



# Proposed District Plan Variation 1 - Natural Character

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## **Section 32 Evaluation**

28 October 2015

## **ABBREVIATIONS USED IN THIS REPORT**

<b>HGMPA</b>	Hauraki Gulf Marine Park Act
<b>HNC</b>	High natural character
<b>NZCPS</b>	New Zealand Coastal Policy Statement
<b>ODP</b>	Operative District Plan
<b>ONC</b>	Outstanding natural character
<b>PDP</b>	Proposed District Plan
<b>RMA</b>	Resource Management Act 1991
<b>RPS</b>	Regional Policy Statement
<b>S.32</b>	Section 32 of the Resource Management Act
<b>The Council</b>	Thames-Coromandel District Council

## BACKGROUND

1. RMA S.6 requires the Council to recognise and provide for matters of national importance, which includes the preservation of the natural character of the coastal environment, wetlands, lakes and rivers and their margins.
2. The PDP publically notified on 13 December 2013, included an objective and policies addressing natural character. In the PDP as notified, Section 9 Objective 3 sought the protection and enhancement of natural character of the coastal environment, wetlands and lakes and rivers and their margins within the Natural Character Overlay. Section 9 Objective 4 related to the maintenance, enhancement or restoration of other areas of natural character outside the Natural Character Overlay.
3. Submissions to the PDP raised concern about the identification of the Natural Character Overlay on the planning maps and the policy framework in Section 9. The submissions questioned whether the objectives and policy gave effect to the RMA, the NZCPS, and the RPS, which was proposed at the time, including the need to separate areas of 'outstanding natural character,' and 'high natural character' and 'other areas of natural character.'
4. Following the closure of submissions and further submissions to the PDP appeals to the RPS on the natural character topic were resolved and a consent order issued by the Environment Court. The consent order aligned the RPS provisions with the NZCPS. As a result of this, the provisions of the PDP as notified were not considered to adequately give effect to the NZCPS and the RPS.
5. In addition to this, submissions on natural character focussed on the policy framework and the extent of the overlay. They raised questions about whether the policy gave effect to the higher level policy documents, providing scope to make amendments to align it with the NZCPS and RPS. The rules in Section 32 of the PDP relating to natural character did not receive such vigorous attention and the changes required to implement the revised policy were substantial. The issue of natural justice for the public was raised and considered to warrant reconsideration through the variation process. At its meeting on 4 March 2015 the Council resolved to withdraw the Natural Character provisions from the Proposed District Plan (objectives, policies, rules and overlay maps) and to initiate a variation to the Proposed District Plan.

## STATUTORY FRAMEWORK

### Resource Management Act 1991 (RMA)

6. RMA S.6 (a) requires:

*"the preservation of the natural character of the coastal environment, wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use and development."*

7. In the recent *King Salmon*<sup>1</sup> case the Supreme Court held that S.6 does not give primacy to preservation or protection, but that provision must be made for preservation and protection as part of the concept of sustainable management.
8. The RMA does not define 'preservation' so the common dictionary meaning "to maintain in its original or existing state" applies. This means to keep the natural character of the coastal environment and the District's water bodies (and their margins) in their current state, and to protect them from inappropriate subdivision, use and development. In the *King Salmon case* the Supreme Court noted that the scope of the words 'appropriate' and 'inappropriate' is heavily affected by context. The Supreme Court confirmed that, the standard of inappropriateness relates back to the natural character attributes that are to be preserved or protected rather than the activity that is proposed. Whether an activity is "inappropriate" will depend upon the extent to which a location can absorb development without adverse effects on the natural qualities of the site itself and the surrounding environment.

### **New Zealand Coastal Policy Statement 2010 (NZCPS)**

9. Objective 2 of the NZCPS sets out to preserve the natural character of the coastal environment along with protecting natural features and landscape values. Policy 13 of the NZCPS directs the preservation of the natural character of the coastal environment and its protection from inappropriate subdivision, use and development. Policy 13 requires assessment of natural character of the Coastal Environment and (at least) high areas of natural character to be identified or mapped. Policy 14 promotes the restoration or rehabilitation of the natural character of the coastal environment. It directs the identification of areas and opportunities for restoration and the inclusion of provisions in the District Plan.

