

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

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

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

**SUPPLEMENTARY STATEMENT OF EVIDENCE BY JONATHAN FERGUSON-PYE
FOR THE PALMERSTON NORTH CITY COUNCIL**

CHAPTER 3: INFRASTRUCTURE ENERGY AND WASTE

Dated: 8 July 2009

Introduction

1. My qualifications and relevant experience are set out in my statement of evidence (SOE) dated 17 April, which was prepared in accordance with the Environment Court Code of Conduct for Expert Witnesses 2006, as is this supplementary evidence.
2. I reconfirm that while this is my own expert planning evidence, given the strategic importance of the One Plan to PNCC's long term planning, I do refer, in parts, to the collective view PNCC has on the One Plan.
3. The purpose of my supplementary evidence is as follows:
 1. To further flesh out the importance of the regional council function of the "strategic integration of infrastructure with land use" in the context of urban growth.
 2. In addition to the new issue, objective and policy requested in my 17 April SOE, I discuss an alternative approach to giving effect to the strategic integration of infrastructure with land use in the One Plan. This new approach represents a long term response to managing urban growth for the city at a sub-regional level.

Structure of Evidence

3. My evidence is structured in the following manner:
 - (a) Introduction (above)
 - (b) Structure of evidence (this section)
 - (c) Review of the main points discussed in my 17 April SOE
 - (d) Strategic land use planning and the importance of the regional council function of the "strategic integration of infrastructure with land use.
 - (e) An alternative approach to giving effect to the strategic integration of infrastructure with land use.
 - (f) Conclusions

A Review of the Main Points Discussed in my 17 April SOE

4. My 17 April SOE provided an analysis of the importance of the strategic integration of infrastructure with land use planning in the context of providing for the urban growth of Palmerston North. The SOE concluded by requesting an additional issue, objective, and policy be inserted in the One Plan recognising the importance of the strategic integration of infrastructure with land use in providing for urban growth.
5. The main points made in the SOE were as follows:
 - The Regional Council has a statutory function under the Resource Management Act 1991 (RMA) to achieve the integrated management of the natural and physical resources of the region, including the strategic integration of infrastructure with land use.
 - The One Plan has not recognised and given effect to the Regional Council function of achieving the strategic integration of infrastructure with land use.
 - PNCC has a statutory responsibility to ensure the sustainable management of the City's physical resources is achieved in an integrated manner when making decisions concerning urban growth.
 - The Palmerston North City District Plan and the Operative Regional Policy Statement (RPS) both seek to achieve the efficient use and development of physical resources when making decisions concerning urban growth.
 - The integrated provision of infrastructure with land use is underpinned by the degree to which funding streams for capital expenditure under the Local Government Act 2002 (LGA) and the urban growth decisions provided for under the RMA are aligned.
 - The failure to achieve the integrated provision of infrastructure with land use results in piecemeal provision of services, compromised urban form and adverse environmental outcomes.
 - A number of private plan change initiatives, for example Private Plan Change 28 (PPC28), to establish out of district self serviced developments on the northern boundary of the city, but within the Manawatu District, illustrate the increased pressure the city is facing in providing for urban growth.

- The PPC28 decision document acknowledged that a number of on-site servicing systems could have cumulative adverse effects related to the quantity and quality of ground water. Horizons are the authority responsible for granting or declining the necessary land use consents for on-site servicing systems. At the PPC28 hearing Horizons raised concerns about becoming the final judge of what would be permitted on the PPC28 site and therefore becoming the final arbiter of the direction of urban growth for the city.

Strategic land use planning and the importance of the regional council function of “the strategic integration of infrastructure with land use”

Strategic Land Use Planning

6. Strategic land use planning under the RMA is a mechanism being used by many local authorities to achieve their statutory function of the integrated management of natural and physical resources. Many local authorities are preparing or pursuing growth management studies, preparing strategies, or implementing plan changes to put in place policies and controls aimed at controlling or directing how and where growth occurs. Strategic urban growth planning is now recognised as a sound resource management approach under the RMA to manage the adverse effects and impacts of growth and urban expansion.
7. SmartGrowth in the Bay of Plenty, Taupo District 2050, the Wellington Regional Strategy and the Greater Christchurch Urban Development Strategy are all examples of strategic urban growth planning.

Projected Population Growth for Palmerston North

8. Statistics New Zealand data informing the review of the city’s urban growth strategy shows the medium population growth projection for Palmerston North is average annual growth of 0.7% between 2006 and 2031. The Manawatu-Wanganui region is projected to grow by just 6,500 people even though Palmerston North’s population is projected to increase by 15,100.

