FTAA-2505-1057

Under Fast-track Approvals Act 2024 (FTAA)

In the matter of Pound Road Industrial Development

Between NTP DEVELOPMENT HOLDINGS LIMITED

Applicant

Memorandum on the application of the National Policy Statement of Highly Productive Land 2022 (NPS-HPL) to the Application

Date: 18 December 2025

Applicant's solicitors:

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- The substantive application for the Pound Road Industrial Development [FTAA-2505-1057] (**Application**) by NTP Development Holdings Limited (**NTP** or **Applicant**) is currently being processed.
- The Application relates to land zoned Rural Urban Fringe (**RuF**) in the operative Christchurch District Plan (**District Plan**). The majority of the Site is Land Use Classification (**LUC**) Class 2, with the remaining area being LUC Class 4.
- In our memorandum dated 11 July 2025, we outlined why the National Policy Statement for Highly Productive Land 2022 (NPS-HPL) (as amended December 2025) does not apply to the Site and is not relevant to the Application (Appendix One). The Applicant maintains that it is not relevant to the Application.
- The purpose of this memorandum, as part of the Applicant's response under s 55 of the FTAA, is to respond to issues raised in Buddle Findlay's letter dated 15 September 2025 in relation to the Ryans Road Fast-track Application (**BF Letter**) and David Caldwell's letter dated 11 October 2023 (**Caldwell Letter**).
- 5 In support of this memorandum, we **attach** the:
 - (a) Memorandum from Novo Group on the "NPS-HPL Transitional Definition" dated 3 July 2025 (**Appendix Two**); and
 - (b) Memorandum from Novo Group on the "Advice on Highly Productive Land in Christchurch Rural Urban Fringe" dated 16 December 2025 (Appendix Three).

Executive summary

- The interpretation of the NPS-HPL adopted in the BF Letter and Caldwell Letter produces an anomalous or unintended outcome that is disconnected from the current planning context and undermines the purpose and intent of the NPS-HPL which is to protect only land that is available for primary production. The law is not to be interpreted in a vacuum; it must be interpreted in light of the present context, the District Plan planning provisions and the overarching policy and objectives that the NPS-HPL seeks to achieve.
- The Rural Chapter of the District Plan enables a range of activities. The Objectives and Policies for the seven different rural zones do not clearly state the outcome anticipated for each zone so it is the rules which tell us

what the intended predominant use of each zone is, noting that the District Plan's Strategic Directions support innovation and choice to enable the community to meet their immediate and longer-term needs, while sustaining important qualities of the natural environment.

- As outlined in **Appendix 2**, the RuBP and RuW are the "nearest equivalent zone" to the GR and RP zone in the District Plan. This is because they are the only rural zones where primary production remains genuinely enabled, anticipated, and actively managed as expected by the NPS-HPL.
- 9 Unlike these zones the Christchurch RuF zone is highly fragmented, dominated by lifestyle living, constrained by water and nutrient limits, and unable to sustain viable primary production. The District Plan intentionally provides for rural lifestyle and mixed peri-urban activities in the RuF zone, not soil-based farming. Treating the RuF zone as productive rural land would contradict its planning history, the outcomes driven by its rules, and the clear evidence of its limited productive potential.
- Applying the NPS-HPL to RuF land would create the very anomalies the Courts warn against: protecting land for uses it cannot support and restricting proposals the NPS-HPL was never intended to capture. The Applicants' interpretation—excluding RuF land from the NPS-HPL—best aligns with the purpose of the policy, avoids absurd outcomes, and ensures the NPS-HPL is applied only where genuine primary production is feasible.
- 11 Accordingly the Applicants submit that NPS-HPL does not apply to the Application.

The Fast-track Approvals Act context

The fast-track regime provides only for appeals on points of law to the High Court and its appeal pathway is equivalent to that applying to decisions made by the Environment Court. Importantly, the Panel is not bound by Environment Court decisions and the fast-track process operates under its own statutory framework. This means that Environment Court decisions are not binding, should not be applied as it they are "right" as they would be in a usual RMA consenting process, and in fact nor are they necessarily even persuasive in the current process although they may provide some helpful guidance subject to the caveat above that they have not been tested by the High Court or beyond.

Approach to Interpretation

We generally agree with the BF Letter and Caldwell Letter regarding their summary of how a statutory interpretation exercise ought to be undertaken.

However, in reaching their conclusions, they have interpreted the NPS-HPL by reference only to the Objectives and Policies of the Rural Chapters of the District Plan, rather than considering how in the specific case of the Christchurch District Plan the applicable rules of the RuF zone operate in context, alongside the broader purpose of the NPS-HPL.

- 14 The NPS-HPL is secondary legislation within the meaning of legislation under the Legislation Act 2019 (**LA**). Any interpretation relevant to the NPS-HPL must be ascertained from the text of the document and in light of its purpose and context.¹
- The Court generally attempts to give a plain ordinary meaning to plan provisions, having regard to the immediate context. However, where ambiguity, obscurity, or absurdity arises, it becomes necessary to refer to other sections of the District Plan (such as the Objectives and Policies) to derive a purposive interpretation.
- The Supreme Court in *Royal Forest and Bird Protection Society of New Zealand Inc v New Zealand Transport Agency* (**East West Link**)² is the authority for policies in instruments needing to be considered as a whole, with the facts and context essential to conducting that assessment.
- 17 In terms of the interpretation of polices, the Court said:³

[101] The interpretive approach required here must reconcile the fact that policies mean what they say with the fact that they are still policies. A residual discretion to prevent outcomes plainly inconsistent with the purpose of the RMA must be preserved in order to ensure that, when applied to difficult cases, the policies do not subvert that purpose. Seen this way, recognising a residual discretion will ensure the policy will not be implemented unlawfully.

. . .

[109] a genuine, on-the-merits exception, by its nature, will not subvert a general policy, even a directive one. On the contrary, true exceptions can protect the integrity of the subject policy from the corrosive effect of anomalous or unintended outcomes. There is a fundamental difference between allowing consent authorities to routinely undermine important policy choices in the NZCPS (as rejected in RJ Davidson), and permitting true exceptions that will not subvert them. Of course, the more

¹ Legislation Act 2019, s 10.

² Royal Forest and Bird Protection Society of New Zealand Inc v New Zealand Transport Agency (East West Link) [2024] NZSC 26.

³ Royal Forest and Bird Protection Society of New Zealand Inc v New Zealand Transport Agency (East West Link) [2024] NZSC 26 at [101] and [109]-[111].

precise and sharp-edged the policy, the less room there will be for outcomes that can fairly be considered so anomalous or unintended that an exception is justified. Policies 19, 21— 23 and 29 may be seen to fall into that kind of category. But Policy 11 does not.

[110] That is why the broad subject matter of Policy 11 admits of exceptions. A certain level of flexibility will assist in achieving its purpose and avoiding unintended outcomes at the margin that are inconsistent with Part 2 and the terms of Policy 11 itself. To put it another way, Policy 11 has a powerful shaping effect on all lower-order decision-making, but "avoid" does not exclude a margin for necessary exceptions where, in the factual context, relevant policies are not subverted, and sustainable management clearly demands it.

[111] Whether the EWL is such an exception requires an assessment of the whole proposal, including its benefits and adverse effects and its remedial or mitigatory aspects, bearing in mind that, as with any exception to the application of a strong policy, the case to be made out is a difficult one.

- 18 Further, in *Glenpanel Development Ltd v Expert Consenting Panel* (**Glenpanel**)⁴ the Court considered and applied the East West Link decision in the context of a fast-track decision. The Court held the Panel's Decision could not be said to have used the East-West Link approach. The Panel's ultimate conclusions were too firmly grounded in the workings of the more restrictive policies. The Panel erred in dismissing the application based on the wording of the proposed district plan provisions, without considering whether the intentions in the wider instruments meant the application could be granted as an exception that gave effect to those broader intentions.
- There have also been Environment Court decisions on the interpretation of the NPS-HPL that have taken a pragmatic approach, holding that the Court's role is to determine whether a proposal conflicts with the "intentions of the NPS-HPL.5" Those intentions are largely found in the Objective and Policies rather than narrow interpretation of Implementation clauses which does not align with the overall purpose of the NPS-HPL which is to protect only highly productive land able to be used for land-based primary production both now and for future generations. It is not the intent of the NPS-HPL to protect land which cannot be used for land-based primary production.

⁴ Glenpanel Development Ltd v Expert Consenting Panel (**Glenpanel**) [2025] NZCA 154.

⁵ CJ Industries Ltd v Tasman District Council [2025] NZEnvC 213 at [235]; citing Gibbston Vines Ltd v QLDC [2023] NZEnvC 265 at [47].

The East West Link approach emphasises that policies must be applied according to their plain meaning, but with flexibility to allow genuine, on-the-merits exceptions where strict application would lead to "anomalous or unintended outcomes" inconsistent with the RMA's purpose (and in this case the intent of the NPS-HPL).

Purpose and intention of the NPS-HPL

- The NPS-HPL sets out the objectives and policies for the management of highly productive land (**HPL**) under the RMA. The NPS-HPL came into effect on 17 October 2022.
- The NPS-HPL provides directives to councils to identify, map, and manage HPL in their regional policy statements and district plans. They must avoid rezoning HPL for urban or rural lifestyle use unless specific exceptions are met.
- 23 The single objective of the NPS-UD is:6

Objective: Highly productive land is protected for use in land-based primary production, both now and for future generations.

24 Land-based primary production is defined in the NPS-HPL as:⁷

production, from agriculture, pastoral, horticultural, or forestry activities, that is reliant on the soil resource of the land.

The single objective of the NPS-HPL is supported by several Policies. Relevantly, this includes:⁸

Policy 1: Highly productive land is recognised as a resource with finite characteristics and long-term values for land-based primary production.

. . .

Policy 4: The use of highly productive land for landbased primary production is prioritised and supported.

Policy 5: The urban rezoning of highly productive land is avoided, except as provided in this National Policy Statement.

⁶ National Policy Statement for Highly Productive Land 2022 (August 2024), cl 2.1.

⁷ National Policy Statement for Highly Productive Land 2022 (August 2024), cl 1.3.

⁸ National Policy Statement for Highly Productive Land 2022 (August 2024), cl 2.2.

. . .

Policy 8: Highly productive land is protected from inappropriate use and development.

Policy 9: Reverse sensitivity effects are managed so as not to constrain land-based primary production activities on highly productive land.

In totality, the objectives and policies of the NPS-HPL aim to ensure that the long-term strategic value of this non-renewable soil resource for food security and economic benefits is appropriately weighted in planning and decision-making across New Zealand, while still enabling development and urbanisation where appropriate.

