



## How to make a submission

The Ministry of Business, Innovation and Employment (MBIE) and the Ministry for the Environment (MfE) would like your feedback on the *Making it easier to build granny flats* discussion document.

Please provide your feedback by **5pm Monday 12 August 2024**

When completing this submission form, please provide comments and supporting explanations where relevant. Your feedback provides valuable information and informs decisions about the proposals. We appreciate your time and effort taken to respond to this consultation.

## Instructions

**To make a submission you will need to:**

1. Fill out your name, email address and organisation. If you are representing an organisation, please provide a brief description of your organisation and its aims, and ensure you have the authority to represent its views.
2. Fill out your responses to the discussion document questions. You can answer any or all of these questions in the [discussion document](#). Where possible, please provide us with evidence to support your views. Examples can include references to independent research or facts and figures.
3. If your submission has any confidential information:
  - i. Please state this in the email accompanying your submission, and set out clearly which parts you consider should be withheld and the grounds under the Official Information Act 1982 (Official Information Act) that you believe apply. MBIE will take such declarations into account and will consult with submitters when responding to requests under the Official Information Act.
  - ii. Indicate this on the front of your submission (e.g. the first page header may state “In Confidence”). Any confidential information should be clearly marked within the text of your submission (preferably as Microsoft Word comments).
  - iii. Note that submissions are subject to the Official Information Act and may, therefore, be released in part or full. The Privacy Act 2020 also applies.
4. Submit your feedback:
  - i. As a Microsoft Word document by email to [GrannyFlats@mbie.govt.nz](mailto:GrannyFlats@mbie.govt.nz)

**OR**

  - ii. By mailing your submission to:  
Consultation: Making it easier to build Granny Flats  
Building System Performance  
Building, Resources and Markets  
Ministry of Business, Innovation and Employment  
PO Box 1473, Wellington 6140, New Zealand

Please direct any questions that you have in relation to the submission process to:  
[GrannyFlats@mbie.govt.nz](mailto:GrannyFlats@mbie.govt.nz)

## Submitter information

MBIE and MfE would appreciate if you would provide some information about yourself. If you choose to provide information in the section below, it will be used to help MBIE and MfE understand how different sectors and communities view the proposals and options for granny flats. Any information you provide will be stored securely.

### Your name, email address, phone number and organisation

Name: Michael Wong (Building Services Manager)

Email address:

Organisation (if applicable): Ashburton District Council

#### The best way to describe you or your organisation is:

- |   |  |
|---|--|
| <input type="checkbox"/> Designer/ Architect                              | <input type="checkbox"/> Builder   |
| <input type="checkbox"/> Sub-contractor (please specify below)            | <input type="checkbox"/> Engineer  |
| <input checked="" type="checkbox"/> Building Consent Officer/Authority    | <input type="checkbox"/> Developer   |
| <input type="checkbox"/> Homeowner  | <input checked="" type="checkbox"/> Business (please specify industry below) |
| <input checked="" type="checkbox"/> Local government policy               | <input checked="" type="checkbox"/> Local government planner                 |
| <input type="checkbox"/> Local government development contributions staff |  |
| <input type="checkbox"/> Planner  | <input type="checkbox"/> Surveyor  |
| <input type="checkbox"/> Mortgage lender                                  | <input type="checkbox"/> Insurance provider                                  |
| <input type="checkbox"/> Iwi, hapū or Māori group or organisation         |  |
| <input type="checkbox"/> Industry organisation (please specify below)     |  |
| <input type="checkbox"/> Other (please specify below)                     |  |

#### Territorial Authority

- The Privacy Act 2020 applies to submissions. Please tick the box if you do **not** wish your name or other personal information to be included in any information about submissions that MBIE may publish.
- MBIE may upload submissions and potentially a summary of submissions to its website, [www.mbie.govt.nz](http://www.mbie.govt.nz). If you do **not** want your submission or a summary of your submission to be placed on either of these websites, please tick the box and type an explanation below:

I do not want my submission placed on MBIE's website because... [insert reasoning here]

## Please check if your submission contains confidential information

I would like my submission (or identifiable parts of my submission) to be kept confidential, and **have stated** my reasons and ground under section 9 of the Official Information Act that I believe apply, for consideration by MBIE.

## Use of information

The information provided in submissions will be used to inform the policy development process and will inform advice to Ministers on the review of the building consent system. If you provide your name, we may contact you directly if we require clarification of any matters in your submission.

