A photograph of a rural landscape at sunset. The sky is filled with large, dark clouds, with the sun breaking through in the center, creating a bright, golden glow. In the foreground, a cow is silhouetted against the light. The background shows rolling hills and several trees, all in silhouette. The overall mood is peaceful and serene.

Rural Area Development



Rural Area Development

Key Issues

Demand for residential properties and lifestyle blocks in rural settings can create considerable pressure on rural land. Particularly close to townships, areas of rural land on high quality soils are purchased and subdivided into smaller lots for residential and lifestyle purposes. The current Plan objectives seek to allow for the protection of the productive capacity of land, with limited lifestyle lot development. Have the AERs been achieved?



Indicators

Pressures:

- Applications received/granted to subdivide class I, II and III soils. Previously the Plan allowed subdivision of rural lots into 8ha minimum lot size. In December 2013, the rural subdivision plan change (Plan Change 42) became operative. Plan Change 42 increased the minimum rural lot size on class I – III soils to 40ha, and 20ha on general quality soils (class IV and poorer);
- Number of building consents applied for/granted to build dwellings on class I, II and III soils;
- Area of class I, II and III soils designated for non productive land uses; and
- Number of applications applied for/granted for non productive activities on class I, II and III soils.

State:

- Area of class I, II and III soils removed from the Rural zone through District Plan changes;
- Average lot size for rural subdivisions on class I, II and III soils;
- Number of lots 2,500m² to 10,000m² in the Rural and Rural-residential zones; and
- Area/percentage of class I, II and III soils in productive/non productive activities.



Response:

- Number of applications declined for subdivision on class I, II and III soils;
- Number of building consents declined for dwellings on class I, II and III soils;
- Number of designations for non-productive activities on class I, II and III soils removed; and
- Number of resource consent applications declined for non-productive activities on class I, II and III soils.

Results

What is High Quality Soil?

Soil class makes up one of the three components of the Land Use Capability Assessment (LUCA). The LUCA assesses how productive different land is for different uses. The LUCA has three basic components – class, subclass, and unit (Landcare Research 2002).

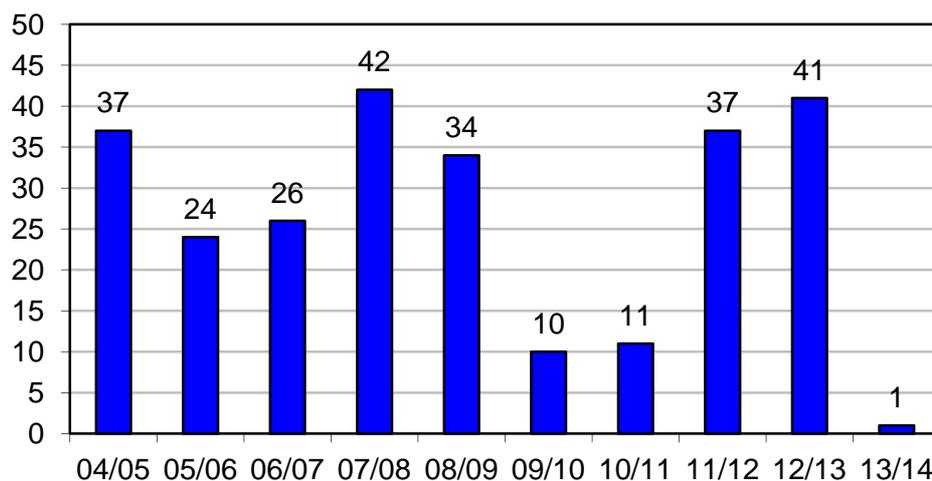
Soil class is most commonly used and classifies land from I (the most versatile and productive class) to VIII (the class with most limitations). Soil classes I, II, and III are considered high quality soils within Matamata-Piako District Council’s District Plan. Poorer class soils are described in the District Plan as “general quality soils”.

The subclass divides the land in each class according to the major kind of limitation to its use. The subclasses are erosion, wetness, soil, and climate.

The capability unit assembles land inventory units that require the same kind of management and the same kind and intensity of conservation treatment, within distinct classes. Areas of land that have the same unit are capable of growing the same kind of crops, pasture or forest species.