The current landscape and the interim definition of HPL under cl 3.5(7)

- The NPS-HPL requires regional councils to map highly productive land (HPL) in their regional policy statements. Initially this was to be completed before now but with the changes to the NPS-HPL just announced that date will now be 31 December 2027. As noted by the Environment Court, this process is central to the design of the NPS-HPL. 10
- 28 Environment Canterbury (**ECan**) has published its draft Canterbury Regional Policy Statement (**CRPS**), including mapping of HPL. Notably, for the context of this application the HPL maps produced show the entire RuF Zone (including the Application site) as not being HPL within the Christchurch City District.
- We accept that the CRPS review was paused in November 2024 due to changes in government policy, and no timeline has been provided for when it will resume.
- Further, regarding the delay in implementing the NPS-HPL, recent legislative changes introduced by the Resource Management (Consenting) Amendment Act (**Amendment Act**) have largely halted council-initiated public plan changes. As a result, councils now have minimal ability to progress updates to planning frameworks outside scheduled reviews, further delaying the implementation of national direction, such as the NPS-HPL.
- In light of the above, the Canterbury consenting landscape has led to a stalled outcome (contrary to the original timeframes outlined in the NPS-HPL), with the NPS-HPL not being incorporated into planning documents

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⁹ National Policy Statement for Highly Productive Land 2022, cl 3.5(1).

¹⁰ Wakatipu Equities Limited v Queenstown Lakes District Council [2023] NZEnvC 188 at [12].

as originally intended. We note that this is unlikely to change, given the further uncertainty introduced by the significant legislative changes brought about by the Planning Bill and the Natural Environment Bill. It is submitted that as a matter of pragmatism there is little chance of ECan completing its review of the CRPS by 31 December 2027.

- Additionally, the Parliamentary Commissioner for the environment has very recently released its review of the use of the LUC system in a regulatory context. The review found that the land management tools currently used (including the LUC system) are insufficiently robust and ill-suited for regulatory use, noting that the LUC system was designed and implemented in the 1950s.¹¹ Notably, the review found it inappropriate for use at the property level due to its coarse scale and dated nature.
- In summary, the present circumstances therefore require that the NPS-HPL be applied through fragmented, site-specific application, including through the interpretation of the interim definition of HPL and the use of an outdated system ill-suited to regulatory use, in the context of District Plans whose rural chapters were drafted well ahead of the NPS-HPL.
- Despite that, it is accepted that until the mapping has been completed (whenever that is), under clause 3.5(7), a consent authority must apply the NPS-HPL as if reference to HPL were a reference to land that, at the commencement date:
 - (a) is:
- (i) zoned general rural or rural production; and
- (ii) LUC 1, 2, or 3 land;
- (b) is not:

(i) identified for future urban development; or

- (ii) subject to a Council initiated, or an adopted, notified plan change to rezone it from general rural or rural production to urban or rural lifestyle.
- (iii) subject to a resource consent application for subdivision, use or development on LUC 3 land for any activity other than rural lifestyle, where that consent has been lodged at or after the commencement date.

¹¹ https://pce.parliament.nz/publications/reviewing-the-use-of-the-luc-system-in-a-regulatory-context/.

'Nearest equivalent zone' under the National Planning Standards

35 Clause 1.3 of the NPS-HPL states that:

A reference in this National Policy Statement to a zone is:

- (a) a reference to a zone as described in Standard 8 (Zone Framework Standard) of the National Planning Standards; or
- (b) for local authorities that have not yet implemented the Zone Framework Standard of the National Planning Standards, a reference to the nearest equivalent zone.
- For Christchurch, clause 1.3(b) applies and the interpretation of a "nearest equivalent zone" therefore logically starts with the identification of the zones in Section 8 of the NPS, which are referred to in the NPS-HPL.
- As a second step, the nearest equivalent District Plan zone must be determined, and for the purposes of this exercise whether the Rural Urban Fringe (**RuF**) zone is among the zones referred to in the NPS-HPL and in particular the general rural (**GR**) or rural production (**RP**) zones.
- It is important to note that starting with the RuF zone and then confining the exercise to trying to find the "nearest equivalent zone" in the NPS to the RuF is a different exercise and is not what clause 1.3 directs. The BF letter and Caldwell letter approach the exercise in this manner and have incorrectly adopted a narrow and we submit wrong approach by examining the RuF zone in isolation rather than examining the District Plan and in particular all its rural zones as a whole, identifying the predominant purposes of the different rural zones, and then finally assessing which of the seven rural zones in the District Plan are "the nearest equivalent zone" to GR and RP.
- For convenience, the rural zones in the NPS that are referred to in the NPS-HPL and their associated definitions are set out below:
 - (a) General rural (**GR**) zone:

Areas used predominantly for primary production activities, including intensive indoor primary production. The zone may also be used for a range of activities that support primary production activities, including associated rural industry, and other activities that require a rural location.

(b) Rural production (**RP**) zone:

Areas used predominantly for primary production activities that rely on the productive nature of the land and intensive indoor primary production. The zone may also be used for a range of activities that support primary production activities, including associated rural industry, and other activities that require a rural location.

(c) Rural lifestyle (**RL**) zone:

Areas used predominantly for a residential lifestyle within a rural environment on lots smaller than those of the General rural and Rural production zones, while still enabling primary production to occur.

(d) Settlement (**S**) zone:

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

- It is important to note that while the NPS identifies all of these zones as types of 'rural zones' the primary difference between the definitions is that only GR and RP zones are described as being "used predominantly for primary production". By way of contrast whilst still a rural zone the RL zone is described as being "used predominantly for residential lifestyle".
- In light of the above, the subsequent determination of the 'nearest equivalent zone' to GR and RP in the District Plan requires an interpretation exercise as to what each of seven specific rural zones are "used predominantly for" in an NPS-HPL context, and in the context of the District Plan as a whole, the history, intent and purpose of the zone in question, including the real world implementation of permitted activities as an outcome which expresses the intent and purpose of the zone. These elements are considered below.

Strategic Directions of the District Plan

42 A proper analysis begins with a broad understanding of the District Plan's planning framework. The Court has stated that this analysis should also

reflect the practical realities on the ground, considering existing conditions, likely effects, and how these provisions will function in practice. 12

The Strategic Directions of the District Plan are given effect to by the Strategic Objectives and Policies. There are 17 Objectives, two of which have overarching application being:

3.3.1 Objective – enabling recovery and facilitating the future enhancement of the District

The expedited recovery and future enhancement of Christchurch as a dynamic, prosperous and internationally competitive city, in a manner that:

- i. Meets the community's immediate and longerterm needs for housing, economic development, community facilities, infrastructure, transport, and social and cultural wellbeing; and
- ii. Fosters investment certainty; and
- iii. Sustains the important qualities and values of the natural environment.

3.3.2 Objective - Clarity of language and efficiency

The District Plan, through its preparation, change, interpretation and implementation:

i. Minimises:

- A. transaction costs and reliance on resource consent processes; and
- B. the number, extent, and prescriptiveness of development controls and design standards in the rules, in order to encourage innovation and choice; and
- C. the requirements for notification and written approval;

. . .

¹² Yaldhurst Quarries Joint Action Group v Christchurch City Council [2017] NZEnvC 165 at [29].

- We will return to Objective 3.3.2 below in the context of interpreting the purpose of each of the seven rural zones.
- In addition, the following Objectives in the Strategic Directions Chapter are relevant in the context of interpretation exercises related to the rural and peri-urban environment:

3.3.15 Objective – Incompatible activities

- a. The location of activities is controlled, primarily by zoning, to minimise conflicts between incompatible activities; and
- b. Conflicts between incompatible activities are avoided where there may be significant adverse effects on the health, safety and amenity of people and communities.

. . .

3.3.17 Objective – A productive and diverse rural environment

a. A range of opportunities is enabled in the rural environment, primarily for rural productive activities, and also for other activities which use the rural resource efficiently and contribute positively to the economy.

. . .

Rural Environment under the Christchurch District Plan

- There are seven rural zones. 13 There is unfortunately, no clear description in the District Plan of the intended intent, purpose or function of each of the District Plan's rural zones, although that is not surprising given it predates the NPS-HPL. As set out below this makes the interpretation exercise in this District more complex and involves resorting to other parts of the District Plan, including the rules, and factual material as to history and context.
- In the BF Letter it is asserted that reliance on reports prepared under s 32 is not a permissible guide to interpretation. With respect, whilst it may be correct that in some cases, such as where the drafting of a District Plan is clear, it is permissible to resort to extrinsic background material, it cannot be said to create ambiguity, when the District Plan itself does not state the

¹³ RUFZ, the Rural Waimakariri Zone, the Rural Waimakariri Zone, The Rural Port Hills Zone, the Rural Banks Peninsula Zone, The Rural Quarry Zone, the Rural Quarry Templeton Zone and the Rural Templeton Zone.

zone's purpose. Assistance may therefore be obtained from extrinsic background material beyond the District Plan itself in these circumstances. The RMA and all other legislation is replete with examples of cases which call in aid of extrinsic material to assist where drafting is not clear.

This has also been the situation in the RMA sphere including in the context of other cases where Courts have had to decide what the purpose of a zone is. As just one example in *Waikatupu*, the Court, when assessing the "nearest equivalent zone," heard evidence and took into account the history of the District Plan, including its purpose and implementation as outlined in extrinsic material prepared for the Council level hearing. This is clearly the correct approach when a District Plan does not clearly set out the purpose of a particular zone and the decision-maker has to determine what an area of land is "used predominantly for."

Policies and Objectives of the Rural Zones

- In the District Plan, all rural zones share a single Objective and, with two exceptions, a standard set of policies.
- 50 As identified by the Court in Yaldhurst Quarries Joint Action Group v Christchurch City Council: 14

Thus the objective and related policies for the seven different zones are capable of being achieved by complying with multiple sets of rules. It appears to us that the outcomes for the District's rural zones are not clearly stated as Chapter 3 directs. It is the rules, and not the objective and policies, that have been used to drive the outcomes for the different rural zones.

(Emphasis ours).

The BF Letter and the Caldwell Letter primarily use the Policies and Objectives to underpin their interpretation of the 'nearest equivalent zone' to the RuF and have therefore not taken the approach implied in *Yaldhurst* of determining what must have been intended for the zone by considering what outcomes result (and have in fact resulted) through implementation of the rules. As the Court told us in *Yaldhurst*, it is the rules of the specific zones within the Rural Chapters of this particular District Plan which determine what the zones are 'predominantly for', as this can not be ascertained from just the Policies and Objectives, as these are not clearly drafted in the manner that Strategic Objective 3.3.2 requires.

¹⁴ Yaldhurst Quarries Joint Action Group v Christchurch City Council [2017] NZEnvC 165 at [29].