Medium Population Growth Projections for Manawatu-Wanganui Region

Territorial Authority	Current Population (2006)	Projected Population (2031)	2006 – 2031 change (number)	Annual Average growth (%)
Ruapehu District	14,000	11,100	-2,900	-0.9
Wanganui District	43,800	40,400	-3,300	-0.3

Rangitikei District	15,100	12,100	-3,000	-0.9
Manawatu District	29,000	32,500	3,500	0.5
Palmerston North City	78,500	93,600	15,100	0.7
Tararua District	18,100	16,700	-1,400	-0.3
Horowhenua District	30,600	29,200	-1,400	-0.2
Manawatu-Wanganui Region	229,400	235,900	6,500	0.1

(Source: Statistics New Zealand)

9. These figures demonstrate the relative strength of projected growth in Palmerston North, and the city's increasing significance as a regional centre.

The City and Urban Growth Pressures

10. Over the last five years PNCC have supported a number of private plan change applications where those initiatives have met the city's requirements for integrated and comprehensive development. Particularly, where they involve large green field sites. PNCC are currently reviewing the city's urban growth strategy in respect of residential and industrial land. However, in the absence of a formally adopted urban growth strategy the city has experienced significant development pressure on its northern boundary with a number of private plan change applications being lodged with PNCC and the Manawatu District Council (MDC).
11. Private plan change requests located within MDC but immediately adjacent to the city boundary represent an extension of the existing urban planning boundary beyond the city boundary. In this regard, growth in Palmerston North is a sub-regional issue because growth pressure in one district is having a direct resource management impact on the neighbouring district. In the PNCC and MDC context, the need for regionally-driven strategic growth planning is underpinned by the degree of cross-boundary growth issues.
12. The resource management risks associated with a proliferation of ad hoc private plan change applications on the city's northern boundary, immediately adjacent to the city but located within the Manawatu District are as follows:
- **Economic risks:** inefficient use of the land resource compared with what could occur with better strategic planning. This may have an influence on the sub regional economy by discouraging investment.
 - **Infrastructure issues:** an uncoordinated and inefficient servicing of land. The type and location of development may stretch existing infrastructure too thin, or result in the inefficient use of existing infrastructure.
 - **Long term, down stream costs transferred to the community:** concerns arise regarding the cost of infrastructure being fairly borne by the wider community (e.g. increased depreciation and maintenance costs of

infrastructure vested in local authorities). The expectation of community facilities and the associated duplication of infrastructure.

Note: a private plan change application located immediately adjacent to residential land in Palmerston North has recently been lodged with MDC. The application proposes structural mitigation works to manage flooding issues associated with the Taonui Basin.

- **Water quality and quantity:** the risk of an increasing number of separate systems for water supply, stormwater, and wastewater systems. A number of large on-site systems could potentially have cumulative effects on the quality and quantity of ground water.
- **Compromised urban form and sustainability:** growth may result in excessive reliance on private vehicles and multiple trips, and threaten the compact and convenient urban form of the city.

Statutory Drivers for Strategic Land Use Planning

13. The importance of strategic land use planning has been reinforced in the RMA context by amendments to the Act. Regional councils now have a specific function of “the strategic integration of infrastructure with land use through objectives, policies and methods in section 30(1)(gb), and the requirement for district plans to “give effect to” regional policy statements under section 75(3). These amendments to the RMA have signalled that a more regionally focused and longer term strategic planning approach is desirable.
14. The LGA also requires that an integrated approach is taken by emphasising collaboration between local authorities and engagement with communities. The long term council community plan and the use of development contributions require territorial authorities to address the impacts of growth on the funding of infrastructure over a 10 year planning horizon.

Anchoring Strategic Land Use Planning in the RPS

15. The purpose of strategic land use planning is to provide for integrated decision making and the coordinated provision of physical infrastructure with a long term focus. There are a range of challenges associated with the process of developing and then embedding strategic land use planning in order to give the agreed strategic direction “teeth” within the RMA framework.
16. The SmartGrowth Strategy in the Bay of Plenty was prepared under the LGA, and anchored for RMA purposes through changes to the RPS. The adoption in 2004 and revision in 2007 of the SmartGrowth Strategy by the Western Bay of Plenty District Council, Tauranga City Council and Environment Bay of Plenty is a sub-regional response to growth management.

17. The Strategy was initiated in 2001 arising from community concerns about the continued population growth, and the lack of leadership and coordinated arrangements to manage that growth. The Strategy reinforces the importance of some familiar issues, including the location of housing and employment and their impact on transportation networks and the need to protect versatile land resources that provide a strong base for the region's economy. Plan and policy integration is achieved by aligning long term community plans, the RPS, Asset Management Plans and District and Regional Plans.
18. SmartGrowth is anchored in the RPS by setting a policy framework that provides the overriding objective and policies managing long-term growth in the region, rather than the specific details of development and zoning. Details related to infrastructure, servicing, types of activities, and rules are addressed through the plan change process at the territorial authority level.
19. Similar to SmartGrowth, the Greater Christchurch Urban Development Strategy proposes the implementation of metropolitan urban limits, identified growth catchments, and coordination of urban infrastructure provision. This is to be initially implemented through a change to the RPS.
20. There is considerable scope for regional policy statements to act as a vehicle by which a region or a sub-region can manage growth within each of its districts. The RMA is one of several statutes governing growth and its effects on the environment. The LGA and the Land Transport Management Act 2003 are others. Collectively, these statutes provide for the identification and implementation of future land use patterns, funding and development of infrastructure to support the land uses as well as the protection of environmental values. Through this suite of statutes, communities are encouraged to plan and engage in the sustainable development process. In areas experiencing continued growth the RPS is becoming an instrument by which outcomes of each statute are being integrated.