Individual survey responses will be combined with other responses to produce summary reporting (or statistics) that will not identify individuals. Summary reporting will be shared with other government agencies, but this will not identify individuals.

If you provide your contact information, you will be able to access your submission by contacting [building@mbie.govt.nz](mailto:building@mbie.govt.nz).

## General

Housing has become more difficult and expensive to build in New Zealand. The cost of building a house increased by 41% since 2019. This has an impact on the number of small houses being built. If costs and processes were less, more smaller houses would likely be built. If more are built, unmet demand would reduce, and the cost of housing would likely decrease.

The intended outcome of the proposed policy is to increase the supply of small houses for all New Zealanders, creating more affordable housing options and choice.

*Refer to pages 4 – 7 of the discussion document to answer the questions in this section.*

### 1. Have we correctly defined the problem?

Yes  No  Not sure/No preference

Are there other problems that make it hard to build a granny flat? Please explain your views.

Construction costs (materials and labour) and impact of Covid 19 on supply chains and labour markets are a large driver of costs (refer construction cost index 2019-2023 and the 41% figure quoted above). These costs are incurred regardless of the size of the house being built. Consenting “granny flats” is no different to consent a ‘normal’ dwelling regardless of size – checks are undertaken to structure, weathertightness and services. Without these checks, this proposal will end up with the same ongoing issues as tiny homes where buildings are constructed that are not fit for purpose. Overall in construction, the consent costs are around 2% of the total build cost therefore only a minor part of the problem.

### 2. Do you agree with the proposed outcome and principles?

Yes, I agree  I agree in part  No, I don't agree  Not sure/no preference

Are there other outcomes this policy should achieve? Please explain your views.

ADC agree in part – we agree with the stated outcomes but strongly recommend the principles behind these outcomes also address what appears to be silent in this proposal such as financing and insurance issues.

### 3. Do you agree with the risks identified?

Yes, I agree  I agree in part  No, I don't agree  Not sure/no preference

Are there other risks that need to be considered? Please explain your views.

#### Other risks include:

- The risks that the permitted baseline will have unintended consequences for the consenting of other activities e.g. primary dwellings and multi-unit developments, accessory buildings, dwellings within buffer areas to intensive rural activities or wastewater treatment plants.
- The increased cost on local authorities and ratepayers to monitor and enforce Minor Residential Units (MRUs) development.

- The risk of increased non-compliance from unlawful uses of MRUs (such as visitor accommodation).
- The risk that financial contributions under the RMA are unable to be charged by local authorities.
- The risk that granny flats will be built in areas subject to flooding or coastal erosion, where that risk does not meet the threshold of 'significant' or where the land-owner does not know/chooses not to recognise a natural hazard risk.
- The risk that the policy will enable an MRU to be added to undersize rural sites (where they contain a principal dwelling). This may exacerbate reverse sensitivity effects of the undersize allotments by allowing for intensification as-of-right. For example, the Ashburton District Plan enables a residential unit to be established on existing undersize rural titles (at least 2ha in size). The draft NES would allow an MRU up to 60m<sup>2</sup> to be added to these sites in combination with a principal residential unit.
- The risk that Councils will still need to undertake a Schedule 1 plan change for consequential changes to their Plans (e.g. to resolve issues with provisions that do not arise directly from a duplication or conflict with the NES standards but are needed to ensure consistency in approach. An example could be how the Plan treats setbacks for accessory buildings, which are out of scope of the NES but are an anticipated development in the Residential Zones. A change to the setback rule for accessory buildings may be required to ensure consistency with the MRU setback).
- The risk that granny flat occupants will allocate their own property numbering that doesn't match postal or emergency service records. Notification to Council will need to allow for consideration of property numbering.
- The higher risk financially to the owner when things go wrong.
- Unintended overloading of stormwater and onsite waste water systems that are designed to minimum capacities thus leading to ground contamination and potential health issues.

## Building system proposal

Options have been identified to achieve the objective of enabling granny flats, with related benefits, costs and risks. They include regulatory and non-regulatory options, options that do not require a building consent and fast-tracked building consents.

*Refer to pages 8 – 11 of the discussion document AND Appendix 1 to answer the questions in this section.*

4. Do you agree with the proposed option (option 2: establish a new schedule in the Building Act to provide an exemption for simple, standalone dwellings up to 60 square metres) to address the problem?

