



Advocate for:
Heavy Haulage Operators
House Movers
Load Pilots
Heavy Recovery

"The Sign of a Professional"

New Zealand Productivity Commission
The Terrace
Wellington 6143

4 August 2015

**Submission of the House Movers Section of the New Zealand Heavy Haulage Association (Inc
"House Movers) on the Using Land for Housing Draft Report**

Executive Summary

1. The purpose of this submission is providing examples to support the Commission's draft findings. Based on problems in Auckland, and the House Mover's experiences in other districts including, Hamilton, Wellington, and Dunedin, the House Movers endorse the Commissions draft findings that:
 - a. land use rules need to better match costs with benefits; and
 - b. a democratic deficit is evident in planning matters.
2. Wider benefits of urban renewal and intensification are being forgone in favour of the interests of a vocal minority.
3. It is considered that increased statutory requirements for cost benefit analysis under the Resource Management Act 1991 (RMA) are required. While recent amendments to section 32 RMA require quantification of costs and benefits where possible, more is needed to achieve robust economic analysis of planning rules. In particular, regulation should be assessed as to its *necessity* in terms of costs and benefits as compared to the 'do nothing' option.
4. The House Movers also consider that express national direction regarding provision of housing, including affordable housing and compact urban design, is required. It is understood that RMA amendment is outside the scope of the Commission's terms of reference and the Commission is to be commended for addressing this issue nonetheless.

The House Movers Section of the New Zealand Heavy Haulage Association

5. The New Zealand Heavy Haulage Association Inc is the national trade association for organisations involved in the transportation of goods that exceed normal maximum size of loads – be they overweight or overdimension. The Association was established in 1964. .

New Zealand Heavy Haulage Association Inc

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6. The House Movers section of the Association has been representing the house and building relocation sector for the past 20 years and the membership conducts around 75-80% of the building relocations nationally
7. House relocation companies recycle existing housing stock preventing large amounts of waste ending up in the country's landfills. Recycling of housing stock is estimated by this Association to be the third largest recycling industry (by weight) in New Zealand. Relocation often allows for urban renewal or intensification, either by shifting within, into, or out of built up areas. Relocated housing is often an affordable housing option.
8. The House Movers wish to ensure that land use regulations are efficient and effective and properly reflect the intent and purposed of the RMA. Since 1997 the House Movers have made submissions on district and city plans around New Zealand. The House Movers have been involved in numerous Environment Court appeals concerning proposed district plans.

Submission on "Using Land for Housing Draft Report"

9. The House Movers submission supports the Commission's draft finding that land use rules need to better match costs with benefits. The experience of the House Movers is that the costs of land use rules often exceed their benefits, with negative effects on the cost and supply of housing.
10. In the House Mover's submission the causes of unnecessary or disproportionate land use rules include:
 - a. Inadequate upfront cost benefit analysis of proposed planning rules;
 - b. A democratic deficit with where existing homeowners have a disproportionate influence in local council processes. This democratic deficit often leads to costs and benefits of rules being considered only in relation to the "homeowner demographic", without regard to national or intergenerational interests.
11. The House Movers support the draft finding that the lack of express prioritisation of housing supply in the RMA has a negative impact on the provision of land for housing. The House Movers consider that express prioritisation of housing supply in the RMA, either in Part 2, a National Policy Statement, or otherwise, is a necessary step to address housing supply and affordability issues.

Residential character controls - unnecessary and disproportionate regulation

12. The issue of unnecessary or disproportionate land use rules is typified by the example of "historic character" controls. These controls are found in various district plans throughout the country. Such controls are promoted for the benefit of a small, vocal demographic of existing residents and seek to preserve existing urban form. Character controls are an example of the democratic deficit in planning matters identified in the Commission's draft report.
13. "Character" controls are distinct from the protection of historic heritage, a matter of national importance under section 6(f) RMA. The House Movers are supportive of the protection of properly identified historic heritage. Character controls are amenity values controls which seek to preserve the urban form and intensity of early established residential