- Even so, the Objective and Policies of Chapter 17, when read in alignment with the Strategic Directions, still provide a helpful description of the range of activities anticipated in the rural environment. Taken together, Objective 17.2.1 and Policies 17.2.2.1–17.2.2.4, 17.2.2.6, 17.2.2.7, 17.2.2.10 and 17.2.2.11 indicate that the District Plan anticipates a range of activities compatible with rural character—which includes rural residential and lifestyle activities—provided they maintain character and amenity values and do not compromise rural productive functions, landscape and natural values.
- As discussed in **Appendix 2**, the policies reflect the relevant s 32 report which explicitly recognised and told the IHP Panel that, for much of the rural area, especially the rural plains (i.e. the RuF zone), primary production is no longer the dominant land use. ¹⁵ Economic evidence showed that rural plains land has limited productive value due to lifestyle development, fragmentation, and land prices. As a result, this rural land is managed more for amenity, landscape, open space, biodiversity, water management, and recreational values, rather than for intensive rural production. ¹⁶
- While the District Plan does still broadly enable rural production activities, the Policies, Objectives, and particularly the rules do not adequately protect productive capacity in most rural zones due to these existing constraints. The extent of protection is set out in Policy 17.2.2.4, which outlines the broad functions of rural areas and indicates that the nature and scale of development enabled by the rules help determine a zone's predominant purpose.

Methods of Zoning and Associated Rules

While there is no clear description in the District Plan of the intended purpose or function of specific rural zones, in the Decision on the Christchurch Replacement District Plan, the IHP quoted CCC's opening submissions and summarised the zones and their purpose in the rural chapter:¹⁷

Rural Banks Peninsula ['RBP'] Zone – This is the largest zone which covers all of the land previously administered by the Banks Peninsula District Plan. It is a rural working zone which also has significant landscape, conservation and recreation values.

¹⁵ **Appendix 2**; Rural Section 32 Report, <u>Appendix 4</u>, page 60.

¹⁶ **Appendix 2**; Rural Section 32 Report, <u>Appendix 4</u>, page 61.

¹⁷ Decisions 34: Chapter 17: Rural – Stage 2 dated 12 August 2016; Opening submissions for the CCC at 4.3, referring to evidence in chief of Deborah Hogan at 6.1–6.8.

Rural Urban Fringe ['RUF'] Zone — This zone covers the flat land adjacent to metropolitan Christchurch. It is highly fragmented and is used for horticultural, agricultural, quarrying, lifestyle and recreation activities. Part of the zone falls within the 50dBA Airport Noise Boundary.

Rural Waimakariri ['RW'] Zone — This zone is largely an open flat land rural environment with larger land holdings than the Rural Urban Fringe Zone. Pastoral farming is the dominant activity but quarrying, forestry, flood management and recreational activities are also located in this zone.

Rural Port Hills ['RPH'] Zone — This zone covers the parts of the Port Hills not covered by the residential and open space zones. Large parts of the zone have high amenity values which are reflected in the provisions.

Rural Quarry ['RQ'] Zone – The Rural Quarry Zone covers three areas with existing quarries. Quarrying is the primary activity in this zone.

Rural Templeton ['RT'] Zone – This zone covers the site of the retired Templeton Hospital. The zone enables the land to be redeveloped for rural support activities while maintaining the open character of the site.

(Emphasis ours.)

- In alignment with these descriptions, **Appendix 2** includes further discussion of Section 7 of Appendix 4 of the Section 32 for the Rural Chapter, which examines in some depth the differences between parts of the rural environment with similar character, land use, and values that were subsequently grouped together to generally describe the rural environment and inform future management.
- For clarity, we insert Figure one: Summary of the Zone Functions from **Appendix 2** below:

Figure 1: Summary of Zone Functions

Rural Banks Peninsula Zone	 Only rural zone with a specific policy providing direction about zone's intended function and outcomes. Specifically references the 'rural working environment'. S32 also describes it as a 'rural working
	landscape' where "rural productive land use,

Rural Waimakariri Zone	 based around pastoral farming, dominates the landscape". Large minimum subdivision standard 40ha (below the 160m contour), 100ha above the contour). Strongest rural production orientation than any other zone in the DP. Policies specifically refer to rural production (flat land) S32 and Policy 17.2.2.4 references its management for ecosystem services including flood management and groundwater recharge functions. Role for providing for recreational and other assets that require a rural location. Provides for primary production (including quarrying & farming) on sites sufficiently large
	to sustain viable rural businesses.
Rural Port Hills Zone	 Large minimum subdivision standard 20ha. Managed predominantly for its landscape and
	recreation values and for plantation forestry. • Minimum subdivision standard is large (40- 100ha), to protect landscape values rather than to support rural productivity.
	S32 report notes that it does not contain quality soils.
Rural Urban Fringe Zone	 Policy 17.2.2.4 mentions rural productive and recreational activities in the 'flatland rural area' which includes Waimakariri. The s32 report notes traditional farming is no longer dominant (and often uneconomic); the area is valued for rural amenity and open character shaped by lifestyle development and subdivision. The land is heavily fragmented, dominated by lifestyle blocks, rural-residential use, and urban fringe activities. Key management goal: maintain rural character, avoid further fragmentation, and support urban consolidation. Flatland rural areas offer potential for future urban growth, local food production, and ecosystem services. Main planning focus is to manage rural living and prevent de facto urban development that undermines growth planning. A 4ha minimum net site area applies—the smallest of any rural zone in the Christchurch District Plan
Rural Templeton	 Bespoke zone that provides for agricultural- based office park on a former (urban) hospital site.

- The above descriptions and comparative zone analysis show that the key factor in determining the nearest equivalent to a GR or RP zone is the extent to which primary production is genuinely enabled and anticipated under the rules, and the degree to which the zone is primarily managed for that purpose. That is after all the purpose of the NPS-HPL.
- Although most rural zones theoretically permit a wide range of primary production activities, the practical extent of this—particularly as influenced by subdivision and minimum site size standards, existing land-use patterns, and land values—varies significantly between zones. These factual elements must be considered in determining the predominant use of the area of land associated with a zone.
- This approach aligns with the District Plan's strategic directions, which seek a coherent and efficient zoning framework that directs activities to appropriate locations, enables productive rural land to function effectively, minimises land-use conflict, and promotes clear, flexible and innovative-supporting provisions. Together, these directions reinforce the need to identify zones where rural production remains realistically viable and specifically anticipated, while maintaining a peri-urban interface.

"Nearest equivalent zone" to GR and RP in the District Plan

- As discussed in **Appendix 1** and **Appendix 2**, of the seven rural zones, the Rural Banks Peninsula (**RuBP**) and Rural Waimakariri (**RuW**) are considered to be the "nearest equivalent zone" to the NPS' GR and RP zones, and this is evident via consideration of the relevant zoning objectives, policies and particularly the rules under the District Plan.
- The rules of the RuBP and RuW zones clearly enable and manage primary production activities to a greater extent than those of any other rural zone. This is also quite evident from the rules governing their large minimum subdivision standards and the zone descriptions in Chapter 17, which confirm their role in protecting land-based primary production, consistent with the objectives and policies of the NPS-HPL. These rules are absent from the other rural zones.
- While rural productive activities are referenced across all rural zones, the Section 32 analysis demonstrates that meaningful productive capacity now remains primarily in the RuW zone and, most significantly, within the RuBP.¹⁸ The RuBP zone is the only one with a dedicated policy

¹⁸ Waimakariri District Plan Review: Rural Production Advice – Rural Land Zoning (November 2018), Jamie Gordon, Macfarlane Rural Business.

emphasising the maintenance of its working rural environment, consistent with the peninsula's ongoing role as a productive pastoral landscape.

Accordingly, taken together, these factors confirm that the RuBP and RuW zones are rural zones that meaningfully function as productive rural environments, and therefore stand as the nearest Christchurch equivalent to the GR and RP zones under the NPS-HPL framework.

Predominant use of the RuF and its "nearest equivalent zone"

- While the RL zone serves a different purpose from the GR and RP zones, because it is not designed predominantly for primary production, it nevertheless remains part of the broader rural framework. Importantly, the RL zone is distinguishable from the GR and RP productive rural zones in both its intent and in the rules that drive the outcomes by, generally ensuring a balance between rural production and lifestyle opportunities while reducing conflict at sensitive boundaries.
- As stated above and noted in **Appendix 1** and **Appendix 2**, while the RuF zone is in theory able to support primary production activities, it also enables a wide range of non-rural activities, including retail, manufacturing, residential use, recreation, emergency services, veterinary facilities, poultry hatcheries, and visitor accommodation.
- The function and limited value of the peri-urban (RuF zone) for rural productivity is summarised in the section 32 report that informed the planning framework for the rural zones in the District Plan: 19

"The rural environment in Christchurch District is diverse and valued for its multiple services and functions including primary production, landscape, biodiversity, water protection and recreation opportunities. There are distinctive differences between the flat land and the hilly land in the District. The underlying pattern of development is highly fragmented in some parts of the District as a result of historical development and previous planning frameworks, which may not necessarily support the outcomes desired now and into the future. There is less emphasis upon agricultural production in the rural flat land which is dominated by lifestyle development and other activities that support the urban environment".

Peri-urban opportunities - The rural area immediately surrounding the Christchurch main urban area is referred to as a peri-urban area. These areas are

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¹⁹ **Appendix Three**; Council's DPR S32 report.

generally regarded as a transition between urban and rural areas located between the urban edge and the traditional rural environment. The peri-urban areas provide for a mix of activities that support the urban area including rural living, recreation, tourism, hazard mitigation and strategic infrastructure along with rural activities. Peri-urban areas are also important in providing options for future urban growth, local food production and ecosystem services e.g. water supply catchments for the urban area. While rural farming activities are no longer the dominant land use these areas are valued for their rural amenity and degree of open character, which differs from the more traditional working landscapes due to the intensive subdivision pattern and higher level of lifestyle development. There is still a high degree of naturalness to the peri-urban area, sharing more elements of rural character rather than urban character. Managing the peri-urban area requires consideration of all its functions and how it best supports the adjoining urban area.

As stated in **Appendix 2**, the minimum subdivision standards are a key factor, noting that rural production is generally considered uneconomic on small lots. A report by an agricultural expert that informed the Waimakariri District Plan Review commented that:²⁰

"There are very few agricultural or horticultural farming practises that would justify a farming business of 4ha (with the exception of very intensive vegetable production or glasshouse operations), even if they are operated to the highest level. The reality is that most properties under 10ha have been purchased for lifestyle purposes, and the majority of the household income is derived off farm. Furthermore, once the house and amenities are deducted from the total area, the effective farming area on a 4ha property could be as low as 2ha. Whilst in theory a group of 4ha properties could be operated in conjunction to achieve scale, this is unlikely to be successful given owners will often have differing priorities and the fact that the small paddock sizes will limit operational efficiency".