Yes, I agree

I agree in part

No, I don't agree

Not sure/no preference

Please explain your views.

ADC agrees in part with the proposed option, but we don't believe that currently this can be achieved. Very rarely do we have a dwelling consented without requests for information or built without a failed inspection. What protection does Council have when something fails – we are always dragged into litigation as the last man standing scenario.

5. What other options should the government consider to achieve the same outcomes (see Appendix 1)?

Please explain your views.

The cookie cutter approach in Options 4 & 5 hold some merit by having standardised designs available for each wind/snow load zone. While it may reduce the flexibility of choice of design, the overall approach of this proposal is to gain more housing and not having bespoke choices will help achieve this.

6. Do you agree with MBIE's assessment of the benefits, costs and risks associated with the proposed option in the short and long term?

Yes, I agree  I agree in part  No, I don't agree  Not sure/no preference

Please explain your views.

Until the Licensed Building Practitioner (LBP) scheme is reviewed and strengthened, there is too much reliance on the scheme and what it can achieve.

7. Are there any other benefits, costs or risks of this policy that we haven't identified?

Please explain your views.

The proposal lacks detail or discussion in regard to the additional costs/considerations apart from building consent costs. What about servicing, infrastructure, development contributions, rates etc.

8. Are there additional conditions or criteria you consider should be required for a small standalone house to be exempted from a building consent?

Please explain your views.

The Building Act is in place to basically look after human's health and well-being. This proposal is trying to circumvent the requirement of getting a building consent and provide a variety of choice in design of 'granny flats'. If the government proposes to introduce such an exemption, then there needs to be a standard design that allows for it otherwise in our opinion a building consent should always be sought to protect the well-being of the people who intend to live in the building.

9. Do you agree that current occupational licensing regimes for Licensed Building Practitioners and Authorised Plumbers will be sufficient to ensure work meets the building code, and regulators can respond to any breaches?

Yes, I agree  I agree in part  No, I don't agree  Not sure/no preference

Please explain your views.

Currently the consequences for failure within both regimes are minimal. There is a reluctance to prosecute or remove a license from offenders.

10. What barriers do you see to people making use of this exemption, including those related to contracting, liability, finance, insurance, and site availability?

Please explain your views.

ADC is unable to comment on finance or insurance barriers but believe that they would prefer to have our 'third-party' overview on the construction.

11. What time and money savings could a person expect when building a small, standalone dwelling without a building consent compared to the status quo?

Please explain your views.

As mentioned previously, the building consent fee is only 2% of the total build cost so minimal saving. Time savings would occur only because there are no checks in place for the plans and no inspections undertaken on site.

12. Is there anything else you would like to comment on regarding the Building Act aspects of this proposal?

Please explain your views.

ADC is opposed to the proposal to exempt granny flats until such time there is a stronger LBP scheme that we can rely on for the safety and well-being of the people who be living in these dwellings.

## Resource management system proposal

The focus of the proposed policy is to enable small, detached, self-contained, single storey houses for residential use. Under the Resource Management Act (RMA), the term 'minor residential unit' (MRU) is defined in the National Planning Standards as "a self-contained residential unit that is ancillary to the principal residential unit and is held in common ownership with the principal residential unit on the same site". The proposal is to focus the policy in the RMA on enabling MRUs.

It is proposed that this policy applies across New Zealand and is not limited to certain territorial authorities. The proposed focus of the policy is on enabling MRUs in rural and residential zones.

*Refer to pages 12 – 15 of the discussion document AND Appendix 2 to answer the questions in this section.*

13. Do you agree that enabling minor residential units (as defined in the National Planning Standards) should be the focus of this policy under the RMA?

Yes, I agree     I agree in part     No, I don't agree     Not sure/no preference

Please explain your views.

As described in the discussion document, most District Plans already enable MRUs subject to site standards. A new policy to enable MRUs would therefore have little additional benefit,

but may introduce plan inconsistency and unintended permitted baseline shift as a result of the proposed permitted standards.

The Ashburton District Plan does not currently enable MRUs, so there may be some benefit towards resolving the problem definition in the Ashburton District. However, this is not representative of most districts.