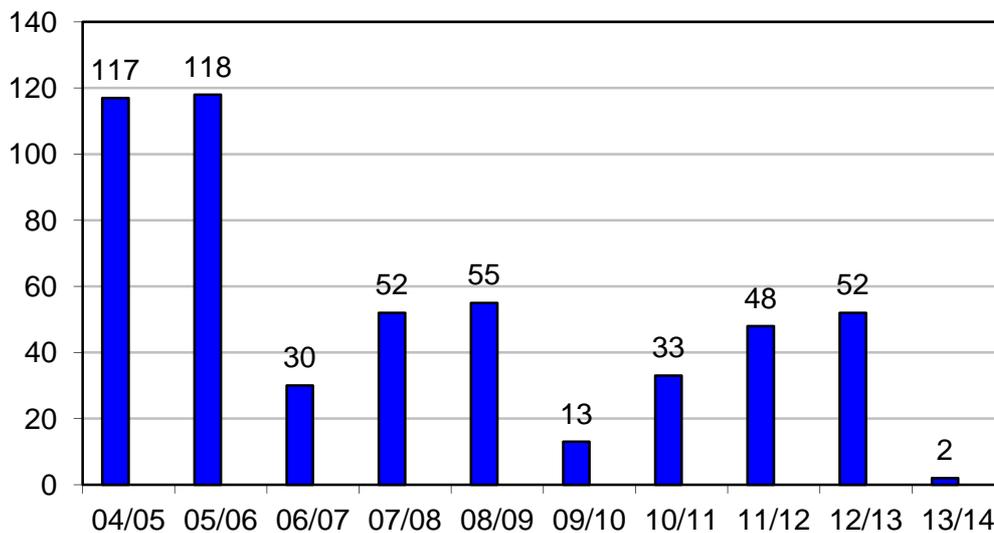
Council monitors the subdivision of rural land on high class soils. This type of land fragmentation could result in future shortages of properties of suitable size for viable farming and horticultural units. Historically the District Plan allowed rural subdivision with a minimum lot size of 8ha. Therefore, the Council has traditionally monitored the number of lots created that were below the 8ha minimum lot size. With Plan Change 42 becoming operative in December 2013, the minimum lot size on high quality soils is now 40ha, and 20ha on general quality soils. The Council will need to change its monitoring strategy to align with the new Plan Change 42 standards. This will enable future District Plan efficiency reporting to align better with the amended lot size standards.

Number of applications to subdivide class I, II and III soils into lots smaller than 8 ha

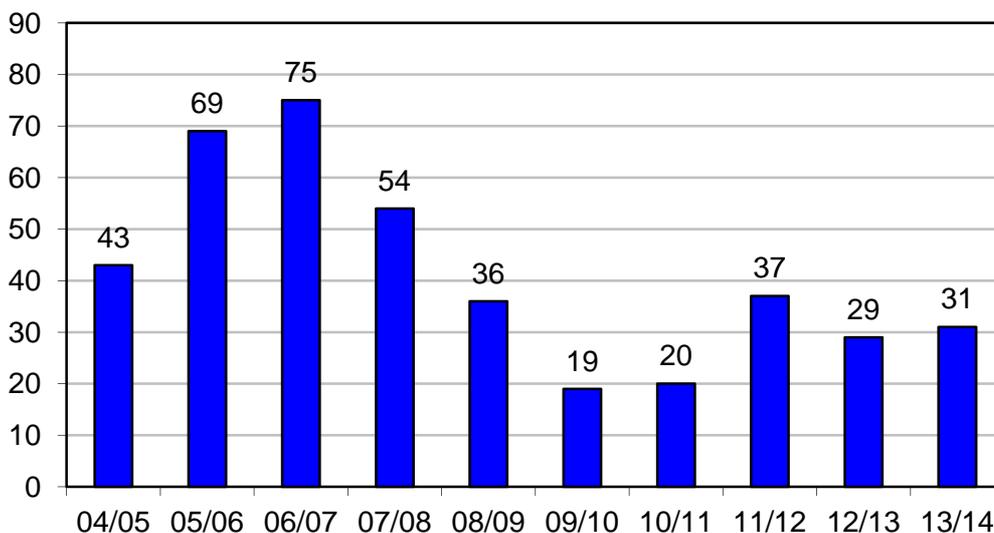


The bar chart above shows the number of applications to subdivide class I – III land into lots smaller than 8ha. The chart shows that during the last five financial years (2009/10 – 2013/14) a total of 100 applications were received to subdivide class I – III land into lots smaller than 8ha. Notably, the number of applications dropped off to only 1 in 2013/14, after Plan Change 42 became operative.