In short, the RuF zone was intended to, and does in fact function as a zone to primarily provide a range of activities, including rural lifestyle, but a conclusion that it is predominantly to support land-based primary production is not available. Accordingly, the RuF zone is not the "nearest

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²⁰ Waimakariri District Plan Review: Rural Production Advice – Rural Land Zoning (November 2018), Jamie Gordon, Macfarlane Rural Business.

equivalent zone" to the GR or RP zone in the NPS, and the "nearest equivalent zone" would be RL.

What Are the Outcomes in the RuF Zone

- As the Court said in *Yaldhurst* the purpose of the different rural zones in the Christchurch context is not able to be ascertained clearly from the Objectives and Policies and the intent has to therefore be inferred from what outcomes the rules drive. The rules were derived in the light of a history of fragmentation and existing land-use patterns and a recognition that the RuF was "dominated by lifestyle development".
- The BF Letter relying on one extract from a case in another context, asserts the interpretation exercise cannot involve an evaluation of the extent of rural land use activities taking place within a zone. In a vacuum, that statement is correct, that the interpretation does not involve a backwards interpretation of what must have been the purpose of a zone by reference to what is currently taking place on the ground.
- However, as the Court subsequently observed in *Yaldhurst* in the context of the rural zones it is the outcomes driven by implementation of the rules which tell us what the intent or purpose of a specific rural zone is. How that potential outcome is playing out in the real world is permissible evidence to cross check that the inference driven by interpretation of what the rules provide for as an outcome is factually correct, or at least not fanciful. A conclusion that the RUF has a purpose of being a zone " "dominated by lifestyle development and other activities that support the urban environment" is not therefore an absurd or anomalous interpretation when cross checked against what is happening in the real world. Conversely, an interpretation that the RuF rules drive an outcome which supports primary production and therefore requires the protection of the NPS-HPL would be anomalous or unintended and, in fact verging on absurd in the sense of being a fanciful outcome viewed in light of history and context.
- In other words, the concern identified in *Drinnan* does not arise because evaluating what has and is taking place on the ground, whilst never the starting point for driving interpretation, does help the decision-maker visualise what outcomes were intended by the implementation of permitted activities provided for in the RuF.²¹ Rather than creating new policy, considering the actual activities on the land simply reflects the materialisation of the intention for the RuF zone, informed by its strategic

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²¹ G M & J Drinnan v Selwyn District Council [2023] NZEnvC 180 at [82].

direction and the existing physical and planning constraints recognised at the time the Plan was developed. This does not involve any policy rewrite; it is simply a legitimate cross-check in the particular circumstances of the drafting of the District Plan.

- A detailed analysis of the existing environment is set out in **Appendix 3**, which outlines the multiple and compounding constraints affecting rural productivity within the rural-urban fringe and the wider peri-urban flatland. This part of the rural environment is highly fragmented, contains a significant proportion of residential dwellings, and experiences strong competition from non-rural land uses. These factors drive up land values and reduce land availability, rendering most sites uneconomic for viable primary production. Environmental constraints—including limited access to reliable water and statutory restrictions on nutrient discharges—further diminish the productive potential of this land.
- The Council's earlier s 32 analysis of the rural zones recognises these limitations and reflects them in its planning approach, i.e., by recommending rules, in alignment with the strategic directions, to provide for a range of activities. Accordingly, the RuF was retained as rural land but not primarily for rural production, but to provide for a range of other essential functions, including rural living, recreation, tourism, hazard mitigation and the accommodation of strategic infrastructure, while still enabling existing rural activities to continue.
- At a regional level, the Regional Council adopts a similar position, recognising that rural land within Christchurch City has limited potential for highly productive land uses. This is reflected in its (draft) CRPS mapping, which identifies only a small number of discrete areas within the District as potentially meeting the threshold for highly productive land.
- As a final point, in the BF Letter, it is asserted that a 4-hectare allotment size does not make the NPS RL its nearest equivalent. We agree with that statement applied in a vacuum without reference to history, factual context and a proper assessment of the whole District Plan, including the Objectives and Policies as well as the rules for all the rural zones.
- In the BF Letter parallels are drawn with the rules for minimum lot sizes and densities for the Rural Inner Plains Zone in Selwyn (which the Court was interpreting in *Drinnan*) but does not draw any parallels with other many Zones around the country with the same density rules including next door in the Waimakiriri District who has a Rural Lifestyle Zone which also has the same minimum lot sizes. Therefore, drawing factual parallels with

another case, with a different history and context, and a differently drafted District Plan, is of little assistance.

Alignment with the Court's approach to statutory interpretation

- In light of the above discussion, the Applicants submit that their interpretation aligns better with the approach to interpretation set out in the East-West Link case. The conclusions reached in the Caldwell and BF Letters lead to the type of anomaly or unintended outcome that the Courts tell us to shy away from in any interpretation exercise particularly in light of the commentary in **Appendix 3**.
- The proper interpretation is that the NPS-HPL does not apply to RuF-zoned land. To adopt another interpretation undermines the integrity of the NPS-HPL, which seeks only to safeguard land for soil-based primary production activities. An outcome that is neither economically viable nor practically achievable within a zone, given its land development history to date and the outcomes driven by the rules that predominantly enable rural lifestyle activities, would be the unintended or anomalous outcome we are told to avoid.
- It would be contrary to the NPS-HPL to adopt an interpretation in the context of clear evidence that RuF land cannot readily support rural productive land uses (site size, land values, competing uses, water availability, nutrient discharge controls etc), it is inappropriate to do so and that this then leads to perverse outcomes of protecting rural land for uses it cannot sustain and conversely limits merited proposals that are otherwise supported by national planning policy.
- Activities such as a rural lifestyle anticipated within the RuF zone do not rely on the land's soil resources, and rules allowing subdivision into 4-hectare lots cannot deliver a positive economic outcome for primary production.
- Adopting the Applicants' interpretation better enables the NPS-HPL to achieve its purpose in appropriate circumstances, avoiding the application of clauses 3.8, 3.9, and 3.10 in situations that are absurd, unintended, or where urbanisation has been anticipated. This approach ensures the NPS-HPL is applied consistently with its purpose and avoids outcomes that would conflict with sustainable management under the RMA.

Dated this 18 December 2025

Jo Appleyard / Tallulah Parker

Counsel for NTP Development Holdings Limited

Appendix One: Advice on the Application of the NPS-HPL to the Site – Pound Road Industrial Development dated 11 July 2025



Memorandum

DRAFT FOR DISCUSSION **PURPOSES ONLY**

Date: 11 July 2025

To: Novo Group Limited

Jo Appleyard / Tallulah Parker From: Direct: +64 3 353 0022 / +64 3 353 0932

Mobile: Email:

Ref: 100656122/3467-5663-5448.2

ADVICE ON THE APPLICATION OF THE NPS-HPL TO THE SITE - POUND ROAD INDUSTRIAL DEVELOPMENT

- 1 Novo Group Limited is currently preparing an application for approval under the Fast-track Approvals Act 2024 (Act)(Application) on behalf of Ngāi Tahu Property Development Holdings (registered as NTP Development Holdings Limited) (NTP). The Application relates to the Pound Road Industrial Development, at the northwest of Pound Road, east of Barters Road, Christchurch (Site) and is a listed project in Schedule 2 of the Act.
- 2 The land to which the Application relates is zoned Rural Urban Fringe (RuF) in the operative Christchurch District Plan (District Plan). The majority of the Site is Land Use Classification (LUC) Class 2, with the remaining area being LUC Class 4.1
- 3 The purpose of this memorandum is to outline why the National Policy Statement for Highly Productive Land (HPL) 2022 (NPS-HPL) does not apply to the Site and has no relevance to the Application.

Executive summary

- 4 In summary, the NPS-HPL does not apply to the Site as:
 - 4.1 the part of the Site which is LUC Class 2 is not zoned "general rural or rural production" land for the purpose of the NPS-HPL as:
 - (a) the District Plan 'equivalent zone' to the IG and RP under the National Planning Standards is the RuBP and RuW; and
 - (b) the 'equivalent zone' to the RuF zone under the National Planning Standards is the rural lifestyle zone.

^{50.35} ha of the Site is LUC Class 2 and the remaining area is LUC Class 4.



NPS-HPL - cl 3.5(7) interim definition of Highly Productive Land

- The NPS-HPL requires regional councils to map highly productive land in their regional policy statements within three years of the NPS-HPL coming into force (in other words, by 17 October 2025).²
- 6 Environment Canterbury (*ECan*) has published its draft Canterbury Regional Policy Statement (*CRPS*), including mapping of HPL, which shows the Site as <u>not</u> being HPL.³ However, the CRPS review process is on hold, and HPL mapping has not been included in an operative regional policy statement.⁴
- In the interim, under clause 3.5(7), a consent authority must apply the NPS-HPL as if references to HPL were a reference to land that, at the commencement date:⁵
 - (a) is
 - (i) zoned general rural or rural production; and
 - (ii) LUC 1, 2, or 3 land; but
 - (b) is not:
 - (i) identified for future urban development; or
 - subject to a Council initiated, or an adopted, notified plan change to rezone it from general rural or rural production to urban or rural lifestyle.
- 8 Clause 1.3(4) of the NPS-HPL further states:
 - (4) A reference in this National Policy Statement to a zone is:
 - (a) a reference to a zone as described in Standard 8 (Zone Framework Standard) of the National Planning Standards; or
 - (b) for local authorities that have not yet implemented the Zone Framework Standard of the National Planning Standards, a reference to the nearest equivalent zone.
- The District Plan has not yet implemented the Zone Framework Standards for rural zones, including general rural (*GR*) and rural production (*RP*) zones; therefore, determining whether the NPS-HPL applies to the RuF zone requires an assessment of the 'nearest equivalent zone' within the District Plan.

'General rural or rural production' zone(s) in the District Plan

- To determine the nearest equivalent zone to the GR and RP zones for the transitional HPL definition exercise, it is necessary to look at any zone descriptions, objectives, policies, activity tables and subdivision provisions of the District Plan's
 - National Policy Statement for Highly Productive Land 2022, cl 3.5(1).
 - Environment Canterbury draft HPL maps.
 - NPS-HPL 2020 definition of 'highly productive land': means land that has been mapped in accordance with clause 3.4 and is included in an operative regional policy statement as required by clause 3.5 (but see clause 3.5(7) for what is treated as highly productive land before the maps are included in an operative regional policy statement and clause 3.5(6) for when land is rezoned and therefore ceases to be highly productive land).
 - ⁵ 17 October 2022.