The NPS UD already directs Councils to enable well-functioning urban environments, which includes enabling housing in appropriate locations close to services, and enabling a range of housing typologies. This NES seems to overlap with some of the objectives in the NPS UD and is at risk of contradicting those objectives.

For example, in the Residential A Zone of Ashburton, high density residential development is enabled. Encouraging the development of single storey MRUs in the Residential A Zone is not an efficient use of the land, when the site could be redeveloped under the Zone rules to provide multiple primary dwellings in separate ownership. Investment in MRUs in this zone may inhibit future (high density) redevelopment close to services.

There is a risk with this focus on MRUs, that vulnerable residents (elderly/low income) may become stuck in granny flat accommodation as a default housing option for long term living. There is a risk that the accommodation may be poorer quality or more likely to be in an inappropriate location (e.g. flood area) than expected of standard housing.

**14. Should this policy apply to accessory buildings, extensions and attached granny flats under the RMA?**

Yes, I agree  I agree in part  Not sure/no preference

Please explain your views.

With attached granny flats it becomes difficult to distinguish the 60m<sup>2</sup> area that applies to the MRU, from the floor area of the primary dwelling. It therefore becomes more difficult for system users to work out if the activity meets the permitted 60m<sup>2</sup> requirement under the proposed NES and introduces a degree of discretion.

Attached granny flats to primary dwellings present fire safety concerns.

Accessory buildings and extensions (to existing dwellings?) extend the scope of the policy beyond the concise scope of MRUs.

Accessory buildings used for non-habitable purposes is beyond the scope of the problem definition.

Inclusion of accessory buildings and extensions (to existing dwellings?) would compound the permitted baseline and District Plan consistency issues raised below.

Accessory buildings and extensions to existing dwellings would not resolve the problem definition because they are not enabling smaller homes.

**15. Do you agree that the focus of this policy should be on enabling minor residential units in residential and rural zones?**

Yes, I agree  I agree in part  No, I don't agree  Not sure/no preference

Please explain your views.



Allowing granny flats in rural zones may cause additional reverse sensitivity effects in terms of the NPS HPL and Rural Zones objectives. It may have adverse urban form effects from a scattering of urban development in rural production zones. This may lead to inefficient urban form (residential activity in locations far from services) or reverse sensitivity effects from residential activity (and residential amenity expectations) scattered amongst rural production activities.

A maximum setback requirement from the primary dwelling in rural zones may mitigate some of this.

Granny flats may also be located in buffer areas for intensive rural activities, heritage areas (e.g. Barrhill Village buffer area in the Ashburton District Plan), and setbacks from wastewater treatment plants (which are protected from reverse sensitivity effects under the Regional Policy Statement).

The suitability of enabling granny flats in Residential and Rural zones will depend on the site/zone standards that MRUs are subject to.

16. Should this policy apply to other zones? If yes which other zones should be captured and how should minor residential units be managed in these areas?

Yes  No  Not sure/No preference

Please explain your views.

No comments

17. Do you agree that subdivision, matters of national importance (RMA section 6), the use of minor residential units and regional plan rules are not managed through this policy?

Yes, I agree  I agree in part  No, I don't agree  Not sure/no preference

Please explain your views.

Agree, but there are other matters too. See below.

18. Are there other matters that need to be specifically out of scope?

Please explain your views.

- Transport rules (e.g. access/manoeuvring space will still be important - especially for emergency services access. Districts with no urban environments (such as Hurunui & Waimate) will likely still have minimum parking requirements that apply)).
- NES rules for contaminated soil.
- Statutory acknowledgement areas/cultural sites.
- Buffer areas (e.g. around heritage sites like Barrhill Village, around intensive rural activities, and around wastewater treatment plants).
- Undersize rural sites (for the reasons set out in #3 above).
- S6(c) sets quite a high threshold for indigenous biodiversity. It would be appropriate for District Plan rules that regulate (less than 'significant') indigenous biodiversity to

continue to have effect. Otherwise, the policy risks undermining the objectives of the NPS IB and contribute to a net loss of indigenous biodiversity.