Number of new lots created smaller than 8 ha on class I, II and III soils



Number of building consents applied for on class I, II and III soils



The two bar charts above show respectively the number of new lots smaller than 8ha created on high quality soils, and the number of building consents applied for on high quality soils.

The first chart shows that during the last five financial years (2009/10 – 2013/14) a total of 148 lots of less than 8ha in size were created on high quality soils. It is notable that the number of lots dropped to only 2 in 2013/14, after Plan Change 42 became operative.

The second chart shows that during the last five financial years a total of 136 building consents were applied for on high quality soils. The number of consents per years has remained relatively constant, with an average of 27 consents per year.

Designations in the Rural Zone

A designation is a selected piece of land that is required by an authority for a specific purpose. Designations are listed in Schedule 4 of Council's District Plan and may be required for uses such as roads, water, sewerage, electricity and communication purposes.

In the Matamata-Piako District there are approximately 1,850 hectares of class I, II and III soils designated for non productive land uses in the Rural zone. These designations include Council owned facilities such as cemeteries, recreational reserves, water and sewerage works, roads and other government owned purposes such as electricity supply, schools, roading, telecommunications and radio.

Designations for non-productive activities on class I, II and III soils can be removed to provide access to these high quality soils. During 2011/12 a total of 23 designations for non productive activities on high class soils lapsed, and were not renewed by the Council. These designations have now been removed from the District Plan.

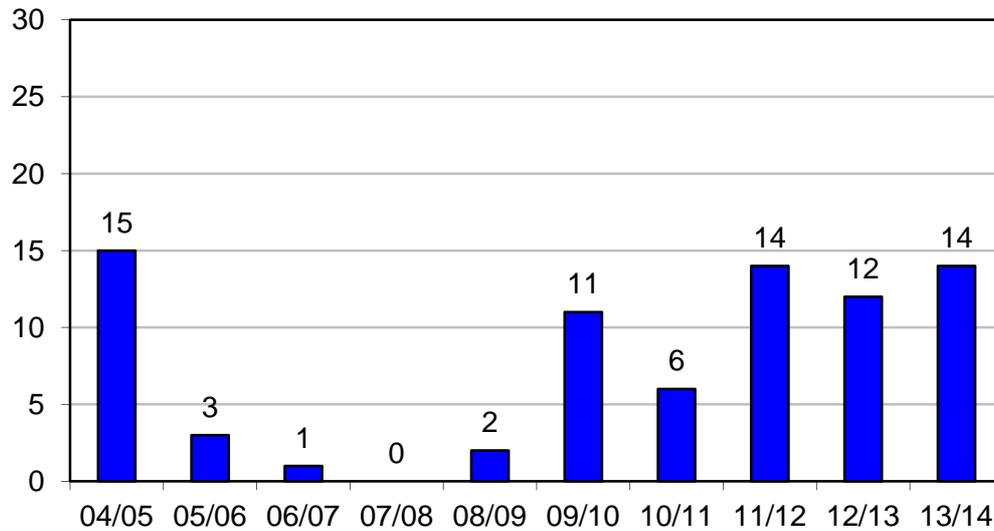
The removal of buildings can also make high class soils more available for productive uses. During the last five financial years (2009/10 – 2013/14) a total of 37 building consents have been granted for demolition in the Rural zone.

Removal of non-productive activities on high class soils	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
Number of designations removed	2	1	0	0	0	0	0	23	0	0
Number of building consents granted for demolition	1	14	12	11	8	13	7	6	3	8

There are other non-productive activities, other than designations on class I, II and III soils. Non productive activities include educational facilities, places of assembly, accommodation facilities, industrial and depot activities, mining/quarrying, offices, marae developments, commercial services and boarding/breeding of domestic pets.