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rural zones and compare these with the zone descriptions for the General Rural and Rural Production zones in the National Planning Standards.⁶

National Planning Standards - Rural Zones

- 11 The four 'rural type' zones available for comparison in the National Planning Standards and their descriptions are as follows:
 - 1.1 General rural zone: Areas used predominantly for primary production activities, including intensive indoor primary production. The zone may also be used for a range of activities that support primary production activities, including associated rural industry, and other activities that require a rural location.
 - 1.2 Rural production zone: Areas used predominantly for primary production activities that rely on the productive nature of the land and intensive indoor primary production. The zone may also be used for a range of activities that support primary production activities, including associated rural industry, and other activities that require a rural location.
 - 1.3 **Rural lifestyle zone**: Areas used predominantly for a residential lifestyle within a rural environment on lots smaller than those of the General rural and Rural production zones, while still enabling primary production to occur.
 - 1.4 Settlement zone: Areas used predominantly for a cluster of residential, commercial, light industrial and/or community activities that are located in rural areas or coastal environments.
- 12 The GR and RP zone descriptions are similar. They are both areas used predominantly for primary production activities and intensive indoor primary production, as well as a range of activities that support primary production activities.

Rural zones in the District Plan - GR & RP 'equivalent zone'

- 13 There are five (non-guarry) rural zones within the District Plan, being the:
 - Rural Urban Fringe (RuF) zone;
 - Rural Waimakariri (RuW) zone;
 - Rural Banks Peninsula (RuBP) zone;
 - Rural Port Hills (RuPH) zone; and
 - Rural Templeton (RuT) zone.
- There is no clear description in the District Plan of the intended purpose of the different rural zones, nor are there any specific objectives or policies related to the

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⁶ National Policy Statement for Highly Productive Land: Guide to Implementation at 5.

So similar that the GR and RP zones have been variously adopted by different districts for rural zones of a similar type, that is they seem to be used interchangeably. See for instance Whangarei District Council that options the RP Zone as its main rural zone, and Selwyn District Council that adopted the GR Zone.



specific zones that provide insight. Section 7 of Appendix 4 of the Section 32 for the Rural Chapter discusses in some depth the differences between parts of the rural environment with similar character, land use and values that were subsequently grouped together to describe the rural environment and inform future management.

- 15 For the purpose of determining what zone is nearest equivalent to a GR or RP zone, the key determining factor is the extent to which primary production activities are enabled and anticipated in the zone and the extent to which the zone is managed primarily for this purpose. The rural zones within the District Plan permit a range of primary production activities, but the extent to which they are enabled (in particular by the subdivision and minimum dwelling site size standards) and anticipated (having regard to the pattern of land use and the competition for and price of land) varies between zones.
- In consideration of the above values and the policies and objectives of the District Plan, the RuBP and RuW are the nearest equivalent zones to the GR and/or RP zones. These zones are enabled, anticipated and managed for primary production activities more so than any other rural zones within the District Plan. This is evidently clear, in particular, by the large minimum subdivision standards in these zones and the function of the zones as described in Chapter 17 of the District Plan.

Rural-urban Fringe Zone - 'equivalent zone'

- In contrast, the RuF is managed predominantly for its amenity and character urbanrural contrast and for appropriate peri-urban uses, including an allowance of dwellings on 4ha lots. Having undertaken a review of the policies and objectives and a desktop review of the actual permitted activities being undertaken in the RuF, we note:
 - 17.1 Policy 17.2.2.4 mentions rural productive and recreational activities in the 'flatland rural area', which includes Waimakariri. Flatland rural areas offer potential for future urban growth, local food production, and ecosystem services.
 - 17.2 The Section 32 report notes that traditional farming is no longer dominant; the area is valued for rural amenity and open character, shaped by lifestyle development and subdivision. The primary planning focus of the zone is to manage rural living and prevent de facto urban development that undermines growth planning. The land is heavily fragmented, dominated by lifestyle blocks, rural-residential use, and urban fringe activities.
 - 17.3 A significant range of non-rural activities are permitted in the zone, including retail and manufacturing, residential activities, recreation activities, emergency service facilities, vet facilities, poultry hatcheries, and visitor accommodation. Farming and rural produce retail are also permitted.
 - 17.4 Intensive farming is also contemplated in the zone but as a restricted discretionary activity rather than a permitted activity, with specific regard



needing to be given to the sensitivity of the surrounding environment, and the extent to which adverse effects on residents can be avoided.⁸

- 17.5 A 4ha minimum net site area applies—the smallest of any rural zone in the District Plan (with other rural zones having a minimum net site area varying from 20 hectares to 100 hectares).
- The RuF zone comprises a mixture of uses, predominantly made up of rural lifestyle properties, smaller farming units, as well as some small commercial offerings (particularly towards Marshlands). We understand that demand for rural lifestyle properties in the RuF zone close to the city has elevated the land value to a level where rural lifestyle represents the highest and best use in many cases, meaning we can expect to see a continued proliferation of 4-hectare properties within the RuF zone as permitted activities.
- 19 Based on the above review, we conclude that the nearest equivalent zone to the RuF zone in the National Planning Standards is the rural lifestyle zone. This is on the basis that a significant proportion of the zone is able to be, and is in fact used for residential purposes, and the rules allow for the creation of 4-hectare allotments (which is generally accepted as a lot size that does not support primary productive use). We note a relevant excerpt from a 2018 MacFarlane Rural Business assessment referenced by a Waimakariri District Council officer in a memo to the hearings panel for the Proposed Waimakariri District Plan, which says: 10

there are very few agricultural or horticultural farming practises that would justify a farming business of 4ha (with the exception of very intensive vegetable production or glasshouse operations), even if they are operated to the highest level. The reality is that most properties under 10ha have been purchased for lifestyle purposes and the majority of the household income is derived off farm. Furthermore, once the house and amenities are deducted from the total area, the effective farming area on a 4ha property could be as low as 2ha. Whilst in theory a group of 4ha properties could be operated in conjunction to achieve scale, this is unlikely to be successful given owners will often have differing priorities and the fact that the small paddock sizes will limit operational efficiency.

The NPS-HPL does not apply

20 For the reasons explained above, we consider that for the purpose of the Application, the Site is not zoned GR or RP and therefore the NPS-HPL does not

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Refer to Wakatipu Equities Limited v Queenstown Lakes District Council [2023] NZEnvC 188 at [57] and [65].

⁹ Rural Waimakariri Zone and Rural Quarry (McLeans Island) Zone: 20 hectares. Rural Port Hills Zone: 100 hectares. Rural Banks Peninsula Zone: 40 or 100 hectares depending on location.

Memorandum from Mark Buckley, S42A Reporting Officer for Rural Zones, 30 June 2023.



apply to the Application under the interim definition of HPL. Additionally, we note that this aligns with ECan's draft CRPS HPL mapping.



Jo Appleyard / Tallulah Parker Partner / Senior Solicitor



Appendix Two: Memorandum from Novo Group on the "NPS-HPL Transitional Definition" dated 3 July 2025



3 July 2025

Novo Group Limited

Level 1, 279 Montreal Street PO Box 365, Christchurch 8140 O - 03 365 5570 info@novogroup.co.nz

MEMO

TO:

Jeremy Phillips, Director & Senior Planner

FROM: Adele Radburnd, Senior Planner

PROJECT REF: 0021050

NPS- HPL TRANSITIONAL DEFINITION

Introduction

- You have asked for a planning policy assessment as to what zones, if any, contained in the Christchurch District Plan, can be considered the "nearest equivalent" to the General Rural or Rural Production zones in the National Planning Standards, for the purposes of interpreting and applying the directions of the National Policy Statement on Highly Productive Land.
- 2. This is to determine whether the NPS-HPL has any relevance to the urban rezoning of the subject land ("Land") which
 - a. is currently zoned Rural Urban Fringe in the Christchurch District Plan;
 - b. is subject to Land Use Capability Class 1-3 soil as mapped in the NZ Land Resource Inventory; and
 - c. is not otherwise identified for future urban development or subject to a council initiated or adopted notified plan change.

Context

3. The NPS-HPL requires regional councils to map highly productive land in their regional policy statements within three years of the NPS-HPL coming into force (in other words, by 17 October 2025).¹ ECAN has published its draft Canterbury Regional Policy Statement, including mapping of HPL, which shows the subject land as <u>not</u> being highly productive², but the CRPS review process is on hold and therefore these maps currently have no weight.

¹ National Policy Statement for Highly Productive Land 2022, cls 3.5(1).

² Draft CRPS Maps



- 4. In the interim period, before maps are formally included in the CRPS, land must be *treated* as highly productive land for the purposes of the NPS-HPL if at the commencement date of 17 October 2022, it:
 - is zoned General Rural or Rural Production; and
 - is LUC 1, 2, or 3; but

but is not:

- identified for future urban development; or
- subject to a council initiated, or an adopted, notified plan change to rezone it from general rural or rural production to urban or rural lifestyle.
- 5. Clause 1.3 (4)(b) of the NPS-HPL states that "a reference in the NPS-HPL to a zone is:
 - (a) a reference to a zone as described in Standard 8 (Zone Framework Standard) of the National Planning Standards; or
 - (b) for local authorities that have not yet implemented the Zone Framework Standard of the National Planning Standards, a reference to the nearest equivalent zone"3.
- 6. Christchurch City Council has not yet implemented the Zone Framework Standards for rural zones, therefore determining whether the NPS-HPL applies to the Land requires an assessment as to what the nearest equivalent zone in the Christchurch District Plan is to the General Rural (GR) and Rural Production (RP) zones. If the Rural Urban Fringe Zone is considered the "nearest equivalent zone" to the GR or RP zones, then the NPS-HPL would apply to the subject land. If it is not the nearest equivalent, it would not apply.
- 7. To be clear, in my view, the assessment of zone equivalence:
 - (a) Does not involve a planning assessment of the actual function and land use composition of the different zones, other than as is reflected in the district plan provisions themselves. That assessment was undertaken as part of the last District Plan Review and led to the identification of the rural zones in the operative District Plan; and
 - (b) Does not ask us to find the nearest equivalent National Planning Standard Zone to the operative DP zones. This would be a different exercise to identifying what zones are nearest equivalents to the GR or RP zones. The operative DP rural zones may not be an obvious or good fit for the three main rural NPS zones (GR, RP, RL) or Settlement Zones but it is not a requirement to make them fit by allocating one of the new zones at this time.
 - (c) (related to (b) above) **Does not require consideration of what National Planning Standard zones the operative District Plan rural zones might become** when the Council comes to implement the National Planning Standards. That is an assessment for a future time and where Council can choose to adopt any of the standard rural zones (with or without precincts, overlays, and other provisions to

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³ i.e. in the same way that CCC needed to select the (single) nearest equivalent zone (if any) when it implemented the Policy directions of the NPS-UD.



manage parts of the zone differently), or to rezone⁴ rural land to other zones in the planning standards including open space, future urban, natural open space or even an urban (residential, business or other) zone. The Council may also choose to split an existing zone into two or more zones. These are all circumstances anticipated by the Government for councils implementing the National Planning Standards⁵.