### **Hauraki Gulf Marine Park Act 2000 (HGMPA)**

10. The Thames-Coromandel District is identified as part of the catchment for the Hauraki Gulf Marine Park. For the coastal environment of the Hauraki Gulf, the Hauraki Gulf Marine Park Act 2000 requires that sections 7 and 8 of that Act must be treated as a NZCPS issued under the RMA. Section 10(2) of the Hauraki Gulf Marine Park Act 2000 states that if there is a conflict between sections 7 and 8 of that Act and the provisions of any NZCPS, the NZCPS prevails.

### **Proposed Waikato Regional Policy Statement (RPS)**

11. In achieving the purpose of the RMA the RPS contains objectives addressing natural character. Objective 3.18 (ecological integrity and indigenous biodiversity) requires the extent and full range of ecosystem types, and the biodiversity that they contain, to exist in a healthy and functional state. Objective 3.21 (natural character) requires protection of natural character from the adverse effects of inappropriate subdivision, use and development.
12. Policy 12.3 seeks to ensure that activities are appropriate in relation to the level of natural character. In areas of pristine or outstanding natural character, adverse effects of activities should be avoided. In less pristine areas, but where natural elements/influences are still dominant, activities should avoid significant adverse effects and avoid, remedy or mitigate other adverse effects on natural character. Policy 12.3 directs development to areas where

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<sup>1</sup> *Environmental Defence Soc Inc v The New Zealand King Salmon Co Ltd* [2014] NZSC 38  
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natural character is already compromised but also promotes the enhancement, restoration and rehabilitation of these areas when undertaking works and services.

### ***Giving effect to the RMA, NZCPS, HGMPA and RPS***

13. There is a hierarchy of planning documents and subordinate plans. Under the RMA (S.62 and S 75 respectively) an RPS must 'give effect to' an NZCPS and a district plan must give effect to an NZCPS and an RPS. Give effect to means implement the objectives and policies of the high level policy documents and, if they are directive, do so as an "obligation".<sup>2</sup>
14. The majority of the NZCPS objectives and policies set expectations on the Council to manage the coastal environment consistent with the functions of district councils under RMA S.31. A number of the policies in the NZCPS provide specific direction. RPSs must give effect to the NZCPS, while district plans must give effect to the RPS in their area and the NZCPS.
15. The challenge for the Council is to ensure the higher level policy documents are given effect, while interpreting and applying the provisions at a local level. The RPS provisions give meaning to the high level NZCPS provisions and provide greater clarity at the regional level. The District Plan then gives further meaning to these provisions providing greater interpretation and guidance. Broadly the NZCPS and RPS provisions are consistent. However the RPS goes further than the NZCPS in relation to modified or degraded areas of natural character. It brings in the word 'enhancement' which is interpreted as a requirement to improve the value of natural character. Whether this is above or beyond the requirements for restoration/rehabilitation is unclear and potentially open to interpretation.

## **RESOURCE MANAGEMENT ISSUE**

16. The Council has functions under RMA S.31 to establish, implement and review objectives, policies and methods to achieve integrated management of the effects of the use, development or protection of land, and associated natural and physical resources of the District. This includes the control of effects from use, development or protection of land. In doing this the Council is required to preserve the natural character of the coastal environment, wetlands, and lakes and rivers and their margins, as a matter of national importance. The NZCPS and then the RPS also place further importance on the preservation of natural character.
17. The Thames-Coromandel District is a coastal peninsula. It is characterised by the central Coromandel Range extending from Mt Moehau, south to the Kaimai Range. The District has vast areas of native bush, in varying stages of regeneration, and impressive landforms and natural features. The natural character of the District is a significant resource, of national importance, which needs to be preserved now and for future generations. The main pressures on areas of natural character in the district relate to subdivision, use and development which:
  - a) introduces man-made elements/structures in areas where these are absent or the natural environment dominates; and
  - b) damages or removing areas of indigenous vegetation; and
  - c) alters landforms and natural contours; and
  - d) creates 'scars' on the land surface; and