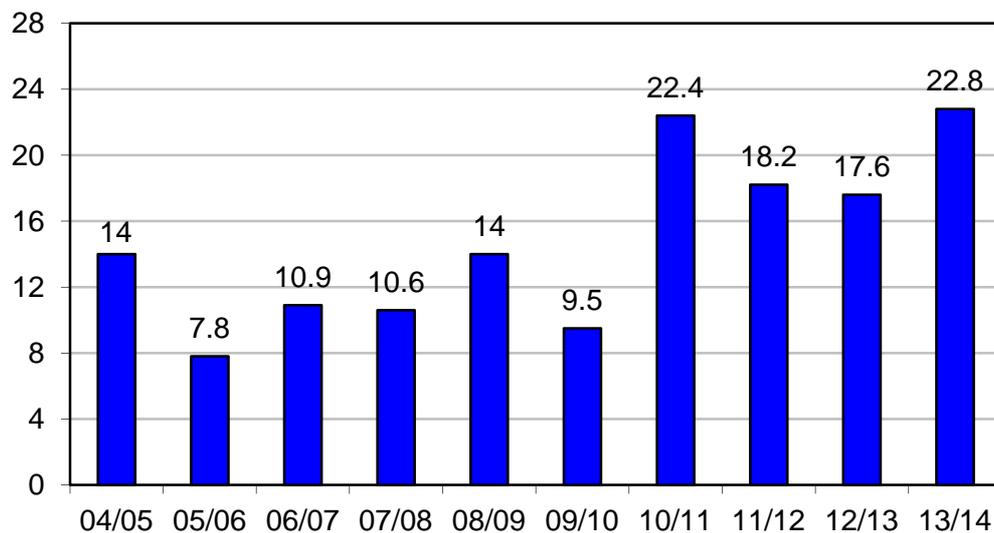
During the last five financial years (2009/10 – 2013/14) there were a total of 57 applications for non-productive activities on high class soils. These applications have been for activities such as building dwellings not associated with farming, operating businesses and extensions to educational facilities.

Number of applications for non-productive activities on class I, II and III soils



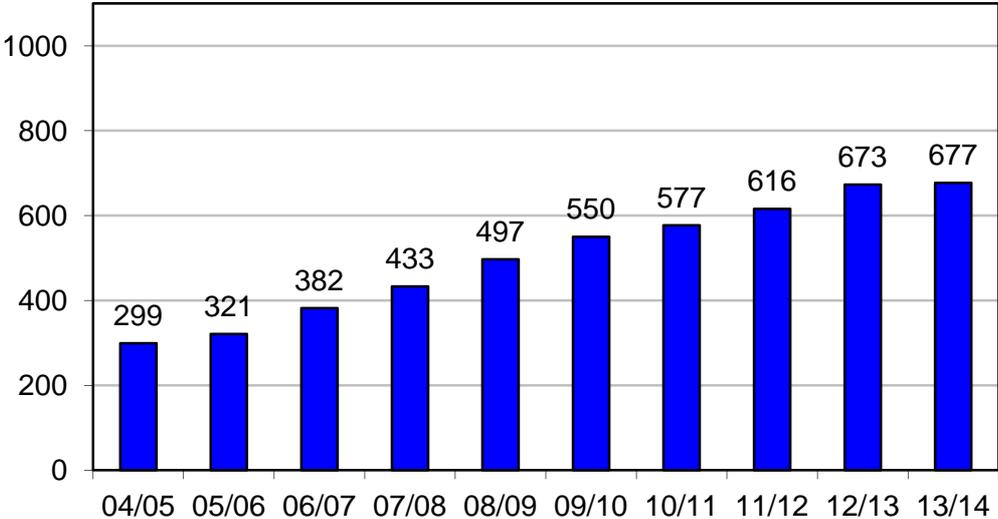
The average lot size of rural subdivisions is shown in the bar chart below. The chart shows that the average lot size has been increasing over time. This is evident when considering that the average in 2009/10 was 9.5ha, whereas it increased to 22.8ha by 2013/14. With Plan Change 42 becoming operative in December 2013, the average lot size is expected to increase further in the future.

Average lot sizes for rural subdivisions on class I, II and III soils (ha)