Approach to Assessment

8. To determine the nearest equivalent zone to the GR and RP zones for the transitional HPL definition exercise, it is necessary to look at any zone descriptions, objectives, policies, activity tables and subdivision provisions of the District Plan's rural zones and compare these with the zone descriptions for the General Rural and Rural Production zones in the National Planning Standards.⁶

National Planning Standards - Rural Zones

- **9.** The National Planning Standards descriptions for the General Rural and Rural Production zones are as follows:
 - a. **General Rural zone**: Areas used predominantly for primary production activities, including intensive indoor primary production. The zone may also be used for a range of activities that support primary production activities, including associated rural industry, and other activities that require a rural location.
 - b. **Rural Production zone**: Areas used predominantly for primary production activities that rely on the productive nature of the land and intensive indoor primary production. The zone may also be used for a range of activities that support primary production activities, including associated rural industry, and other activities that require a rural location.
- 10. The two zone descriptions are very similar⁷; they are both areas used:
 - a. predominantly for primary production activities and intensive indoor primary production; and
 - b. for a range of activities that support primary production activities including associated rural industry, and
 - c. for other activities that require a rural location.
- 11. The key distinction is that the RP Zone specifies reliance on "the productive nature of the land." While this wording suggests a link to soil quality, government guidance for the

⁶ National Policy Statement for Highly Productive Land: Guide to Implementation, page 15.

⁴ Provided they have not already concluded the land to be highly productive under the NPS-HPL, limiting the option of urban rezoning.

⁵ Guidance for Zone Framework and District Spatial Layers Standards page 2.

⁷ So similar in fact that the GR and RP zones have been variously adopted by different districts for rural zones of a similar type, that is they seem to be used interchangeably. See for instance Whangarei District Council that options the RP Zone as its main rural zone, and Selwyn District Council that adopted the GR Zone.



National Planning Standards⁸ clarifies that the RP Zone is intended to recognise areas where productivity is *not* tied to soil capability (e.g. LUC classification). For example, In Christchurch, the Avoca or Horotane Valley areas might support a RP zoning because productivity there is driven by their microclimates rather than soil versatility.

12. The key question to answer to determine the 'nearest equivalent zone' is therefore, which of the operative district plan rural zones is managed and anticipated primarily for 'primary production activities' and can therefore be seen as the nearest equivalent to a GR or RP zone?

Christchurch District Plan Objectives and Policies

13. Unfortunately, there is no clear description in the Christchurch District Plan of the intended purpose or function of each of the Plan's rural zones, including the Rural Urban Fringe zone. Nor are there any specific objectives or policies related to that zone that provide any insight.

Objectives

- 14. The Strategic Directions Chapter provides the overarching outcomes for rural zones in Christchurch. **Objective 3.3.16 (A productive and diverse rural environment)** states the main outcome being:
 - a. A range of opportunities is enabled in the rural environment, primarily for rural productive activities, and also for other activities which use the rural resource efficiently and contribute positively to the economy.
 - b. The contribution of rural land to maintaining the values of the natural and cultural environment, including Ngai Tahu values, is recognised.
- 15. Within the Rural Zone Chapter, there is a single objective for the whole of the rural environment:

Objective 17.2.1.1 The Rural Environment

- a. Subdivision, use and development of rural land that:
 - i. Supports, maintains and, where appropriate, enhances the function, character and amenity values of the rural environment and, in particular, the potential contribution of rural productive activities to the economy and wellbeing of the Christchurch District.
 - ii. Avoids significant, and remedies or mitigates other reverse sensitivity effects on rural productive activities and natural hazard mitigation works;
 - iii. Maintains a contrast to the urban environment.

⁸ Guidance for Zone Framework and District Spatial Layers Standards page 8.

iv. [not relevant].

- 16. The above objectives reflect the outcome of the Section 32 evaluation for rural zones, which established the current resource management framework for the rural environment in Christchurch. The objectives generally seek to maintain the rural zones for their function (in particular the potential for rural productive activities), character and amenity values, natural and cultural values and for maintaining a contrast to the urban environment.
- 17. The Rural Section 32 report makes plain that the management regime for the rural environment was largely predetermined by higher order documents (namely the CRPS)9, that directed a focus on maintaining a consolidated pattern of urban development, limiting rural residential development, retaining land for rural productive activities (farming, plantation forestry, intensive farming and quarrying), maintaining the function of a working environment (including management of reverse sensitivity) and maintaining a contrast with the urban environment 10.
- 18. The implementing policies give effect to that direction, with different emphasis given to different rural zones depending on their main functions.

Rural Policies

- 19. Chapter 17 includes a range of policies aimed at enabling a range of activities on rural land (Policy 17.2.2.1), managing the effects on rural values (including character and amenity) (Policy 17.2.2.2) and to recognise that character and amenity values vary across the district (Policy 17.2.2.3).
- 20. The policy emphasis on managing rural character and amenity is a strong theme in the Chapter 17 policies and the Section 32 evaluation that informed them, particularly for the rural plains. This was informed by evidence that showed "that primary production activities in Christchurch, particularly on the rural plains, are no longer the dominant land use activity"11 and the economic value of rural plains land was low (from a productive perspective), such that "rural land management practices in these areas should focus more strongly on other factors / values such as rural amenity values, rural character, open space issues and environmental protection and management" 12. Whilst it was acknowledged in the evaluation that the opportunity or ability for primary production in the future has not been totally foreclosed on rural land, significant constraints existed due the dominance of lifestyle development, land fragmentation and inflated land prices.
- 21. The Section 32 report describes how, from a policy and functional perspective, most of the city's rural zones are not valued primarily for their rural productivity; rather, they are managed for their broader functions and values associated with the rural environment such as amenity, landscape, biodiversity, water management and recreation 13. This is reflected in the policies which focus on many of those aspects.

⁹ Rural Section 32 Report, page 32.

Rural Section 32 Report Page 16, Appendix 3 and elsewhere.

¹¹ Rural Section 32 Report, Appendix 4, page 60

¹² Ibid page 61

¹³ Ibid, page 4, 5 and 68

- 22. Policy 17.2.2.4 (Function of Rural Areas) seeks to 'ensure the nature, scale and intensity of subdivision, use and development recognise the different [characteristics and values] of rural land in Christchurch District supporting an interpretation that subdivision, use and development standards (including lot sizes) are a key determinant of a zone's primary function. The policy very broadly sets out the function of rural areas, without being specific about zones. We can infer though that clause (i) through (v) reference the five (non-quarry) rural zones with the reference to rural flatland surrounding the main Christchurch urban area relating to both the RuUF and RuW zones¹⁴. The policy refers to 'rural productive activities' being key functions for the Banks Peninsula rural environment and the rural flat land surrounding the main urban area. Given that the s32 evaluation concludes that the horse has already bolted for rural production in the RuUF zone but is still viable to some extent in the RuW, it is inferred that the reference to 'rural flatland' is largely directed at the RuW zone, and the RuUF only to the extent that existing rural productive activities might still be undertaken. The policy also highlights the specific eco-system services role of the Waimakariri rural land and the natural character of the Port Hills.
- 23. Significantly, the only rural zone to have its own policy focused on maintaining and enhancing the quality of the working environment, is the Rural Banks Peninsula Zone (Policy 17.2.2.8). This is consistent with the Section 32 evaluation that describes this part of the rural environment as a 'rural working landscape' where 'rural productive land use, based around pastoral farming', dominates the landscape¹⁵.
- 24. In my view, the detailed analysis of the section 32 report that established the management framework for rural zones leads me to determine that only the RuBP zone functions primarily as a productive rural environment. Whilst objectives and policies *permit* primary production / rural production activities in all rural zones, the Section 32 acknowledges that other than for Banks Peninsula, the productive value of rural land in Christchurch has been diminished to such a great extent that its rural productive values are not strongly protected or managed through the district plan. Rather, the district plan seeks to manage other characteristics of the rural environment including rural character and amenity, landscape and natural values (including ecosystem services) with non-rural land uses limited by the strong urban consolidation objectives of the CRPS.

Methods - zoning and rules

- 25. A comparison of the relevant policies and rules applicable to the existing rural zones identities some key distinctions and assists to identify the nearest equivalent zones to the GR and RP zones.
- 26. The Christchurch District Plan includes five (non-quarry) rural zones:
 - Rural Urban Fringe (RuUF) Zone
 - Rural Waimakariri (RuW) Zone

¹⁴ This is clear from the description of rural flat land in the Section 32 report, Appendix 4 – page 5

¹⁵ S32, <u>Appendix 4</u>, page 67.



- Rural Banks Peninsula (RuBP) Zone
- Rural Port Hills (RuPH) Zone
- Rural Templeton (RuT) Zone

Section 7 of Appendix 4 of the Section 32 for the Rural Chapter discusses in some depth the differences between parts of the rural environment with similar character, land use and values that were subsequently grouped together to describe the rural environment and inform future management. The relevant points form this report are summarised in the table below.

Figure 1: Summary of Zone Functions

Rural Banks Peninsula Zone	 Only rural zone with a specific policy providing direction about zone's intended function and outcomes. Specifically references the 'rural working environment' S32 also describes it as a 'rural working landscape' where "rural productive land use, based around pastoral farming, dominates the landscape". Large minimum subdivision standard 40ha (below the 160m contour), 100ha above the contour). Strongest rural production orientation than any other zone in the DP.
Rural Waimakariri Zone	 Policies specifically refer to rural production (flat land) S32 and Policy 17.2.2.4 references its management for ecosystem services including flood management and groundwater recharge functions. Role for providing for recreational and other assets that require a rural location. Provides for primary production (including quarrying & farming) on sites sufficiently large to sustain viable rural businesses. Large minimum subdivision standard 20ha.
Rural Port Hills Zone	 Managed predominantly for its landscape and recreation values and for plantation forestry. Minimum subdivision standard is large (40-100ha), to protect landscape values rather than to support rural productivity. S32 report notes that it does not contain quality soils.



Rural Urban Fringe Zone	 Policy 17.2.2.4 mentions rural productive and recreational activities in the 'flatland rural area' which includes Waimakariri. The s32 report notes traditional farming is no longer dominant (and often uneconomic); the area is valued for rural amenity and open character shaped by lifestyle development and subdivision. The land is heavily fragmented, dominated by lifestyle blocks, rural-residential use, and urban fringe activities. Key management goal: maintain rural character, avoid further fragmentation, and support urban consolidation. Flatland rural areas offer potential for future urban growth, local food production, and ecosystem services. Main planning focus is to manage rural living and prevent de facto urban development that undermines growth planning. A 4ha minimum net site area applies—the smallest of any rural zone in the Christchurch District Plan
Rural Templeton	 Bespoke zone that provides for agricultural-based office park on a former (urban) hospital site.

