Medium density residential Design Matrix – understanding the impact

Tasman District Council

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tasman district council | Te Kaunihera o te tai o Aorere

Authors: Hillmarè Schulze

Peer reviewer: Killian Destremau

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Executive summary

Purpose of the assessment

This report assesses how the proposed Medium Density Residential Design Matrix is likely to affect consenting efficiency, regulatory certainty, and development behaviour in Tasman District, relative to current planning provisions. The analysis focuses on process efficiency and risk allocation, rather than on quantifying housing supply outcomes, amenity effects, or undertaking a full cost–benefit analysis.

What changes under the Design Matrix

The proposed Design Matrix introduces an optional, score-based consenting pathway built around predefined acceptable outcomes. Where minimum scoring thresholds are achieved, proposals can proceed as controlled activities, materially reducing scope for discretionary judgement during processing. This represents a shift from a system dominated by qualitative urban design assessment toward one based on front-loaded compliance testing and verification.

Key mechanisms driving efficiency outcomes

The Design Matrix is expected to improve consenting efficiency through three core mechanisms:

- Translation of qualitative urban design expectations into measurable criteria, enabling earlier and clearer feasibility testing
- Front-loading of design effort, shifting risk from post-lodgement negotiation to pre-lodgement compliance
- Constraining discretion once thresholds are met, improving predictability of outcomes for compliant schemes.

Together, these mechanisms reallocate regulatory risk away from interpretation during processing and toward upfront design decisions.

Consenting efficiency impacts over time

Short term (transition period): Initial implementation is likely to increase upfront design effort and interpretation activity as applicants and Council staff adjust to the new framework. However, even during this transition, clearer signals about regulatory intent are expected to reduce uncertainty at the feasibility stage, supporting earlier go/no-go decisions.

Medium term (uptake and confidence): As the system beds in, the Design Matrix is expected to reduce redesign during processing, shorten and stabilise timeframes, and lower holding cost risk for compliant proposals. These effects are particularly relevant for small-scale and infill developers, for whom uncertainty materially affects viability.

Long term (system maturity): The primary long-run benefit lies in sustained regulatory certainty, rather than incremental efficiency gains. A consistently applied, rule-based system enables developers to reliably price regulatory risk across cycles, improving feasibility at the margin and supporting a more stable development pipeline.

Project level impacts: Richmond and Motueka case studies

Two representative development scenarios illustrate how these effects play out in practice:

- **Richmond townhouse typology:** The Design Matrix materially reduces consent risk at feasibility stage by replacing subjective urban design judgement with objective scoring thresholds. This increases the likelihood that compliant townhouse schemes progress beyond concept into delivery.
- **Motueka apartment–courtyard typology:** For higher-yield, more complex forms, the Matrix constrains interpretation around bulk, dominance, and character effects. This reduces redesign, evidentiary burden, and appeal risk, increasing the probability that viable apartment-style schemes proceed.

Across both cases, efficiency gains stem from predictability and reduced discretionary reinterpretation, rather than from faster statutory timeframes alone.

Conditions required to realise efficiency benefits

The efficiency outcomes identified are conditional, not automatic. They depend on:

- Clear, measurable, and operable acceptable outcomes
- Consistent interpretation and scoring over time
- Sufficient upfront design capability among applicants
- Credible post-consent monitoring and enforcement
- Clear documentation and auditable consent records.

If these conditions are not met, discretion risks re-entering the system through interpretation, undermining certainty gains.

Wider trade-offs and distributional effects

The Design Matrix reflects a deliberate policy trade-off: greater certainty and efficiency at the expense of discretionary design flexibility. While this improves predictability, it may encourage convergence toward minimum-threshold solutions and uneven impacts across developer types. Well-resourced proponents and straightforward sites are more likely to benefit, while constrained or atypical sites may continue to face higher risk.

Overall conclusion

Relative to current provisions, the Design Matrix offers material consenting efficiency benefits by improving certainty, reducing discretionary variability, and reallocating risk toward upfront design compliance. These benefits are most likely to be realised where the framework is clearly drafted, consistently applied, and supported by effective monitoring and periodic review. The Design Matrix represents a structural shift in how consenting risk is managed, prioritising predictability and system performance over case-by-case refinement.

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1 Introduction

The purpose of this report is to support Tasman District Council's understanding of how the proposed Medium Density Residential Design Matrix (Design Matrix) is likely to affect consenting efficiency and development behaviour, relative to the current planning provisions.