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<sup>2</sup> *Environmental Defence Soc Inc v The New Zealand King Salmon Co Ltd* [2014] NZSC 38  
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- e) adversely affects the natural processes between inland water bodies, estuaries, bays, sand dunes and beaches; and
  - f) adversely affects people's perception and appreciation of the area's natural character.
18. The challenge for the Plan is to determine what activities will affect the values and characteristics of natural character areas and what level of regulatory control is required to preserve these.

## WHAT IS NATURAL CHARACTER?

19. Natural character is not defined in the RMA or the NZCPS but the RPS provides a useful interpretation:

*"... the degree of naturalness of an area, as evidenced by the degree to which it possesses qualities and features that are products of natural as opposed to products of human activities."*

20. NZCPS Policy 13(2) notes that natural character is not the same as natural features and landscapes or amenity values and provides a list of additional matters that may be considered when determining natural character including:

- natural elements, processes and patterns;
- biophysical, ecological, geological and geomorphological aspects;
- natural landforms such as headlands, peninsulas, cliffs, dunes, wetlands, reefs, freshwater springs and surf breaks;
- the natural movement of water and sediments;
- the natural darkness of the sky;
- places or areas that are wild or scenic;
- a range of natural character from pristine to modified; and
- experiential attributes, including the sounds and smell of the sea; and their context or setting.

21. At the district level the District Plan can also include a refined set of criteria for identifying areas of natural character and determining whether it is outstanding or high.

## DISTRICT PLAN REQUIREMENTS

22. To give effect to the RMA, NZCPS and RPS the District Plan must recognise that there are different levels of natural character including outstanding, high and modified. In areas of outstanding natural character the adverse effects of use, development and protection of land must be avoided. In areas of high natural character significant adverse effects must be avoided and other adverse effects avoided, remedied or mitigated. The Plan must also promote opportunities for restoration or rehabilitation in areas of degraded natural character. In doing this the Plan must map or otherwise identify areas of high natural character in the coastal environment.

## COLLECTION OF INFORMATION AND CONSULTATION

23. This variation picks up on work already completed as part of the District Plan review process, which commenced in February 2011. Various pieces of work informed the district plan review with respect to natural character identification, objectives and provisions. The reports are documented in the PDP Section 32 Evaluation and summarised here for reference:
- LA4, 2008: Coromandel Peninsula - Landscape Assessment Report for Thames Coromandel District Council.
  - Stephen Brown Environments Ltd, 2008: Coromandel Peninsula Landscape Assessment - Peer Review. Prepared for Thames-Coromandel District Council.
  - Focus Resource Management Group, 2010: Coromandel Peninsula Ecological Assessment of Natural Character. Prepared for Thames-Coromandel District Council.
24. In October 2012 a Draft District Plan was released for community consultation and engagement. The opportunity for making comments on the Draft Plan closed at the end of January 2013, at which time over 885 comment forms were received by the Council. During the consultation period staff attended over 40 meetings with community, stakeholder, iwi, landowner and other interest groups. A plan user group was also established in 2012 to provide feedback on the Draft Plan, and Atkins Holm Majurey was engaged to review the Draft from a Māori perspective. Throughout the consultation period an intensive radio and print media campaign was also rolled out.
25. Following closure of the consultation period on the Draft Plan a series of 7 meetings were held with the District Plan Review Committee to address comments received on the Draft Plan and obtain direction for redrafting of objectives and provisions. The key themes that came through from comments to the Draft about natural character related to:
- whether or not farmland should be included/excluded from the natural character overlay and provisions.
  - whether there is a need to differentiate between 'high' and other natural character.
  - add rules for natural character to better address potential effects from activities related to: earthworks, buildings/dwellings (include a 25 m buffer for wetlands and streams), removal of indigenous vegetation, forestry/woodlots and, mining.
  - include more references to provisions in the HGMPA, the NZCPS and the RPS.
  - requests to remove the overlay from specific properties.
26. At its meeting 2 October 2013 the Council resolved to approve the PDP for public notification. The PDP was then publically notified on 13 December 2013 with submissions closing 14 March 2014.
27. Submissions on the natural character overlay focussed on the policy framework and the extent of the overlay. There was a range of submissions including:
- remove the overlay from individual properties/areas;
  - remove the overlay in its entirety;
  - give effect to higher level policy documents (RMA, NZCPS, RPS) including identifying different levels of natural character.
28. The collective scope of the submissions enabled a review of the natural character overlay and Stephen Brown was engaged to map areas of high natural character and outstanding natural
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character. The scope of submissions also enabled amendments to align the objectives and provisions with the NZCPS and RPS. However, the rules in Section 32 of the PDP relating to natural character did not receive such vigorous attention from submitters and the changes required to implement the revised policy were substantial. Through the Hearings Panel, staff raised concern about the substantive changes required to the rules to give effect to the policy and suggested that the issue warranted reconsideration through the variation process. Following legal advice, at its meeting on 4 March 2015 the Council resolved to withdraw the Natural Character overlay, objectives and provisions from the Proposed District Plan and to initiate a variation to the Proposed District Plan.