- S6(h) sets quite a high threshold for natural hazards. It would be appropriate for District Plan rules that regulate (less than ‘significant’) risks from natural hazards to continue to have effect. Otherwise, the policy may lead to vulnerable residents living in areas exposed to natural hazard risk (and the residents may be unaware of those risks).
- MRUs should be restricted in Residential zones where there is no reticulated servicing available and known constraints. E.g. In north-east Ashburton Residential D Zone there is no sewer, and there are constraints that mean that on-site wastewater disposal is unlikely to be granted. It would provide greater clarity to landowners and better integration with District and Regional rules if there was a restriction on adding MRUs in these locations. Another example is Lake Clearwater Hut settlement in Ashburton District, which is adjacent to the statutory acknowledgement Lake Clearwater, and there are on-site wastewater constraints. MRU additions might not always trigger new discharge permits but may contribute to cumulative effects on water quality and cultural values that are unable to be considered through land use consent.

19. Do you agree that a national environmental standard for minor residential units with consistent permitted activity standards (option 4) is the best way to enable minor residential units in the resource management system?

Yes, I agree     I agree in part     **No, I don't agree**     Not sure/no preference

Please explain your views.

- **A national policy statement - such as an updated NPS UD [preferred option]** would provide clear direction to Councils to enable MRUs, while enabling consideration of local constraints. It would also allow Tier 1 Councils to be exempt from introducing the standards, where MDRS or other NPS UD requirements already enable MRUs, and the encouragement of MRUs may inhibit the higher densities that are sought in those locations.
- **An NES enabling MRUs but allowing Councils to set site standards (site coverage, setbacks, height in relation to boundary) [second preferred option].** Both these options would bring the benefit in the Ashburton District of enabling MRUs but allowing the District Plan to retain consistency in its application of site standards. (For example, the Council could set a consistent setback requirement for all residential units/MRU) The site standard can be set based on an assessment of effects and community input. This provides consistent management of effects and aligns the permitted baseline with the Plan’s consideration of effects and community aspirations. Deemed permitted boundary activity criteria already allow for streamlined consenting of boundary infringements.

The prescribing of permitted site standards for MRUs will set a permitted baseline for residential density & residential setbacks, and these will likely be applied in the consideration of primary dwellings and accessory buildings. This means the policy will be effectively setting the site standards for all buildings associated with residential activities, and for some zones, markedly increasing the density from that currently allowed for. This is beyond the scope of

the current policy – it is not the current intent to introduce a version of MDRS standards and permit residential site coverage of 50% in all residential zones or permit any building to be built at 1.5m setback, regardless of existing zone standard. Such a change in approach should be comprehensively assessed in evidence and s32 reporting and should be included in an updated NPS Urban Development considering urban design and urban form considerations.

20. Do you agree district plan provisions should be able to be more enabling than this proposed national environmental standard?

Yes, I agree     I agree in part     No, I don't agree     Not sure/no preference

Please explain your views.

Yes, definitely.

For example, high density residential zones should allow for higher (combined primary dwelling and MRU) site coverage than provided for under the proposed NES. To not allow this would be inconsistent with the NPS UD. The Ashburton Residential A Zone already allows up to 100% site coverage for single storey buildings (less any areas required for outdoor living and service space). The Residential A Zone is therefore, already more enabling than the draft NES site standard.

Another example is minimum permeable coverage. The Ashburton District Plan does not set a minimum permeable coverage standard for residential zones, so the Ashburton District Plan is already more enabling than the draft NES site standard.

21. Do you agree or disagree with the recommended permitted activity standards? Please specify if there are any standards you have specific feedback on.

Yes, I agree     I agree in part     No, I don't agree     Not sure/no preference

Please explain your views.

Internal floor area:

No issue with the proposed standard.

Number of MRU per principal unit:

No issue with the proposed standard.

Relationship to the principal residential unit:

No issue with the proposed standard.

Site coverage:

Disagree with all options. **Site coverage should not be regulated under the NES.** The relevant site/zone standards should apply, and District Councils should be able to specify these.

The proposed site coverage standard is also not clear how it would be drafted or work in practice. In the Residential C Zone in Ashburton District Plan there is a site coverage maximum of 35%. Would the standard allow the primary residential unit and accessory buildings to be built up to 35% but would allow the addition of an MRU provided the combined site coverage of the primary dwelling and the MRU does not go beyond 50%? The standard risks causing

confusion for the plan user, and they may misinterpret the site coverage as applying to all buildings on the residential site. This presents increased transaction costs for plan users, including those who are not proposing MRUs.