The assessment focuses on how the Design Matrix changes:

- Incentives faced by applicants
- The allocation of regulatory risk
- The timing and nature of design effort
- The predictability of consenting outcomes.

The report does not undertake a cost–benefit analysis, quantify housing supply impacts, evaluate amenity outcomes in a comprehensive way, or assess the quality of Council implementation. Where wider effects are identified, they are discussed but not assessed.

2 Methodology

This report applies a structured, qualitative, and comparative assessment to examine how the Design Matrix is likely to affect development behaviour, consent risk, and feasibility outcomes relative to current planning provisions in Tasman District.

2.1 Efficiency focussed comparative framework

The analysis applies a structured, qualitative, comparative assessment of two consenting scenarios:

Baseline scenario (current provisions). Medium density residential development is enabled in principle but commonly assessed through discretionary or subjective urban design judgement. Consent outcomes depend on interpretation of policy, effects, and character, often resulting in negotiation, redesign, and variable timeframes.

Design Matrix scenario. Applicants may elect to use an optional, score-based assessment pathway structured around predefined acceptable outcomes. Where minimum scoring thresholds are achieved, consent must be granted as a controlled activity, with limited scope for discretionary judgement or post-lodgement negotiation.

The assessment examines how this shift affects consent certainty, time and cost risk, design effort and iteration, and feasibility at the margin.

2.2 Evidence base

The assessment draws on the following:

- Detailed review of the Design Matrix provisions and scoring framework
- Economic literature on regulatory uncertainty and risk premiums
- Experience with discretionary and rule-based systems
- Practitioner testing of behavioural responses and process impacts.

Two representative development scenarios are used to illustrate likely effects in practice:

- A typical Richmond townhouse scheme
- A typical Motueka apartment–courtyard scheme.

Impacts are assessed qualitatively in terms of direction and relative magnitude.

3 Consenting efficiency benefits relative to baseline

3.1 Temporal assessment of economic impacts

The Ministerial direction requires an assessment of the probable short, medium, and longer-term economic impacts of the Design Matrix on development uptake and regulatory certainty.

While the mechanisms through which the Design Matrix affects behaviour are consistent over time, the nature and strength of those effects are expected to change as the system transitions from introduction to maturity.

For clarity, this assessment therefore distinguishes between:

- **Short term impacts**, relating to transition, behavioural adjustment, and early signal effects
- **Medium term impacts**, relating to development uptake, market confidence, and consenting system normalisation
- **Longer term impacts**, relating to sustained regulatory certainty, feasibility at the margin, and system learning over time.

These time horizons are indicative rather than fixed, recognising that the speed of transition will vary by developer type, site characteristics, and familiarity with the Design Matrix.

3.1.1 Short term (transition effects)

Short term impacts (transition and early behavioural response)

In the short term, the primary economic effects of the Design Matrix arise from behavioural adjustment rather than immediate changes in development volumes. Developers, designers, and consent planners must interpret and test the new framework, which may initially increase upfront design effort and pre-application enquiry.

At the same time, the Design Matrix provides a strong early signal of regulatory intent. Even prior to full system bedding-in, applicants are better able to assess consent risk, reducing uncertainty at feasibility stage. For some proponents, this may result in earlier project abandonment where scores cannot reasonably be achieved; for others, it increases confidence to proceed where compliance is clear.

3.1.2 Medium term (uptake and confidence)

Medium term impacts (development uptake and market confidence)

As the system beds in, the Design Matrix is expected to support improved development uptake relative to the baseline, particularly for compliant medium density typologies. Reduced variability in consent outcomes, fewer redesign cycles during processing, and clearer pre-lodgement feasibility testing lower effective regulatory risk.

These effects are most relevant for small scale and infill developers, for whom uncertainty and holding costs materially affect project viability. Over this period, the Design Matrix is expected to improve market confidence in the consenting pathway, supporting a more stable pipeline of medium-density development rather than step-change increases in supply.

3.1.3 Long term (maturity and certainty)

Longer term impacts (regulatory certainty and system maturity)

Over the longer term, the principal economic benefit of the Design Matrix lies in sustained regulatory certainty rather than incremental efficiency gains. A mature, consistently applied rule-based system allows developers to reliably price regulatory risk, improving feasibility at the margin and supporting investment decisions across cycles.

Long-term outcomes depend critically on monitoring, compliance, and periodic review. Where acceptable outcomes are refined in response to observed effects, the system can adapt without reverting to discretionary decision-making, preserving certainty while enabling learning over time.