29. This proposed variation takes into account the submissions received on the PDP natural character provisions as part of the consultative process and the opportunity has been taken to refine the overlay, the objectives and provisions.

## **RMA SECTION 32 EVALUATION REQUIREMENTS**

30. RMA S.32 requires an evaluation report which examines whether:

- The objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of the RMA;
- The provisions (policies, rules and other methods) are the most appropriate way of achieving the objectives.

31. The evaluation must include:

- The identification of other reasonably practicable options for achieving the objectives;
- An assessment of the efficiency and effectiveness of the provisions for achieving the objectives; and
- A summary of the reasons for deciding on the provisions.

32. An assessment of the efficiency and effectiveness of the provisions must include:

- Identification and assessment of the benefits and costs of the environmental, economic, social and cultural effects anticipated from the implementation of the provisions including opportunities for:
  - Economic growth to be provided or reduced; and
  - Employment to be provided or reduced.

33. S.32 also states that the evaluation report must contain a level of detail that corresponds to the scale and significance of the environmental, economic, social and cultural effects that are anticipated from implementation of the proposal.

34. The review of natural character was originally considered as part of the district plan review. Preservation of natural character is not a new requirement but this proposal involves a significant change to the rule framework to give effect to higher level policy requirements. This proposal introduces two different levels - high natural character and outstanding natural character. Both these levels are identified as an overlay on the planning maps and the provisions tailored accordingly.

35. Through the district plan review process, including notification and the submission period, considerable interest was shown in the natural character overlay. Broadly speaking, concern was largely around interpretation of the higher level policy document requirements and perceived effects on private property rights. Table 1 below contains an assessment of the scale and significance of the proposal.