- 27. The above comparative zone analysis leads me to a conclusion, that for the purpose of determining what zone is nearest equivalent to a GR or RP zone, the key determining factor is the extent to which primary production activities are enabled and anticipated in the zone and the extent to which the zone managed primarily for this purpose. Almost all zones permit a full range of primary production activities but the extent to which they are enabled (in particular by the subdivision and minimum dwelling site size standards) and anticipated (having regard to the pattern of land use and the competition for and price of land) varies between zones. Reviewing all relevant provisions in the round, I conclude that the Rural Banks Peninsula Zone and Rural Waimakariri Zones are the nearest equivalent zones to the GR and / or RP zones. These zones are enabled, anticipated and managed for primary production activities more so than any other rural zone. I am swayed in particular by the large minimum subdivision standards in these zones and the function of the zones as described in Chapter 17 of the District Plan.
- 28. In contrast, the Rural Port Hills is managed predominantly for its landscape and natural values and the Rural Urban Fringe Zone for its amenity and character, urban -rural contrast and for appropriate peri-urban uses including dwellings on 4ha lots. Again, I consider the minimum subdivision standard to be a key factor, noting that rural production is generally considered uneconomic on small lots. I note a relevant report by an agricultural expert that informed the Waimakariri District Plan Review commented that: ¹⁶

"There are very few agricultural or horticultural farming practises that would justify a farming business of 4ha (with the exception of very intensive vegetable production or glasshouse operations), even if they are operated to the highest level. The reality is that most properties under 10ha have been purchased for lifestyle purposes, and the majority of the household income is derived off farm. Furthermore, once the house and amenities are deducted from the total area, the effective farming area on a 4ha property could be as low as 2ha. Whilst

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Waimakariri District Plan Review: Rural Production Advice – Rural Land Zoning (November 2018), Jamie Gordon, Macfarlane Rural Business.



in theory a group of 4ha properties could be operated in conjunction to achieve scale, this is unlikely to be successful given owners will often have differing priorities and the fact that the small paddock sizes will limit operational efficiency".

- 29. I conclude that even if the RuUF Zone could be considered similar to the generic GR and RP zone descriptions, it cannot, be considered the <u>nearest</u> equivalent zone for the reasons set out above.
- 30. On this basis, I conclude that the RuUF cannot be considered the nearest equivalent zone to the GR or RP and therefore that it cannot meet the transitional definition in the NPS-HPL.

Conclusion - The NPS-HPL does not apply

31. For the above reasons, I consider that for the purpose of the application, the land is not zoned General Rural or Rural Production and therefore the NPS-HPL is not relevant to the proposed urban rezoning under the current definition of highly productive land.

Memorandum from Novo Group on the "Advice on Highly Productive Land in Christchurch Rural Urban Fringe" dated 16 December 2025



16 December 2025

Novo Group Limited

Level 1, 279 Montreal Street PO Box 365, Christchurch 8140 O - 03 365 5570 info@novogroup.co.nz

MEMO

TO: Georgia Brown

FROM: Adele Radburnd

PROJECT REF: Pound Road Industrial Development

ADVICE ON HIGHLY PRODUCTIVE LAND IN CHRISTCHURCH RURAL URBAN FRINGE

- I have previously provided a planning policy assessment as to what zones, if any, contained in the Christchurch District Plan, can be considered the "nearest equivalent" to the General Rural or Rural Production zones in the National Planning Standards, for the purposes of interpreting and applying the directions of the National Policy Statement on Highly Productive Land. This is to determine whether the NPS-HPL has any relevance to urban rezoning of land currently zoned rural urban fringe. That advice is attached as **Appendix A.**
- 2. This memo provides further advice, about whether the peri-urban land in Christchurch, in practical terms, can be considered highly productive, noting that it is well documented that the following factors influence whether land is viable for rural production.
 - Soil versatility.
 - Site size and fragmentation.
 - Availability of water.
 - Statutory limits on nutrients.
 - · Cost of land.
- This memo summarises key findings of a high-level desktop review of readily available resources undertaken to identify the extent of these constraints in the Christchurch periurban context, and specifically for land at the application site of the Pound Road Industrial Development.

Soil versatility

4. Highly productive land is generally located on class 1-3 land under the land use capability (LUC) classification system developed by Manaaki Whenua Landcare Research in the 1950s. In a general sense, it represents soils that require fewer inputs (fertilizer and irrigation) to support primary production compared with other classes of soil.



- 5. However, other types of soil can still be very productive despite not being in classes 1-3, for example soil that produces high quality stone fruit or soil that is valuable for producing wine. Conversely, LUC classes 1-3 may not be highly productive for other reasons, including if they are fragmented or already zoned for other development¹.
- 6. A recent report by the Parliamentary Commissioner for the Environment² recommends that the current LUC system not be used as a basis for future regulatory controls for a number of reasons including that it is a coarse, dated national dataset designed for soil conservation / productive uses, not modern regulation, and that the original mapping lacked objectivity. It concludes that modern geospatial technologies enable more objective, repeatable analysis, especially at parcel / individual property level and therefore is more robust for the purpose of applying in regulatory settings.

Site Size and Fragmentation

- 7. The PCE report supports the view that **small parcel sizes and fragmented ownership patterns** can significantly reduce the practical productivity of land, even if the soil is highly versatile. It notes that the transitional definition of HPL in the NPSHPL does not account for size, shape or natural boundaries of LUC classified land.
- 8. The Ministry for Environment (MfE) guidance for the implication of the NPS-HPL states that minimum site size is not itself a relevant consideration for whether highly productive land should be protected on the basis that:
 - There is no fixed minimum lot size that guarantees productive capacity;
 - Legal parcel boundaries don't change the inherent productive quality of the land;
 - Moden farming structures mean productivity can be maintained without large contiguous parcels; and
 - Whilst fragmentation can be challenging, it is not an automatic disqualifies.
- 9. A report by agricultural experts, MacFarlane Rural Business in 2023, challenges many of these views, concluding that the minimum lot sizes required to sustain rural production of the type undertaken in the rural flatlands in Christchurch (i.e. arable and mixed livestock and mixed cropping), is 20 hectares³. In the view of these experts,

"it is difficult to maintain rural production below 10 hectares, particularly if it is used for lifestyle residential purposes".

¹ Environment Canterbury website

² Parliamentary Commissioner for the Environment (2025), <u>Reviewing the Use of the LUC System in a Regulatory</u>

³ Macfarlane Rural Business (2023), "Eastern MacKenzie District Review Rural Economic Advice – Minimum Rural Lot Size" p28.



10. The same experts prepared evidence to support the rural zone planning framework for the Waimakariri District Plan Review⁴. There they similarly identified the following minimum site sizes for productive rural land uses as follows:

Table 2: Minimum Area by Land use

Production System	Minimum Productive Area (Hectares)
Speciality Small Seeds (e.g. Carrot)	10 - 15
Horticulture (e.g. Apples)	10 - 15
Vegetables (e.g. Potatoes)	15 - 20
Dairy Support and Dairy	20 - 40
Mixed Cropping/Livestock	20 - 40
Intensive Breeding Finishing	40
Extensive Breeding and Finishing	100

They noted that smaller landholdings 2-10ha may be sustainable for fresh produce, glasshouses etc but noting that the general trend in fruit and vegetable production is for fewer, larger producers. They conclude that,

> There are very few agricultural or horticultural farming practices that would justify a farming business of 4ha (with the exception of very intensive vegetation production or glasshouse operations), even if they are operated to the high level".5

12. In Christchurch, the peri-urban fringe zone is highly fragmented into small parcels largely incapable of amalgamation into larger productive units⁶. A Council report prepared for the District Plan review in 2015 concludes that:

> "the 'rural flatland area' (later zoned Rural Urban Fringe), is highly fragmented with a high percentage of sites containing dwellings. Due to historical subdivision there are pockets of small sites less than 1ha which form areas of intensive rural living that would meet the definition of rural residential under the Canterbury Regional Policy Statement C(RPS).

> Generally the majority of these sites are less than 8ha with average site of 3.2 hectares for the zone. There are approximately 1206 dwellings in the RUF equating to 76% of sites having a dwelling (in 2015). Sites larger than this tend to be in public ownership, have strategic infrastructure in close proximity that limits potential development or are subject to natural hazards i.e. flood detention areas". [page 6].

Land Values and Competition for Land

13. The PCE report identifies that highly productive land is often located in areas subject to strong pressure from non-agricultural uses, particularly urban expansion and infrastructure development, including around Christchurch. It highlights that conversion of such land to other uses is effectively irreversible, raising concerns about the long-term availability of land for primary production. While the report does not assess economic feasibility, in peri-

⁴ MacFarlane Rural Business (2018), " Waimakariri Rural Production Advice – Rural Land Zoning"

⁵ Ibid. Page 21.

⁶ Christchurch Proposed District Plan, Rural Section 32 Report, Appendix 6, page 6-10 and Appendix 4 page 62.



- urban contexts rising land values and competing land uses can, in practice, undermine the viability of agriculture, encourage subdivision and fragmentation, and create conflicts between primary production and other land-use demands.
- 14. The peri-urban fringe area of Christchurch City has inflated rural land values⁷ that reflect the urban fringe location and the competition of land for urban or quasi-urban land uses. This often renders the land uneconomic of rural production regardless of the underlying soil classification.
- 15. Christchurch's peri-urban land has also been predominantly used for non-rural uses including lifestyle living, recreation and rural contracting type activities, further limiting opportunities for new rural productive uses to establish⁸. The rural urban fringe land between Christchurch and Templeton is no exception, as shown on the land use and parcel size maps prepared by Christchurch City Council in 2015⁹ (excerpt attached below). The large landholdings in rural use in these areas are comprised almost entirely of (a) designated prison land (b) protected grassland ecology areas and (c) quarry zones.
- 16. The same CCC report discusses how this area contains strategic infrastructure and institutional facilities including Paraua Prison and Transpower NZ substation and transmission liens.
- 17. The Christchurch International Airport adjoins the area to the north-east. There are a number of recreational uses including golf courses (Templeton, Harewood), motorsport (Ruapuna Speedway, Carrs Road Kart Club), West Melton Reserves area (owned by Environment Canterbury) which includes the Waimakariri Reserves (rural grasslands) and McLeans Island. Isaac Conservation Park is also within the area. The McLeans Island area provides for various clubs and groups that lease land, with the remaining area in plantation forestry and dryland grazing. The West Melton Reserves Management Plan focuses upon the grasslands area and its key values of providing for protection of the Christchurch municipal water supply, rare remnant ecosystems and soil conservation. The area mostly covers the Christchurch groundwater protection zone and includes half of the Waimakariri River stopbanks. The site of the former Templeton Hospital is zoned for rural office-based activities. Rural land uses include stock and store livestock. Operating quarries and lifestyle development are located around Old West Coast / Miners Road, Pound Road and McLeans Island.
- 18. The report highlights the intensive pattern of subdivision, based around lifestyle development, concentrated along the main roads and the edge of the Paparua-Yaldhurst area. The less developed sites are located beyond these areas, tending to have lifestyle development around their perimeters. The existence of large sites in this area is reflective of their Crown (i.e. Corrections Department) or public ownership (Environment Canterbury) flood management and use for large strategic infrastructure i.e. Christchurch International Airport. The Isaac Conservation Trust owns a significant area to north providing for

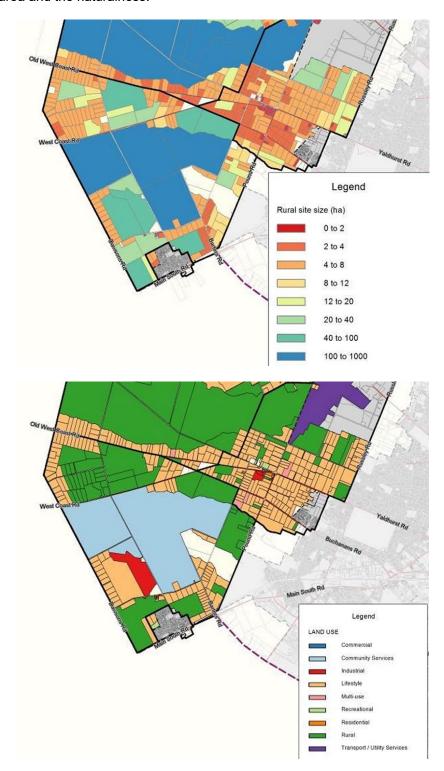
⁷ Ministry for Housing and Urban Development Price Efficiency Indicators Technical Report p51.

