence presented later in the hearings process will address specific concerns about the s32 analysis carried out on the individual One Plan topic areas.
111. As indicated by Phillip Percy, at paragraph 5, his report does not address s32 matters that relate to specific provisions of the One Plan. Importantly, it is indicated by Phillip Percy that these matters are more appropriately dealt with at the time the substantive matters to which they relate are heard. I agree that this is the best time to deal with such matters.

### **Bettina Anderson**

112. In my opinion Bettina Anderson's s42A report is very comprehensive and clearly indicates that the consultation undertaken by Horizons during the preparation of the One Plan complies with the requirements of the RMA and various best practice guidance notes.
113. The level of consultation undertaken by Horizons during the preparation of the One Plan was acknowledged by PNCC in its submission.

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### **Summary of PNCC's key areas of concern with the One Plan by topic area**

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114. At the time of writing this evidence PNCC was well placed in terms of preparing its expert evidence for the remainder of the One Plan hearing process. It is envisaged that PNCC will provide expert planning evidence on the following topic areas:
- Land;
  - Biodiversity and Historic Heritage;
  - Infrastructure, Energy and Waste;
  - Landscape and Natural Character;
  - Natural Hazards;
  - Administration;
  - Water Quality; and

- Water Allocation

115. At this stage PNCC's expert planning evidence will be supplemented with relevant expert evidence on landscapes, natural hazards (flooding), water quality, water allocation, infrastructure and asset management. Legal submissions will also be provided where necessary.
116. A summary of PNCC's key areas of concern with the One Plan by topic areas is provided below. The summary is based on the updated information and recommendations contained within Horizons' recently released s42A reports. It also takes into account the positive discussions that have occurred at the officer level since the lodgement of PNCC's original submission on the One Plan.

### **Land**

117. At an organisational level PNCC has some equity concerns with the long term funding arrangements for SLUI. This has been followed up through Horizons' Annual Plan process and will be raised at the One Plan "Land" hearings given that SLUI is listed as a method within the One Plan. At the time of finalising my evidence, a significant amount of information on SLUI, the majority of which was new to PNCC, was released as part of the s42A reports prepared for the upcoming hearings on the land topic area.
118. PNCC remains of the view that regional direction is not required on the protection of high class soils.
119. PNCC is preparing a Plan Change to the Palmerston North City District Plan to better manage earthworks within the City that are not proposed to be controlled through the One Plan.

### **Biodiversity and Historic Heritage**

120. PNCC is not fundamentally opposed to Horizons taking the lead on Biodiversity protection but does have some reservations surrounding the level of certainty provided by the rules and the resourcing required from Horizons to respond to inquiries regarding biodiversity across the region. Despite Horizons indicating that it will be taking the lead on biodiversity, in my opinion, there may still be a role for District Plans in the future with respect to the management of biodiversity. PNCC would like to see regional parks added as a method within the One Plan.

### **Infrastructure**

121. PNCC would like Horizons to provide greater direction on the need for the strategic integration of infrastructure with land-use in order to better support its high level land use planning objectives. The timeframes for reviewing the City's Urban Growth Strategy and confirming the final makeup of the One Plan provide a good opportunity for PNCC and Horizons to work together to develop complementary regional and local policy on this matter. Such complementary policy may require a variation to the One Plan once PNCC's Urban Growth Strategy is confirmed.

## Landscapes and Natural Character

122. The landscape assessment currently being prepared by PNCC will not result in the definition of outstanding natural landscapes. The landscape assessment purely describes the City's landscape features. The possible inclusion of landscape criteria in the One Plan, as discussed at the pre-hearing meeting on this matter, is generally supported by PNCC. Further evidence will be provided on this matter at the landscapes hearing.

## Natural Hazards

123. Horizons officers have acknowledged that there has been a shift in the flood hazard policy from "avoidance or mitigation" to "avoidance". PNCC considers that the policy contained within the current RPS, which provides an option for mitigation based on an assessment of relevant costs and benefits, is a more appropriate way of achieving the objectives of the Plan. There appear to be conflicting interpretations of the proposed flood hazard policy and confusion as to whether or not there is a strict requirement for avoidance under the proposed policy. There also appears to be some confusion over what avoidance means in terms of flood protection.
124. The proposed National Policy Statement on Flood Risk Management may also provide some guidance on this matter prior to the completion of the One Plan process.

## Water Quality

125. PNCC is concerned that strict compliance with the proposed water quality *standards* is unreasonable and would exceed the economic capacity of Palmerston North City. Horizons officers have now acknowledged that the drafting of the One Plan does not require strict compliance with the water quality standards, because point source discharges to water are listed as a discretionary activity with no performance conditions. PNCC would be concerned if the water quality standards become standards in the context of section 69 of the RMA. PNCC also has some technical concerns with the proposed water quality standards. The contents of Appendix D should be renamed water quality guidelines to avoid confusion with water quality standards prepared under s69 of the RMA.

## Water Allocation

126. PNCC's submission points on water allocation will be further discussed at the upcoming hearing on this topic area.

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## Conclusions

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127. I support the general concept of consolidating Horizons' RMA planning documents into one document.
128. I also support the identification of the four big issues.

129. Given the unique makeup of the One Plan, the submission lodged by PNCC focused mainly on Part I of the One Plan, the RPS. It would seem that the final make up of the provisions on Part II of the One Plan will be subject to the outcome of decisions made on Part I of the One Plan. PNCC is well placed to participate in any changes to either the RPS or Regional Plan given the structure of its original submission on the One Plan.
130. PNCC made a conscious decision not to sign the joint memorandum prepared for the other TLAs to ensure it is well positioned to proactively contribute towards resolving its submission points on the One Plan. In my opinion, potential re-notification of the One Plan, as advanced within the joint TLAs memorandum, would be to the detriment of Horizons, all TLAs, other submitters and the overall One Plan process.
131. So far as reasonably possible PNCC would like to take a non-adversarial approach to resolving its submission points on the One Plan.
132. In general I agree with the conclusions reached in each of the s42A reports.
133. In terms of the various topic areas:
- Greater regional direction on the strategic integration of infrastructure with land use will assist PNCC in its future urban growth planning;
  - The timeframes for reviewing the City's Urban Growth Strategy and confirming the final makeup of the One Plan provide a good opportunity for PNCC and Horizons to work together to develop complementary regional and local policy;
  - TLAs may still have a role to play in terms of listing sites of significance in their District Plans;
  - It is now acknowledged that the water quality *standards* included in the One Plan are not water quality standards within the context of section 69 of the RMA;
  - The possible inclusion of landscape criteria in the One Plan is generally supported by PNCC; and
  - There appear to be conflicting interpretations of the proposed flood hazard policy.



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