**Table 1 - Assessment of scale and significance of the proposal**

Criteria	Discussion
Reasons for change	<ul style="list-style-type: none"> <li>Part of the district plan's 10 year review.</li> <li>Gives effect to higher level policy requirements.</li> </ul>
Shift from status quo	<ul style="list-style-type: none"> <li>Addresses an existing resource management issue.</li> <li>Proposes a change in the policy framework and provisions to give effect to higher policy requirements.</li> <li>Involves considerable change from the Operative District Plan provisions.</li> </ul>
Who will be affected?	<ul style="list-style-type: none"> <li>Of the 7,769 submission points received on the Proposed District Plan approximately 165 or 2% related to the natural character objectives and provisions (prior to them being withdrawn).</li> <li>The natural character overlay as mapped in this proposal affects 584 properties or 2.1% of properties<sup>3</sup> in the District.</li> <li>The proposed provisions still provide for activities to occur in the overlay areas, but impose an additional level of control to preserve the values and characteristics of high and outstanding natural character areas.</li> </ul>
When will effects occur?	<ul style="list-style-type: none"> <li>Effects of the objectives and provisions will be on-going as new activities within the high and outstanding natural character areas are proposed.</li> <li>New activities will be assessed on a case by case basis against the provisions.</li> </ul>
Geographic scale of impacts	<ul style="list-style-type: none"> <li>Impacts are limited to areas identified as high natural character and outstanding natural character within the Coastal Environment.</li> <li>Primarily the Rural Area and Conservation Zone but also affects some Coastal Living Zone, Recreation Passive Zone, Open Space Zone and Road Zone.</li> </ul>
Type of effect	<ul style="list-style-type: none"> <li>Effects of the objectives and provisions will be on-going, having a positive effect on the preservation of natural character in the District.</li> <li>Positive effect in achieving the purpose of the RMA and Policy 13 of the NZCPS.</li> <li>Perceived negative effects on private property rights and social, cultural and economic wellbeing.</li> <li>Positive effects on degraded areas of natural character through resource consent process for discretionary and non-complying activities.</li> </ul>
Risk (policy and implementation) or uncertainty	<ul style="list-style-type: none"> <li>The level of community interest is anticipated to be similar to the level of interest received through submissions on the Proposed District Plan relating to natural character.</li> <li>The approach of the proposal is consistent with the higher level policy documents.</li> <li>There are costs to prepare the variation and go through formal consultation, hearing and decisions process.</li> <li>The process will be challenging in terms of progressing decisions on the Proposed</li> </ul>

<sup>3</sup> Properties are rating units derived for rating purpose. Property counts are individual properties based on unique property\_key giving properties by address.

Criteria	Discussion
	District Plan and the timeframes for the two processes running in parallel.

36. On the basis of the summary in Table 1 the proposal is considered to be of MEDIUM-LOW scale and significance.

## RMA SECTION 32 EVALUATION OF OBJECTIVES AND PROVISIONS

### Appropriateness of proposed objectives to achieve RMA purpose

37. RMA S.32(1)(a) requires an examination of the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of the RMA. The proposed objectives of the proposal are (refer to Attachment C):

***Section 7 Coastal Environment - new objective***

*Opportunities for enhancement, restoration or rehabilitation of highly modified or degraded areas of natural character are promoted.*

***New Section 7A Natural Character Objective 1***

*Recognise that there are different levels of natural character in the District and areas of outstanding and high natural character are preserved and protected from the adverse effects of subdivision, use and development.*

38. While the RMA does not require an evaluation of other options for objectives it is considered good practice to compare at least one other option to determine which is most appropriate. The other options for objectives considered were the objectives in the ODP and those in the PDP as publically notified. Because the objectives and provisions of the PDP were withdrawn the objectives in the ODP are considered in terms of their appropriateness to achieve the purpose of RMA.

39. Table 2 below assesses and ranks the suitability of the objectives and the ODP option.

**Table 2 - Appropriateness of objectives evaluation**

	Option 1 - Status quo (ODP)	Option 2 - Proposed variation
<b>Relevance</b>	The objectives do not recognise the significance of natural character as a matter of national importance. The objectives are limited to the coastal environment without recognising the importance of water bodies and their margins. They also confuse outstanding natural features and landscapes as being part of natural character.	Collectively, the objectives address the preservation of natural character whilst providing opportunity for people to meet their social, economic, and cultural well-being in areas where natural character is degraded. Reasonable use is provided for in identified natural character areas where adverse effects on the values and characteristics of the area are avoided.
<b>Usefulness</b>	The objectives are very broad, identifying	The objectives recognise that there are