3.2 Mechanisms of change

The Design Matrix introduces a mechanism of change that varies the consenting system by:

- Translating qualitative urban design expectations into measurable acceptable outcomes
- Allowing applicants to test compliance prior to lodgement
- Limiting discretion once minimum scores are achieved.

This shifts risk away from discretionary assessment and toward front-loaded design compliance, which is the primary source of the efficiency effects identified.

The following section examines the project level efficiency between the current consenting process and the Design matrix.

3.3 Project-level efficiency impacts: Richmond townhouse scheme

This section compares a typical townhouse scheme in Richmond applying the current process compared to the proposed Design Matrix.

The proposed site and form: (typical Richmond infill):

- Front site in Richmond Residential / intensification area
- 1 existing dwelling removed
- 6–8 attached townhouses
- 2 storeys, some limited 3 storey elements
- Internal accessway serving rear dwellings
- Front dwellings address the street
- Parking predominantly side/rear
- Contemporary materials, articulated façades
- Landscaped front yard and boundary planting.

Counterfactual framing

This case study is presented as an economic counterfactual, comparing the likely development pathway for a typical Richmond townhouse scheme under the current discretionary assessment regime versus the Design Matrix pathway. The focus is not on procedural difference alone, but on how the Design Matrix alters development risk, feasibility, and the likelihood of a project progressing to construction.

The table below provides a high-level comparison of how a typical Richmond townhouse medium density development would be assessed under the current process compared to the proposed Design Matrix.

Table 1: Comparison between current Richmond process and proposed Design Matrix

Dimension	Current Richmond process	Design Matrix pathway	Why this matters for consenting efficiency
Primary source of consenting risk	Subjective assessment of urban design quality, character, and neighbour effects	Objective achievement of minimum scoring thresholds	Shifts risk from interpretation during processing to compliance tested upfront
Assessment approach	Qualitative, judgement-based assessment against broad policies	Quantitative, points-based assessment against defined acceptable outcomes	Reduces scope for reinterpretation and negotiated redesign
Role of discretion	High – planner judgement influences outcomes and conditions	Constrained once minimum scores are achieved	Improves predictability of outcomes for compliant schemes
Ability to test compliance pre-lodgement	Limited – outcomes often unclear until assessed	High – applicants can self-test against scoring criteria	Enables early go/no-go decisions and reduces redesign risk
Urban design review	Commonly requested for multi-unit schemes	Generally unnecessary where thresholds are met	Reduces time, cost, and expert evidence exposure
Streetscape and frontage treatment	Addressed indirectly through policy interpretation	Explicit, scored requirements for activation, glazing, and landscaping	Converts qualitative expectations into measurable compliance
Neighbour interface management	Managed through setbacks and HIRB planes, often refined during processing	Addressed through defined outcomes for building length,	Reduces late-stage negotiation and affected party risk

Dimension	Current Richmond process	Design Matrix pathway	Why this matters for consenting efficiency
		modulation, planting, and privacy	
Timing of design effort	Significant redesign during processing	Design effort front-loaded before lodgement	Shortens and stabilises processing phase
Processing variability	High – timeframes and conditions vary by interpretation	Lower – outcomes more predictable where compliance is clear	Reduces holding cost risk and programme uncertainty
Appeal and challenge exposure	Higher due to subjective judgement	Lower due to transparent, auditable scoring	Improves defensibility of decisions

Relative to the baseline, the Design Matrix materially reduces consent risk at feasibility stage, increasing the likelihood that compliant townhouse schemes progress beyond concept and into delivery.

3.3.1 Observations

Under the current Richmond consenting regime, medium density townhouse developments face material feasibility risk driven by discretionary urban design assessment, rather than by underlying site or market fundamentals. Although such schemes are enabled in principle, developers cannot reliably determine at feasibility stage whether a proposal will be considered acceptable, what conditions may be imposed, or how many redesign cycles may be required. This uncertainty increases expected holding costs and raises the risk-adjusted cost of capital, meaning that otherwise viable townhouse projects are frequently delayed, scaled back, or abandoned before lodgement.

The Design Matrix alters this risk profile by converting a substantial portion of that uncertainty into upfront, testable compliance risk. By setting defined acceptable outcomes and minimum scoring thresholds, the Matrix enables developers to assess prior to committing full design and consenting expenditure, whether a scheme is likely to proceed as a controlled activity. This materially improves

certainty at the feasibility stage. Projects that can achieve the required scores face a much higher probability of progressing from concept to consent, with reduced exposure to discretionary reinterpretation during processing.