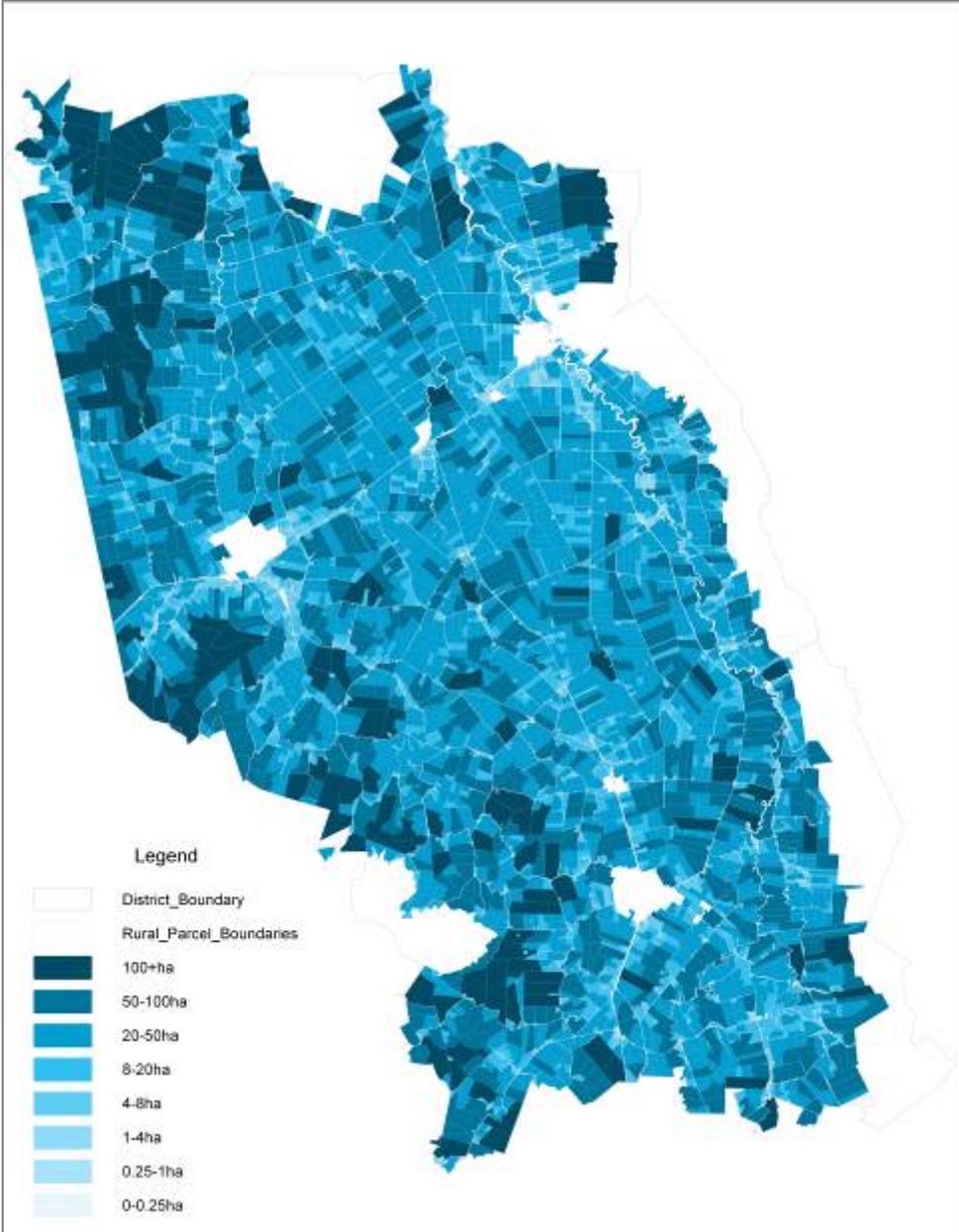


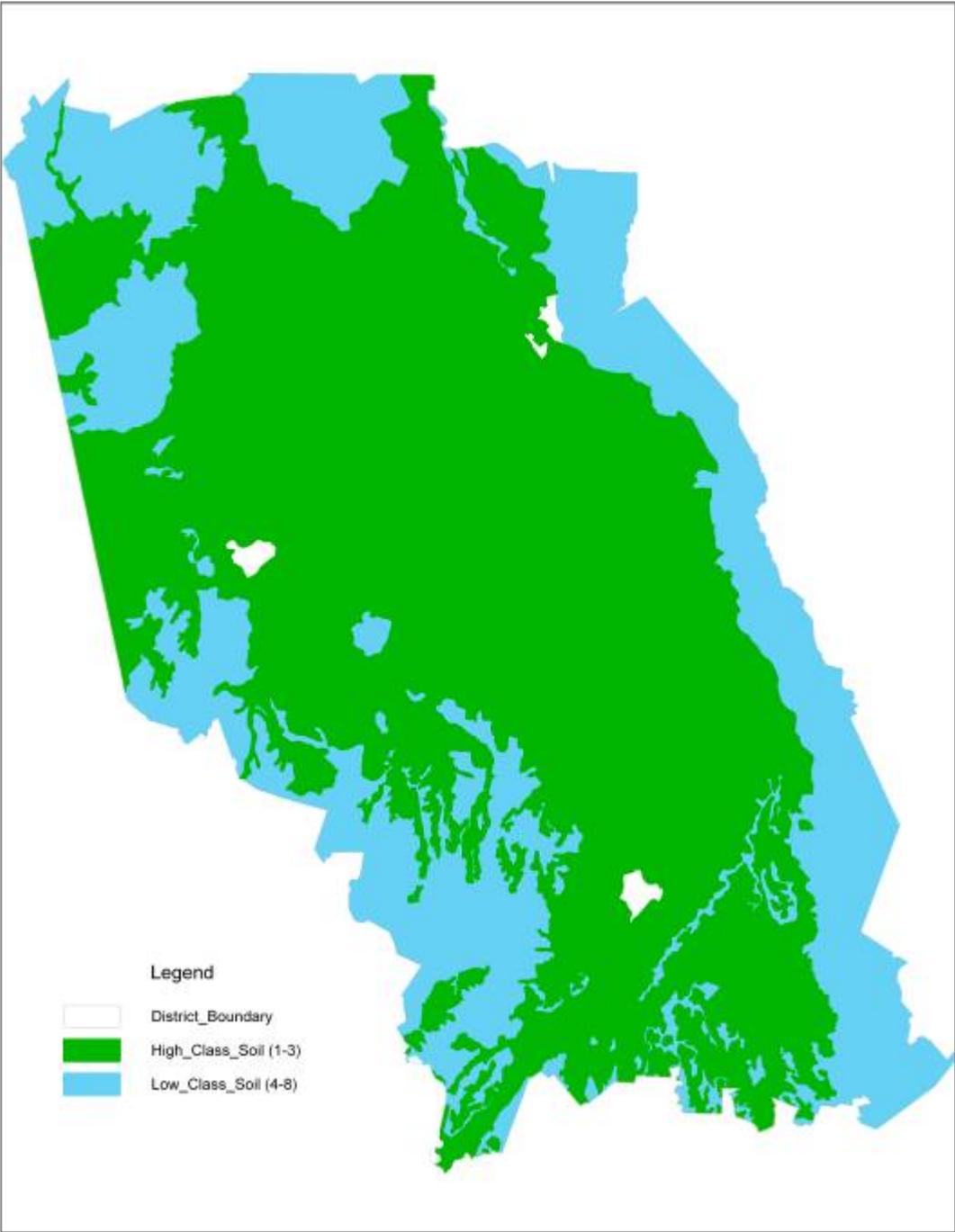
The number of lifestyle lots (lots between 2,500m² and 1 hectare) in the Rural and Rural-Residential zones has increased steadily over time. In 2009/10 there were 550 lifestyle lots in the Rural and Rural-Residential zoned. By 2013/14 this number had increased by 127, to 677.

Number of lots between 2,500m² and 10,000m² in the Rural and Rural-residential zones



Size of lots within the Rural zone





Soil type	Area (ha)	Percentage of land (%)
High class	110,020.80	75.24
Low class	36,198.45	24.76
Total	146,219.25	100.00

District Plan Provisions

Section 3.3.2 Land and Development

Objective:

- To maintain and enhance the District's land resource to enable activities that do not threaten the life supporting capacity of the soil and consequently water and ecosystems.

Policies:

- To maintain and enhance the soil cover and soil values including: water holding capacity, soil structure and organic components necessary to support a diversity of vegetation.
- To avoid, remedy or mitigate any adverse effects on the intrinsic values of the land from the disposal of solid and liquid wastes and/ or stormwater;
- To avoid, remedy or mitigate the adverse effects of land use practices on the land resource in a way that avoids any potential for soil erosion and sedimentation of waterways.

Objective:

- To manage all activities in a manner that maintains and enhances the District's high quality soils and to ensure that the productive capability of rural land is not compromised
- To safeguard the life-supporting capacity of the District's high quality soils by preventing inappropriate further fragmentation of rural land titles.

Policies:

- Subdivision, use or development must minimise the coverage of good quality soils;
- To limit fragmentation of rural land by limiting opportunities for residential or rural-residential subdivision in the Rural zone to conserve the land for the use of future generations.;
- To avoid, remedy or mitigate the effects of development through the consideration of the natural and physical resources including roading, drainage, conservation, any hazards, and effects incompatible with other activities; and:
- To ensure that the productive potential of high quality soils in the Rural zone is retained by promoting large lot sizes that provide for a range of productive rural uses.