	Option 1 - Status quo (ODP)	Option 2 - Proposed variation
	'natural character' in general which makes application of the objectives very generic. Literal interpretation suggests that the objectives are seeking to preserve natural character without recognising that there are highly modified areas that can accommodate the effects of land use activities. However there is conflict between preservation and protection in the objectives. The objectives provide no guidance for decision makers. There is also little guidance as to what natural character means for the District therefore application of the term may be confused with other matters of national importance.	different levels of natural character in the District ranging from outstanding to modified and provide guidance for decision makers accordingly.
<b>Achievability</b>	The objectives are in accordance with the Council's functions as a territorial authority under S31 (1) (a) of the RMA. The objectives are blunt and do not indicate a consideration of the need to provide for use and development of resources. Without direction of what natural character is there will be added cost to applications, and outcomes which potentially confuse what values are being preserved/protected.	The objectives are in accordance with the Council's functions as a territorial authority under S31 (1) (a) of the RMA. The outcomes sought by the objectives are achievable within the tools and resources available to the Council.
<b>Reasonableness</b>	The objectives are unlikely to achieve preservation of natural character. However broad protection of a range of values, including natural character, indigenous biodiversity and outstanding natural features and landscape is likely. Protection does not achieve RMA S.6(a) requirements of preservation.	The objectives provide an appropriate balance for preservation of natural character. Through the recognition of the different levels of natural character subdivision, use and development will be enabled where effects on the values and characteristics of natural character are avoided or remedied or mitigated as appropriate to the degree of existing natural character.
<b>Ranking</b>	<b>2</b>	<b>1</b>

## Assessment of the provisions

### Other options for achieving the objectives

40. In determining the most appropriate way to achieve the objectives the following other options were considered as reasonably practicable:

- *Option 1 - Status quo (ODP) provisions.*
- *Option 2 - Natural Character provisions of PDP as notified.*

- *Option 3 - Comprehensive review of PDP to include subdivision incentives and identification of other methods.*

41. These other options were considered in the context of where the current PDP review process is at; where the Council is at in the process; the legal implications of not proceeding with a variation at this time and the absence of natural character objectives and provisions in the Plan. In this context the other options were not considered appropriate and the preferred option is the proposal.

## **Efficiency and effectiveness of the provisions**

### ***Effectiveness***

42. The objectives of the proposal are twofold - targeted preservation of the values and characteristics of outstanding natural character and high natural character areas through the overlay; and promotion of opportunities to promote enhancement, restoration and rehabilitation of degraded areas of natural character outside the overlay through discretionary and non-complying resource consent applications. Achievement of the objectives for identified natural character areas is through policy and provisions in the Natural Character Overlay. Policy provision in the Coastal Environment and Rural Area for discretionary and non-complying activities promotes enhancement, restoration and rehabilitation of degraded areas of natural character outside of the natural character overlay.
43. There are no rules associated with the promotion of enhancement, restoration and rehabilitation of degraded areas which constrain land owners. This is a positive way for land users and developers to weight their development towards sustainable management, which will often have added benefits for their proposed land use activity i.e. removing drains and restoring wetlands. The promotion of enhancement, restoration and rehabilitation of degraded areas of natural character in the Coastal Environment and Rural Area through a policy directive for discretionary and non-complying resource consents is reliant on implementation through the resource consent process and applicant motivation, but is an effective way to achieve the objective.
44. The proposal recognises that there are different levels of natural character in the District and areas of high natural character and outstanding natural character are identified on the Planning Maps as an overlay. The overlay will be implemented through overlay rules (refer to Attachment D) in the District Plan text and linked to the Council's map records, and land information memoranda for property purchasers. The information will also be used by Waikato Regional Council, the Department of Conservation, community groups and iwi agencies as they look to preserve natural character.
45. The word 'preserve' is onerous, and stronger than the word 'protect,' essentially meaning maintain in its original or existing state. This requires more proactive controls than just 'protect' on its own, which is about keeping safe from harm. Natural character values and characteristics are easily degraded by the introduction of human/built elements/structures. This is due to the perceptual absence of human changes and the dominance of natural elements/processes. Key activities have been identified in the overlay as requiring additional control due to their potential effects on the naturalness of the overlay areas including: clearing indigenous vegetation, earthworks, mining activities, telecommunication/electricity activities; subdivision and dwellings. The aim of the provisions is to establish a level of

'reasonable use' without curtailing existing activities (i.e. farming) and ensuring that the effects of new activities in the overlay are carefully managed.