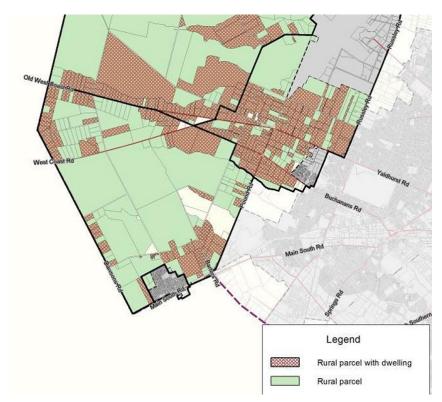
⁸ Christchurch Proposed District Plan, Rural Section 32 Report, <u>Appendix 4</u>, page 59

⁹ Ibid pages 32-34.



farming, quarrying and conservation activities. These larger sites protect the openness of the area and the naturalness.





Above: Extracts from CCC Section 32 Report showing site size, land use and extent of rural residential activity in the vicinity of the Pound Road site in 2015 (Source: Christchurch City Council)

Availability of Water

19. A report prepared by Reeftide Environmental and Projects in support of the Pound Road Fastrack application discusses how water availability constrains rural productivity in this location.

Moisture Deficits:

20. The report notes that Christchurch's climate can be very hot and dry during spring and summer, which are critical periods for crop growth. Even with inherently fertile soils, a lack of moisture or irrigation severely limits productive potential:

"These weather conditions significantly affect crop production and ultimately compromises the soil's natural capital or productive potential as it will not matter how inherently fertile or productive the soils are as moisture or irrigation is critical to support crop growth." Irrigation Requirements:

21. The assessment calculates that to maintain a good pasture system, 137–189 mm of irrigation is required in January alone, with a total annual requirement of 415,034 m³ for the 60.4 ha site 11.

¹⁰ Reeftide Memo Report Pound Road Industrial Development – Assessment of the HPL and NPS-HPL and Land Productivity (June 2025, Section 7.2.1, p. 8.)

¹¹ Ibid Section 7.2.2 Table 3, p8,

Insufficient Water Consents:

- 22. The site currently has three irrigation consents, but their combined annual allocation (128,593 m³) is far less than what is needed (415,034 m³), leaving a shortfall of 286,441 m³.12
- 23. Like much of the Rural Urban Fringe zone, the site is in the Christchurch West Melton Groundwater Zone, which is fully allocated. No new groundwater consents for irrigation can be granted, and transfers of existing consents are increasingly difficult due to high demand and regulatory hurdles:

"The zone is fully allocated (i.e. its allocation limit has been reached, meaning no further groundwater can be extracted without causing negative impacts). Consequently, new applications to take groundwater for irrigation are prohibited activities under the CLWRP. In other words, no new consents to take water for irrigation will be granted."

- 24. Transfers of existing water consents are possible but are becoming more difficult due to climate change, increased demand, and regulatory restrictions.
- 25. The lack of irrigation water is described as a permanent constraint on the site's ability to achieve its productive, regardless of soil quality and the report concludes that "without irrigation, the LUC2 land within the Site will never achieve its full productive potential and is therefore not highly productive, as evidenced by the current low productivity across the Site. The report concludes that, due to the lack of water, the site's classification as highly productive land (HPL) is not meaningful in practice, as it cannot be used for intensive or high-value primary production.
- 26. The report emphasises that water availability is a critical determinant of land productivity, particularly for cropping and horticulture. Even land with high soil versatility cannot achieve its productive potential without reliable irrigation or adequate rainfall. Water allocation limits and environmental constraints (e.g., freshwater quality regulations) further restrict the ability to intensify land use.

Statutory Limits on Nutrients

- 27. The PCE report references feedback received from Regional Councils that indicates that the LUC dataset and classification is not suitable for assessing modern land-based production that is heavily dependent on the addition of inputs like nutrients.
- 28. The Reeftide report supports this view emphasising that statutory limits on nutrient discharges under the Canterbury Land and Water Regional Plan (CLWRP) impose a significant and enduring constraint on land productivity, even on soils with high land use capability. In Red Nutrient Allocation Zones such as Christchurch West Melton, farming activities are subject to strict caps on nitrogen losses based on historically low baseline periods (2009–2013), with future nutrient losses required to remain at or below those

¹² Ibid, Section 7.2.3, Table 4, p. 9

¹³ Ibid, Section 7.2.4, p9.



- baselines. This effectively limits the ability to intensify or change land use, regardless of soil versatility. These constraints are long-term and likely permanent, reflecting both the legacy effects of past land use on groundwater quality and the expectation of increasingly stringent nutrient controls over time.
- 29. They point to empirical studies that support the productivity impacts of such limits, with research by Landcare Research and the Agribusiness Group demonstrating substantial reductions in yields, revenues, and profitability when nitrogen inputs are constrained, in some cases rendering cropping uneconomic. As a result, statutory nutrient discharge limits can materially compromise the productive potential and economic viability of land, notwithstanding its classification as highly productive under the LUC system.

Draft Regional HPL Maps

30. Environment Canterbury has prepared maps of HPL, as required by clause 3.4 of the NPS-HPL. These maps take account of many of the factors described above and are therefore a more appropriate basis for informing land management and urban development decisions in the local context. Within the Christchurch City boundaries, Environment Canterbury has concluded that only four areas of HPL remain in the city as shown (in green) on the map below.

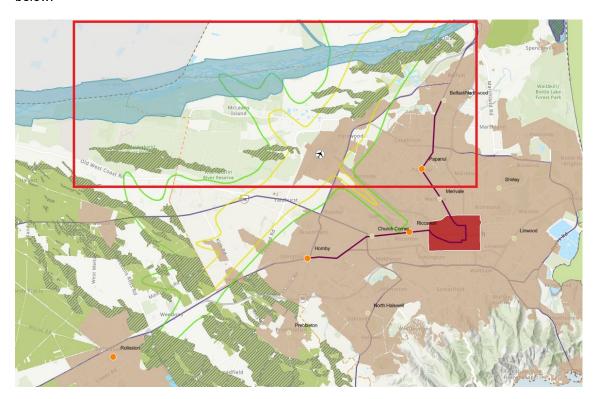


Figure 1: Extract of Draft CRPS Maps 14 of Highly Productive Land (Environment Canterbury)

¹⁴ Canterbury Regional Policy Statement <u>Draft Maps</u> (December 2025)



Predominantly Land Use Capability Class 1-2 Soils (for information only)



Highly Productive Land



31. This compares with a much larger area of LUC1-3 land that is otherwise being captured by the transitional definition of HPL as shown in **Figure 2** below.



Figure 2: Extract of LUC1-3 Land (Source: Manaaki Whenua Landcare Research)

Conclusion

32. The function and (limited) value of the peri-urban (rural urban fringe zone) for rural productivity is summarised in the section 32 report that informed the planning framework for the rural zones in the Christchurch District Plan.

"The rural environment in Christchurch District is diverse and valued for its multiple services and functions including primary production, landscape, biodiversity, water protection and recreation opportunities. There are distinctive differences between the flat land and the hilly land in the District. The underlying pattern of development is highly fragmented in some parts of the District as a result of historical development and previous planning frameworks, which may not necessarily support the outcomes desired now and into the future. There is less emphasis upon agricultural production in the rural flat land which is dominated by lifestyle development and other activities that support the urban environment".

Peri-urban opportunities The rural area immediately surrounding the Christchurch main urban area is referred to as a peri-urban area. These areas are generally regarded as a **transition between urban and rural areas** located between the urban edge and the traditional rural environment. The peri-urban areas provide **for a mix of activities that**

support the urban area including rural living, recreation, tourism, hazard mitigation and strategic infrastructure along with rural activities. Peri-urban areas are also important in providing options for future urban growth, local food production and ecosystem services e.g. water supply catchments for the urban area. While rural farming activities are no longer the dominant land use these areas are valued for their rural amenity and degree of open character, which differs from the more traditional working landscapes due to the intensive subdivision pattern and higher level of lifestyle development. There is still a high degree of naturalness to the peri-urban area, sharing more elements of rural character rather than urban character. Managing the peri-urban area requires consideration of all its functions and how it best supports the adjoining urban area.

- 33. This recognises that the rural urban fringe has a range of constraints for rural productivity including being highly fragmented with a high proportion of residential dwellings and with intense competition for non-rural land uses and consequential effects on land values and land availability. This combined with constraints on the availability of water and statutory limitations on nutrient discharges further reduce the land's potential for productive land uses.
- 34. The City Council's analysis of the City's rural zones acknowledged the limitations of the peri-urban flatland for rural productivity, maintaining it as rural zoned land for a range of other functions, including rural living, recreation, tourism, hazard mitigation and strategic infrastructure whilst continuing to provide for existing rural activities. This approach has been supported by rural industry expert advice that identifies the requirements for sustainable rural land use, including large minimum lot sizes.
- 35. The Regional Council similarly recognises the limited potential of rural land in Christchurch City for highly productive land uses, with its draft maps limiting HPL to a small number of discrete areas.
- 36. The Parliamentary Commissioner for the Environment acknowledges the limitations of the current LUC classification system and recommends that it is not used for regulatory purposes.
- 37. All these factors point to the need for a more nuanced and pragmatic approach to the identification and management of highly productive land, assessed holistically and cognisant of competing national planning policy considerations including NPS on Urban Development.

¹⁵ Ibid, page 64.