It is not clear how this site standard would work. E.g.:

- For sites that already have, say a combined primary dwelling and accessory building coverage of 40%, this would allow the addition of the MRU as of right?
- What happens if someone is proposing a principal residential unit and a simple MRU on a vacant site, with a site standard of 35% building coverage, and a NES standard of 50% MRU coverage (combined residential unit and up to 60m<sup>2</sup> MRU)? How large can the principal residential unit be? What happens if the MRU never gets built?

The proposed site standard would cause internal inconsistencies in the plan and its regulation of density in the residential and rural zones. It would shift the permitted baseline – in the lower density Residential C and D Zones of the Ashburton District - substantially. If combined primary dwelling and MRU coverage is permitted at 50%, the permitted baseline for habitable buildings would become 50% coverage. This would alter the character of these zones substantially and far beyond the effect of any single MRU.

District Plan consistency - (e.g. if MRUs are permitted at a reduced setback or a higher site coverage than primary dwellings, it makes it difficult to distinguish on an effects basis why they should be regulated differently. It may lead to 'MDRS standards by stealth', by ultimately setting permitted standards for all residential units by way of the permitted baseline, or the need to internal consistency in plan drafting. This outcome should be subject to thorough s32 assessment at the national level, and it is out of scope of the problem definition. It is a good reason to consider the MRU policy as part of an updated NPS UD and allow for integrated consideration of the issues.

#### Permeable surface:

No issue with the proposed standard, provided that District Plans can set a more enabling standard.

#### Setbacks:

Disagree with all options. **Setbacks should not be regulated under the NES.** The relevant site/zone standards should apply, and District Councils should be able to specify these.

The deemed permitted boundary activity process already provides a pathway for streamlined consenting of boundary rule infringements.

#### Building height and height in relation to boundary:

Disagree with all options. **Building height and height in relation to boundary should not be regulated under the NES.** The relevant site/zone standards should apply, and District Councils should be able to specify these.

The Deemed permitted boundary activity process already provides a pathway for streamlined consenting of boundary rule infringements.

**22. Are there any additional matters that should be managed by a permitted activity standard?**

Please explain your views.

A maximum setback requirement from the primary dwelling in rural zones may mitigate some of the reverse sensitivity and urban form effects identified in #15.

**23. For developments that do not meet one or more of the permitted activity standards, should a restricted discretionary resource consent be required, or should the existing district plan provisions apply? Are there other ways to manage developments that do not meet the permitted standards?**

Please explain your views.

For developments that do not meet the fundamental requirements of this policy (internal floor area, number of MRU per principal residential unit, relationship to the principal residential unit) existing District Plan provisions should apply. This is to ensure plan consistency. Where the type of activity doesn't fit the NES criteria, it should be treated the same as other residential units.

For developments that do not meet the site standards (site coverage, setbacks, permeable surface etc.) it may be helpful to have a restricted discretionary activity status and assessment matters. Having a separate set of assessment matters to the standard District Plan assessment matters (e.g. for a principal residential unit) will assist with plan consistency and the separation of the effects of MRUs covered by this policy from the effects management other activities. However, note that Ashburton District Council contends that these site standards should be left to the Council to determine. This would provide the greatest level of Plan consistency.

**24. Do you have any other comments on the resource management system aspects of this proposal?**

Please explain your views.

**It may be helpful to have a new defined term for 60m<sup>2</sup> or less MRUs (e.g. 'simple MRU') to distinguish them from MRUs larger than 60m<sup>2</sup> and not covered by this policy.** This would make it simpler to introduce a permitted activity standard for 'simple MRUs' rather than having to specify the 60m<sup>2</sup> criteria. It would also improve clarity for plan users proposing an MRU what suite of rules apply to them. For plan users proposing a 70m<sup>2</sup> MRU it might not be obvious to them that none of the NES standards (site coverage, setbacks etc). apply to their proposal, and that standard District Plan rules apply. It is recognised that for those Districts who wish to enable larger than 60m<sup>2</sup> MRUs, it may not be helpful to tie the definition to the 60m<sup>2</sup> standard.

**It may be helpful to have a new defined term for combined building coverage of principal residential unit and up to 60m<sup>2</sup> MRU/simple MRU (e.g. 'MRU coverage').** This would help to distinguish the building coverage standard specified in the NES which is very bespoke, from the standard building coverage definition in most plans (and in the National Planning Standards) which applies to all buildings on the site (with some exemptions).