46. Implementation of the provisions will be effective in achieving the objectives because:
- they are targeted to areas of high and outstanding natural character, which are clearly identified on maps.
  - criteria about what makes the areas' natural character high or outstanding means resource consent assessments can be targeted to preserve these identified values and characteristics.
  - the Council has established resource consent processes for district plan rules controlling subdivision, use and development.
  - the rules do not cover large areas of land that is being used productively. The areas' of natural character reflect the low level of human activity and perception of naturalness. This means that existing use rights and existing economic and social activities will be largely unaffected.

**Efficiency**

47. Table 3 below contains an assessment of the costs and benefits of the effects that are anticipated from the implementation of the provisions.

**Table 3 - Efficiency assessment**

EFFECTS	COSTS	BENEFITS
<b>Environmental</b>	<ul style="list-style-type: none"> <li>• There may be other areas of high or outstanding natural character that haven't been identified in the overlay which may be lost or degraded.</li> </ul>	<ul style="list-style-type: none"> <li>• Preservation of existing HNC and ONC areas.</li> <li>• Improved natural character values in areas that currently have highly modified or degraded natural character.</li> <li>• Associated benefits for biodiversity by retaining indigenous habitat, and for protection of landscape values that people appreciate</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>• Costs to landowners seeking to establish new land use activities within areas of natural character identified in the overlay.</li> <li>• Costs to the Council to monitor and enforce the provisions.</li> <li>• The addition of new areas of HNC or ONC would require a plan change.</li> </ul>	<ul style="list-style-type: none"> <li>• Council has undertaken the work to identify the areas of high and outstanding natural character providing certainty for landowners and removing the costs to landowners if natural character hadn't been identified.</li> <li>• Protection of elements of the natural environment valued by visitors to the District.</li> <li>• Improved tourism potential with natural character contributing to the 'saleable' part of the District.</li> <li>• Provides for existing farming activity to continue.</li> <li>• Most properties which have an area of natural character on them will also</li> </ul>

EFFECTS	COSTS	BENEFITS
		have land outside of the overlay which can be used for land use activity without being subject to the overlay rules.
Social	<ul style="list-style-type: none"> <li>Land use activities that have social benefits i.e. wind farms could be constrained.</li> <li>Perception from land owners that they are being told what they can/can't do with their land.</li> </ul>	<ul style="list-style-type: none"> <li>Certainty for landowners with identified areas of natural character.</li> <li>On-going opportunity for people to experience, enjoy and appreciate the natural environment of the Coromandel, including the values and characteristics of natural character areas (social, spiritual and recreational).</li> <li>Natural character areas will exist for future generations to enjoy.</li> </ul>
Cultural	<ul style="list-style-type: none"> <li>Preservation of identified natural character may not fit with local iwi/Maori expectations or values.</li> <li>Preservation of natural character through statutory documents does not provide a framework for iwi authorities to manage their own natural resources and engage in co-management regimes.</li> <li>May not fit with iwi aspirations to develop housing, community facilities etc.</li> </ul>	<ul style="list-style-type: none"> <li>By default the preservation of natural character has flow-on benefits for other aspects of cultural importance (i.e. biodiversity, historic heritage).</li> <li>Helps achieve some of the objectives identified in Whaia Te Mahere Taiao a Hauraki - Hauraki Iwi Management Plan e.g. protecting and restoring wetland habitats, ecosystems, and dunelands; protecting and restoring riparian margins of rivers and streams; the establishment and use of "natural" plantations of native plants.</li> </ul>

48. In addition to the costs and benefits anticipated from the implementation of the provisions there are also opportunities for an increase in economic growth and employment associated with tourism which capitalises on the unique features of the Coromandel.