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- suburbs. As well as controlling the appearance and density of new buildings, character controls prevent the demolition or removal of buildings older buildings to preserve a 'heritage feel'. Character controls by their nature preclude the use of important inner city urban land for intensification.
14. While character controls are by no means confined to Auckland, the issues involved are best demonstrated by reference to the Auckland example. As the Commission will be aware, submissions on the Proposed Auckland Unitary Plan (PAUP) are currently being heard by the Auckland Unitary Plan Independent Hearings Panel (AUPIHP).
 15. The PAUP includes extensive character areas, including a "pre-1944" overlay that requires resource consents on a restricted discretionary basis for the demolition and removal of pre-1944 buildings throughout the region. The extent of the pre-1944 overlay and other character controls can be seen in **attachment 1** to this submission. The pre-1944 overlay effects approximately 65,000 properties. The pre-1944 rules have been given immediate legal effect by the Auckland Council. These planning controls place significant restrictions on urban renewal and intensification in Auckland, despite having been subject to no rigorous analysis.
 16. The pre-1944 overlay was proposed by Auckland Council due to lobby pressure from a special interest group, the Character Coalition.¹ The Auckland Council has also taken the controversial position at hearings that residential character areas are not a matter of amenity values but rather of historic heritage requiring protection as a matter of national importance under the RMA.
 17. After hearing submissions at the regional policy statement level concerning the pre-1944 overlay the AUPIHP has made the following findings on an interim and non-binding basis:
 - a. The Pre-1944 Demolition Control Overlay is placing unnecessary constraints and burdens on landowners seeking to develop their properties.
 - b. There is no evidence to suggest that the pre-1944 buildings are at any significant risk of demolition or relocation, or that the areas where there are pre-1944 buildings are at risk of losing their character.
 - c. The Panel is not convinced that special character is "historic heritage" requiring protection as a matter of national importance.
 18. Notwithstanding the AUPIHP's interim guidance, the pre-1944 rules remain in effect. The Auckland Council retains the ability to reject the AUPIHP's recommendations and retain the pre-1944 overlay.
 19. In terms of the Commission's draft findings the House Movers note the following aspects of the Auckland special character and pre-1944 rules:
 - a. Insufficient analysis of costs and benefits was undertaken prior to the promulgation of rules. Given immediate legal effect, the rules are placing unnecessary constraints

¹ http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=10871584 "The coalition has lobbied the council to follow the Brisbane model, which prevents demolition of pre-1945 houses unless the owner can make a case"



and burdens on landowners seeking to develop their properties, without any corresponding benefit.

- b. A democratic deficit in local body politics was instrumental in promoting disproportionate and unnecessary rules. The lobby group the Character Coalition represents a small proportion of Auckland's population, and does not speak for future generations. Yet this group has exerted significant influence on Council decisions.
20. The pre-1944 overlay is a prime example of inadequate analysis carried out in the development of a District Plan. The capture of the Council by a lobby group has in this case been exacerbated by rules having immediate effect.