Anticipated Environmental Results:

- A reduction in the number of building permits granted for dwellings on the high quality soils areas where there is no connection with an agricultural operation.

Section 3.4.2 Subdivision

Objective:

- To ensure that land subdivision results in allotments that are suitable for activities anticipated by the zone and that existing activities and resources in the vicinity of the site are not unreasonably compromised.

Policy:

- To ensure that each allotment has suitable natural and physical characteristics including infrastructure services for the activities anticipated by the zoning or resource consent.

Objective:

- To ensure that subdivision does not compromise the sustainable management of significant natural environments.

Policy:

- To avoid, remedy or mitigate the adverse effects of subdivision and consequential development on the environment.
- To provide for limited rural lifestyle subdivision in the rural environment that does not reduce or restrict the ability of the rural land resource to be used primarily for rural production activities.

- To provide for the amalgamation of land parcels and adjustments of boundaries where this would encourage primary production to occur.
- To provide for boundary relocations where they result in more efficient and effective rural lots and uses.

Anticipated Environmental Results

- All land titles are to be useable now and for future generations; and
- Land titles must not compromise the achievement of the Plan's objectives and policies.

Efficiency and Effectiveness

Are the District Plan's objectives and policies the most effective and efficient way to achieve the following anticipated environmental results?

- *A reduction in the number of building permits granted for dwellings on high quality soils, where there is no connection with an agricultural operation.*
- *All land titles are to be useable now and for future generations.*
- *Land titles must not compromise the achievement of the Plan's objectives and policies.*

The loss of high class rural land to residential development could, in the future, compromise the ability of the District to support the extensive farming and horticultural industry on which much of the community relies. The Matamata-Piako District has over 110,000 hectares of high class soils (class I, II and III soils) which is over 75% of our rural land.

In terms of protecting the natural rural environment, the overall AERs is being partly achieved. The AER clearly sets out the overall goal sought to achieve '*a reduction in the number of building permits granted for dwellings on the high quality soils areas where there is no connection with an agricultural operation*'. It is noted that the term 'reduction' implies presumably a decreasing number from the 'state' at the time of the Plan becoming operative in 2005. In practice, AER's that seek 'reductions' need to have onerous rules in place to stop the current levels of activity from occurring. It is suggested that a word like 'minimising' would be better suited so that the natural growth (i.e. effects of population growth) of activities can be accommodated.

The objectives follow this by explicitly stating the desire for the management of residential growth to limit impacts on good quality soils. The objectives and policies reflect a sustainable approach to managing the use and development of significant natural environments by restricting the use of such areas. In particular it reflects the purpose of the Act set out in section 5(2)(b), which requires Council to safeguard the life supporting capacity of soils, amongst other matters.

Through limiting the expansion of residential areas into areas of high quality soils Council is protecting the capacity of high class soils within the District. This is not to say that coordinated and planned development adjoining our towns will not occur. Also, some account needs to be given to the rising value of dairy farming as a factor in retaining productive land capacity. The achievement of the AERs cannot be solely contributed to the Plan, there can be many external factors contributing towards the results.

Through these plan provisions, Council acknowledges the rural environment is a significant natural resource in the District. The District Plan policies are effective in enabling Council to use methods to manage the use and development and protection of the rural environment. A review of the measures shows that the Plan's policies and objectives are being achieved. The analysis shows that the average size of lots on high quality soils is increasing.

It can be concluded that in terms of the overall area of productive land in the District, the objectives and policies of the Plan are being achieved. There is small, ongoing loss of productive land, but the majority of high quality soils are being used for productive purposes.

Although there are smaller lots being developed in the Rural zone they appear to only account for a relatively small percentage of the overall productive rural land.

The policies are efficient in that they provide Council the means to use regulatory methods and rules to restrict rural subdivision and growth, and they are effective as they are achieving the AER's along with the objectives. It is considered that a continuation of a mix of regulatory approaches and non statutory methods, such as education and encouragement will ensure the long-term protection of the District's environments, and provide for their sustainable management.

The AER of 'land and development' requiring '*a reduction in the number of building permits granted for dwellings on the high quality soils areas where there is no connection with an agricultural operation*', is not being met. The number of building consents applied for and granted on high class soils has been rising steadily. We currently do not have a measure which differentiates between dwellings, and dwellings with a connection to an agricultural operation. However it is acknowledged that such dwellings are being permitted as provided for in the Plan and are not being built through obtaining consents beyond what is permitted. This number is considered to be relatively minor within the total area of the District.