It would also be helpful to have some guidance on how to calculate the MRU coverage. E.g. what happens if the site is already over the standard building coverage permitted by the site/zone standards in the Plan? What happens if someone is proposing a principal residential unit and a simple MRU on a vacant site, with a site standard of 35% building coverage, and a NES standard of 50% MRU coverage? How large can the principal residential unit be?

**It would be helpful to have reasons in the NES/policy outlining the reasons (and effects basis) for MRUs less than 60m<sup>2</sup> being treated differently in planning policy.** This will help with rational for treating other residential units and accessory buildings differently in Plan rules. It will help plan makers and plan users understand the distinction on an effects basis for the different activities and enable them to be treated differently in Plan provisions.

## Local Government Infrastructure Funding

The proposals in this document would enable a granny flat to be built without needing resource or building consent. Notification of a granny flat is important for local and central government to:

- Provide trusted information for buyers, financiers and insurers
- Track new home construction data and trends
- Value properties for rating purposes
- Plan for infrastructure
- Provide information to support post-occupancy compliance, where required
- Undertake council functions under the Building Act including managing dangerous or insanitary buildings.

*Refer to pages 15 – 16 of the discussion document and Appendix 3 to answer the questions in this section.*

25. What mechanism should trigger a new granny flat to be notified to the relevant council, if resource and building consents are not required?

Please explain your views.

PIM method (refer below).

26. Do you have a preference for either of the options in the table in Appendix 3 and if so, why?

Please explain your views.

**PIM method (preferred option)** because it is already enabled in legislation. The PIM process should require the applicant to demonstrate compliance with natural hazards, contaminated soil, biodiversity etc. as part of the PIM application. The PIM process should also include a notification to the Regional Council so they can monitor septic tanks, check regional plan rules etc.

An alternative option is to require a process similar to the deemed permitted boundary activity application, where the applicant demonstrates compliance with the required standards, and the Council must grant the application if the requirements are met.

The notice will need to demonstrate compliance with District Plan controls over use of the unit. E.g. It will need to state that the use is residential activity (in the same ownership as the principal unit). This is so the Council has a record of the intended use and can check

compliance with District Plan standards such as visitor accommodation, home occupations, etc.

While the notice to the Council might demonstrate compliance with the standards, the use of the MRU might change over time. E.g. the MRU might be sold or converted to visitor accommodation. There would be no incentive to notify the Council of the change in use, as this would likely trigger a resource consent requirement and may have implications for rating & Building Act compliance. Monitoring of the use of the MRUs will be required to ensure use continues to meet permitted standards.

27. Should new granny flats contribute to the cost of council infrastructure like other new houses do?

Yes

No

Not sure/No preference

Please explain your views.

Yes, it is important that the additional demands on Council infrastructure can be on-charged to those creating that demand (in this case MRUs). Otherwise, the general ratepayer has to subsidise this cost. The Ashburton District Revenue and Financing Policy will need to assess such development and charge development contributions and rates based on the additional demand for growth/provision of services.

In addition:

- The proposed policy causes complication on how to rate the property (in terms of single household unit or two).
- The policy presents an inconsistency with the Ashburton Water Supply Bylaw. The Ashburton Water Supply Bylaw requires shared connections if the development is located on one site but separate connections if the site is to be subdivided. This means that the establishment of the granny flat would be required to have a shared/bundled connection while located on the same site as the principal unit, but separate connection if it is subdivided. This can lead to limited water service for rear houses on the same site if they are sharing an existing water connection. At the time of subdivision there can be additional costs in unbundling the water service/providing a separate connection and providing a more appropriate larger sized connection to the rear house.

## Māori land, papakāinga and kaumātua housing

A key issue for Māori wanting to develop housing is the cost and time to consent small, simple houses and other buildings. The proposals in the building and resource management systems may go some way to addressing the regulatory and consenting challenges for developing on Māori land, and for papakāinga and kaumātua housing, where the circumstances of these proposals apply.

*Refer to page 16 of the discussion document to answer the questions in this section.*

28. Do you consider that these proposals support Māori housing outcomes?

Yes, I agree

I agree in part

No, I don't agree

Not sure/no preference

Please explain your views.

Note that the policy only provides for one MRU per site, which does not account for the range of development scenarios on Māori land which is often held in multiple ownership.

- 29.** Are there additional regulatory and consenting barriers to Māori housing outcomes that should be addressed in the proposals?

Please explain your views.

No comments