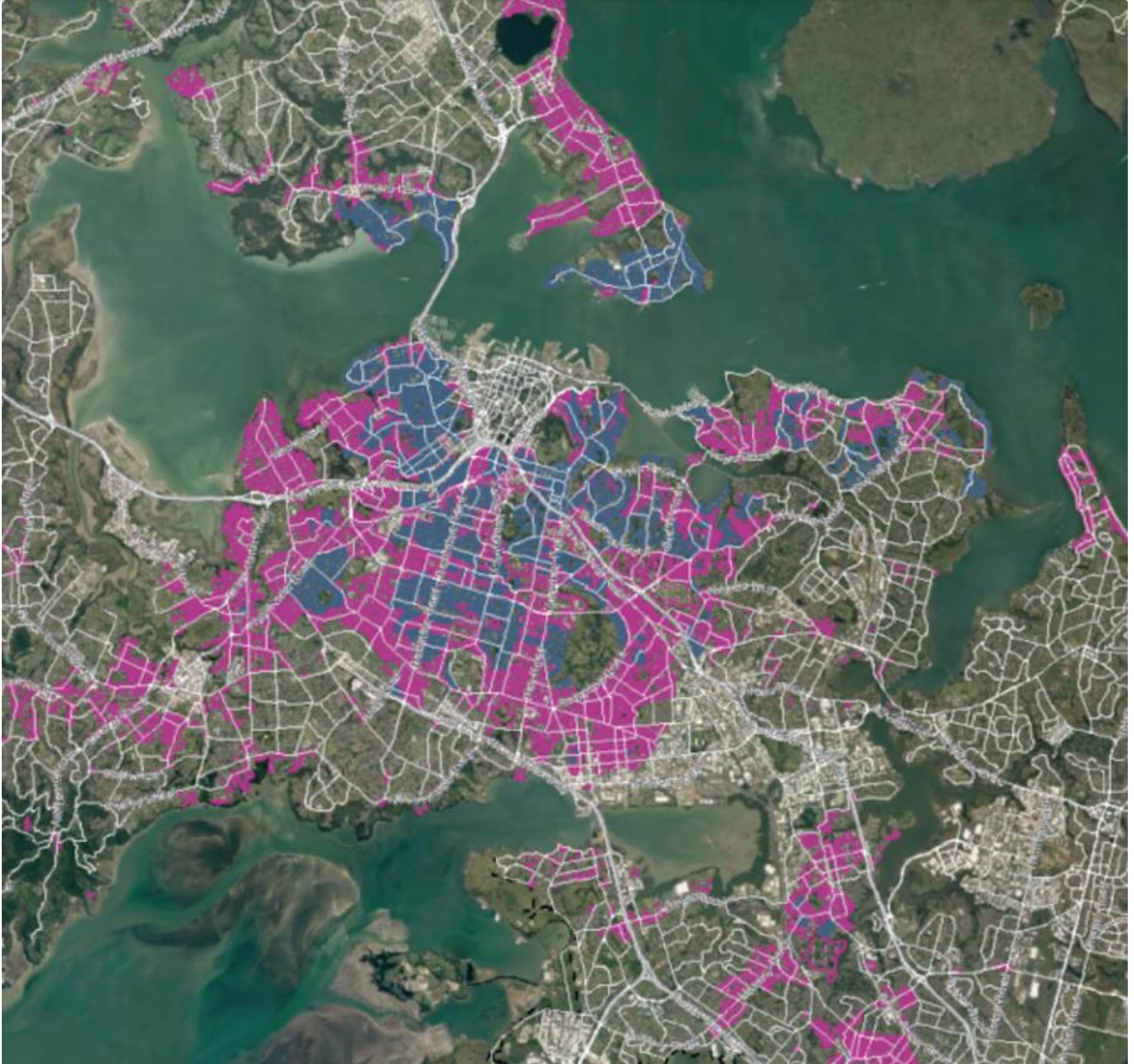
Conclusion

21. Based on problems in Auckland, and the House Mover's experiences in other districts including, Hamilton, Wellington, and Dunedin, the House Movers endorse the Commissions draft findings that:
 - a. land use rules need to better match costs with benefits; and
 - b. a democratic deficit is evident in planning matters.
22. Wider benefits of urban renewal and intensification are being forgone in favour of the interests of a vocal minority.
23. It is considered that increased statutory requirements for cost benefit analysis under the RMA are required. While recent amendments to section 32 RMA require quantification of costs and benefits where possible, more is needed to achieve robust economic analysis of planning rules. In particular, regulation should be assessed as to its *necessity* in terms of costs and benefits as compared to the 'do nothing' option.
24. The House Movers also consider that express national direction regarding provision of housing, including affordable housing and compact urban design, is required. It is understood that RMA amendment is outside the scope of the Commission's terms of reference and the Commission is to be commended for addressing this issue nonetheless.
25. The House Movers are happy to discuss any aspect of this submission with the Commission.



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Attachment 1



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