49. Coromandel is promoted through the Destination Coromandel website as being:

*"renowned for its natural beauty - rural farmland, misty rainforests and pristine golden beaches, The Coromandel is blessed with hundreds of natural hideaways, making it an ideal place to escape, relax and unwind."*

50. The Coromandel is marketed and sold on the basis of its natural environment. From its scenic coastal drives, pohutukawa, white sand beaches, rivers, wetlands and native bush to its rugged coastal cliffs, expansive DOC estate and seemingly remote and untouched areas, these are natural resources which contribute to the range of nature based activities that can be experienced by visitors to the Coromandel. Wrapped up in this picture of the natural environment is 'natural character.' Visitors won't generally analyse the landscape and its components to the degree that landscape architects and resource management planners do but they are able to associate and appreciate elements such as naturalness, vegetation, scenery, interaction between these elements, which are integral to natural character.

51. In 2014 the tourism industry contributed \$68.4 million towards gross domestic product of the Thames-Coromandel District. This amounted to 7.2% of the Thames-Coromandel District's economic output in 2014, up from 6.5% ten years ago. Economic output in Thames-Coromandel District's tourism industry increased by 8.1% in 2014, compared with a 2.3% increase in New Zealand. Growth in the tourism industry in the Thames-Coromandel District has averaged 1.7% per year over the last ten years, compared with 1.9% per year in New Zealand<sup>4</sup>.
52. The Ministry of Tourism defines nature based tourism as outdoor activities undertaken by tourists in the natural environment ranging from high impact activities such as jet boating, skydiving and mountain climbing to more relaxing activities such as bush walking, wildlife, scenic tours and boat cruises. Based on 2008 figures, Coromandel (as a Regional Tourism Organisation) was rated as the 5th top nature based tourism destination in New Zealand. For domestic nature based tourists the Coromandel was one of the most commonly visited places, proving that is also a popular place to holiday<sup>5</sup>. The value of domestic tourism is particularly important to the Coromandel. Being centrally located within easy reach of three major urban centres, the District's population swells during peak summer months<sup>6</sup>. Statistics New Zealand estimates show that just under 60% of total tourism expenditure is generated by domestic tourism and spending by domestic tourists over the past 5 years has risen at a faster rate than foreign tourist spending<sup>7</sup>.
53. The tourism-related industry employed an average of 1,378 people in Thames-Coromandel District in 2014. This amounted to 12% of the Thames-Coromandel District's total employment in 2014. Employment growth in the industry in New Zealand has averaged 0.8% over the last ten years, compared with 1.2% in New Zealand. Employment in the tourism industry increased by 3.4% in 2014, compared with a 1.4% increase in New Zealand<sup>8</sup>.

### **Summary**

54. The proposed provisions are considered to be efficient and effective in achieving the objectives as follows:
- implementation of the provisions will ensure that the objectives are achieved and the Council gives effect to the RMA, NZCPS and RPS.
  - successful implementation of the provisions is dependent upon the Council having adequate resources available for monitoring and enforcement.
  - the provisions are focussed on the effects of key land use activities that have the potential to affect the values and characteristics of natural character areas.
  - natural character is an important element that contributes to the natural environment valued by the tourism industry.
  - identification of high and outstanding areas of natural character will enable targeted protection and preservation of the values and characteristics in the coastal environment that are subject to pressure from increasing seasonal populations and associated pressures on natural and amenity values.

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<sup>4</sup> <http://ecoprofile.infometrics.co.nz/Thames-Coromandel%2bDistrict/Tourism/TourismGdp>

<sup>5</sup> Ministry of Tourism, August 2009: Tourist Activity - Nature Based Tourism. New Zealand Series B3.

<sup>6</sup> [http://seachange.org.nz/PageFiles/311/4052\\_sea%20change%20fact%20sheet%20-%20Recreation.pdf](http://seachange.org.nz/PageFiles/311/4052_sea%20change%20fact%20sheet%20-%20Recreation.pdf)

<sup>7</sup> <http://infometrics.co.nz/Forecasting/10167/901/What%E2%80%99s-really-going-on-with-tourism-in-regional-New-Zealand>

<sup>8</sup> <http://ecoprofile.infometrics.co.nz/Thames-Coromandel%2BDistrict/Tourism/TourismEmployment>

- natural character values are important to the tourism industry which generates 7.2% of the District's economic output.
- tourism related industry employs 12% of the District's workforce.