Alternative approach to giving effect to the strategic integration of infrastructure with land use

21. My 17 April SOE concluded by requesting an additional issue, objective and policy be inserted in the One Plan recognising the importance of the strategic integration of infrastructure with land use. This is still PNCC's preference and I see it as justified for the reasons set out in my 17 April SOE and added to above.

22. An alternative approach is for PNCC is to work collaboratively with Horizons and MDC to develop a strategic land use strategy that represents a sub-regional response to managing urban growth. To give the agreed strategic direction “teeth” within the RMA framework PNCC would seek to initiate a change to the RPS via section 60(2) and the First Schedule of the Act. This approach is something that cannot be given effect to by the One Plan currently, but represents a long term response to managing urban growth for the city. In this regard, the city signals its intention to discuss this opportunity with the Regional Council in the future.

23. The need for a regionally-driven strategic land use strategy is underpinned by the following factors:

- In the regional context, the strength of projected population growth in Palmerston North and the city’s increasing significance as a regional centre.
- Continued and persistent pressure from the market to provide for urban growth to the north of the city.
- The degree to which cross-boundary growth issues are stymieing urban expansion and economic opportunities.
- The significant number of existing environmental, structural and institutional constraints that need to be addressed when considering urban growth for the city.¹
- The adverse impacts that unplanned use and development can have on the environment.

24. The advantages of this approach are:

- It is consistent with the statutory function of local authorities which is to achieve the integrated management of natural and physical resources.
- District Plans would be required to give effect to the strategic land use strategy meaning the community are able to order their lives under the relevant district plan and the RPS with some assurance and certainty (Currently, having to deal with continuing private plan change applications is a concern due to their potential for leading to fragmented development unsupported by infrastructure).
- Any amendment to the RPS would require community consultation as part of the plan change process.
- More compact urban form.

¹ See SOE D Murphy (Dated: 30 June 2008), paragraphs 30 to 70.

- The integration of growth demand with the ability to fund infrastructure.
- The efficient funding and safe operation of infrastructural services over the long term.
- Improved environmental outcomes associated with the sustainable management of direct and cumulative effects of use and development.
- An increased understanding by the market of how their investment decisions fit with the long term land use planning of the sub-region encourages economic investment.

Conclusions

25. Strategic land use planning under the RMA is a mechanism being used by many local authorities to manage the impacts of urban growth. The RMA gives regional councils a specific function to achieve “the strategic integration of infrastructure with land use”, and requires district plans to “give effect to” regional policy statements. These amendments to the RMA have signalled that a more regionally focused and longer term strategic planning approach is required if the integrated management of natural and physical resources is to be fully realised.
26. Increasingly, Palmerston North is functioning as a regional centre. Palmerston North City and the Manawatu District are the only urban areas within the Manawatu-Wanganui Region projected to experience significant population growth over the next 20 years. The city faces a significant number of existing environmental, structural and institutional constraints in providing for urban growth. It is partly because of these constraints that Palmerston North is experiencing significant and sustained pressure to expand its urban area to the north of the city into the Manawatu District. However, the city faces appreciable risks associated with endeavouring to resolve urban growth issues on a piece meal basis which are complicated by cross boundary issues.
27. Continued pressure for growth and the complications facing the city in providing for urban expansion suggest it is prudent to put in place mechanisms under the RMA to give direction to this growth and control its impacts. In this regard, PNCC seek to manage growth rather than be managed by developer-led growth. The RPS has now been given the status of the key strategic planning instrument from the perspective of local authorities. The RPS has been used to achieve strategic growth planning objectives in Auckland, the Bay of Plenty,

and is a key tool for Canterbury with regard to their urban development strategy.

28. In the regional context, PNCC is facing unique issues in providing for urban growth for the city. In my opinion, it would be prudent for the city to take a collaborative approach to developing a strategic land use strategy anchored in the RPS that represents a sub-regional response to managing the impacts of urban growth. While this approach cannot be given effect to by the One Plan currently, it represents a long term response to managing urban growth for the city. In the meantime PNCC's preference is for an additional issue, objective and policy to be inserted in the One Plan recognising the importance of the strategic integration of infrastructure with landuse.



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City Future

PALMERSTON NORTH CITY COUNCIL