The objective '*to ensure that land subdivision results in allotments that are suitable for activities anticipated by the zone and that existing activities and resources in the vicinity of the site are not unreasonably compromised*' is being effectively achieved. While consents have been granted in the Rural zone for non-productive purposes, these activities are generally necessary to support the farming sector (i.e. agricultural contractor's depots and packing stores).

Overall the objective '*to maintain and enhance the District's land resource to enable activities that do not threaten the life supporting capacity of the soil and consequently water and ecosystems*' is being achieved. There is an increasing demand for residential-type properties in rural settings, particularly close to town boundaries. These properties have the benefit of a quiet rural lifestyle yet still being close enough to towns for work and recreational purposes. There are a large number of smaller lots being created close to (within 2km) our three main towns; Matamata, Morrinsville and Te Aroha. As at January 2008 there were 408 rural lots under 0.25ha in size, and 221 lots between 0.25 and 1ha within this area. In terms of the overall area surrounding the towns, these lots make up just over 1% of the land.

The Matamata-Piako District contains over 147,000ha of land zoned 'Rural'. As at January 2008 there were 2,800 rural lots under 1ha in size, which accounts for 35% of the total number of lots in the Rural zone, however in terms of the percentage of actual land cover, it is only 0.55%. There are 2,661 lots over 20ha, which is slightly less than the overall number of lots less than 1ha, however this accounts for approximately 86% of the rural land. Therefore in terms of the overall rural land the vast majority is in large viable farming lots, with approximately 14% of the total rural land being in lots of more than 100ha.

During the 2007/08 financial year the average size of lots created in the rural zone on high class soils was 15ha compared to an average of 12ha on poorer class soils. This does not show a vast difference between high and general class soil, however the median (or middle) lot size on high class soil is 25ha compared to only 1ha on general class soil. This variation shows that the subdivisions occurring on general class soils have a few reasonably large lots created - which increases the average size; however, the majority are much smaller lots with the median size being 1ha.

In conclusion, in terms of the overall area of productive, high quality soils in the District the objectives, policies and anticipated environmental results are being achieved. They are efficient as they provide the most direct means of achieving the anticipated environmental results and for providing for sustainable management of natural and physical resources. The measure of efficiency implies that it is the most cost effective, most direct and most appropriate way of protecting our natural resources. There has been no data gathered regarding costs of other ways to achieve the AERs but the other options could be to do nothing, i.e. let rural subdivision and development proceed uncontrolled, this would result in fragmentation of high class soils which would be detrimental to the economy of the District.

Plan Change 42 has achieved stricter subdivision requirements for the Rural zone, and specifically for land located on high quality soils. Having even stronger rules would control rural development further, however the Plan does not want to restrict all development as some development is necessary. They are effective as the anticipated environmental results overall are being achieved. There are smaller lots being developed, however they only account for a very small percentage of the land, and the smaller subdivision is occurring more on the poorer class soils which is in line with the objectives and policies of the District Plan. These appear to be effective and efficient in the way they are dealing with the demand for residential properties in rural settings and other activities which could compromise the intent of the Rural zone.

It is acknowledged that the District Plan alone does not drive rural development – other factors such as the economic climate or anticipated economic effects can drive or guide rural development. Rural property sales prices can affect development. Rural land prices have generally been increasing over time. There has also been a steady rise in dairy cattle numbers in Waikato. There are also many other factors outside of the District Plan which may contribute towards rural development such as peoples' changing perceptions of development and of changing lifestyles.

It is efficient to retain the high quality land for the long-term efficiency of the economy, foregoing short-term gains whilst allowing for reasonable development. It would be inefficient to not have these objectives in place and to limit sizes of lots as the high quality land would no longer be in sizes viable for farming, which our Districts economy is heavily reliant upon. The resource consent process is an efficient way of ensuring the objectives and policies are met.

Summary

Anticipated Environmental Results Rural Development	Achieved? 😊 - Achieving → - Progress towards achievement 😞 - Not achieving ? - Not monitored
A reduction in the number of building permits granted for dwellings on the high quality soils areas where there is no connection with an agricultural operation	😞 (number of building permits not reducing)
All land titles are to be useable now and for future generations	→
Land titles must not compromise the achievement of the Plan's objectives and policies	😞 - → (There is on-going erosion of rural productive area through small lot subdivision, but majority of rural productive land still intact)