Critically, this shift does not simply change how the consent is processed; it changes which projects are viable. Reduced variability in consent outcomes lowers expected delay and redesign costs, improving feasibility at the margin for small-scale and infill townhouse developments. In economic terms, the Design Matrix reduces the risk premium associated with regulatory uncertainty, increasing the likelihood that compliant townhouse schemes proceed into delivery rather than being screened out early due to consent risk.

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3.4 Project-level efficiency impacts: Motueka apartment–courtyard scheme

The proposed site and form (typical Motueka infill / centre fringe):

- Corner or near-corner site within Motueka residential / intensification area
- 2 existing single dwellings removed
- 10–14 dwellings in a low-rise apartment and courtyard configuration
- Predominantly 2 storeys, with limited 3 storey elements toward the site interior
- Single shared vehicle access with strong internal pedestrian priority
- Multiple dwellings address both street frontages
- Parking located to the rear or beneath buildings (at-grade or semi-basement)
- Mix of apartments and stacked maisonettes
- Shared central landscaped courtyard
- Contemporary coastal-influenced materials with articulated façades and roof forms.

Motueka differs from Richmond in that site sizes are often larger, surrounding development is lower scale, and there is greater sensitivity to building bulk and dominance, particularly near established residential streets.

Counterfactual framing

This case study examines how the Design Matrix changes the economic viability and progression risk for higher-yield apartment-style development in Motueka, compared with the current regime where such typologies are often treated as higher risk or exceptional.

The table below provides a high-level comparison of how a typical Motueka apartment-style medium density development would be assessed under the current process compared to the proposed Design Matrix.

Table 2: Comparison between current Motueka process and proposed Design Matrix

Dimension	Current Motueka process	Design Matrix pathway	Why this matters for consenting efficiency
Primary source of consenting risk	Perceived bulk, dominance, and "out-of-character" effects	Demonstrated compliance with massing, interface, and frontage scoring criteria	Reduces uncertainty associated with atypical typologies
Assessment approach	Highly qualitative, reliance on expert urban design judgement	Quantitative, score-based assessment across Parts A–C of the Matrix	Narrows debate to compliance rather than character interpretation
Treatment of apartment typologies	Often treated as exceptional or higher-risk	Explicitly enabled where acceptable outcomes are met	Provides a clearer pathway for higher-yield forms
Role of discretion	High – strong reliance on planner and peer review judgement	Limited once scoring thresholds are achieved	Improves certainty for complex developments
Urban design review and evidence	Almost always required	Often avoidable where scores are clearly exceeded	Reduces time, cost, and evidentiary burden
Building bulk and length control	Managed indirectly through height planes and setbacks	Directly addressed through scored controls on length, modulation, and internalisation	Improves predictability of acceptable massing outcomes
Neighbour and privacy effects	Frequently negotiated late or managed via affected party approvals	Addressed upfront through defined scoring responses	Reduces notification and delay risk
Timing of design resolution	Iterative redesign common during processing	Design resolved largely pre-lodgement	Shortens consent processing and reduces uncertainty

Dimension	Current Motueka process	Design Matrix pathway	Why this matters for consenting efficiency
Processing and appeal risk	Elevated due to judgement-based effects assessment	Lower due to transparent, auditable compliance	Improves confidence for higher-risk projects

Compared with the counterfactual baseline, the Design Matrix increases the probability that viable apartment-style schemes proceed, by constraining subjective effects assessment and reducing redesign, delay, and evidentiary risk for compliant proposals.

3.4.1 Observations

For apartment-style medium-density development in Motueka, the current regime creates heightened development risk associated with perceived bulk, dominance, and "out-of-character" effects. These risks are not well bounded ex ante: even well-designed proposals can attract subjective concern during assessment, resulting in unpredictable outcomes, extensive redesign, or significant evidentiary costs. As a result, developers often discount or avoid these typologies altogether, despite their potential to deliver higher yields on suitable sites.

The Design Matrix changes this calculus by explicitly enabling apartment-courtyard forms where objective scoring thresholds are met, thereby constraining the scope for late-stage reinterpretation of effects. By translating concerns about bulk, interface, and streetscape activation into measurable criteria, the Matrix significantly reduces the uncertainty associated with apartment-style proposals. This increases the probability that viable Motueka sites are taken forward for higher-yield development, rather than defaulting to lower-intensity or more conservative forms.

From a feasibility perspective, the key effect is a reduction in downside risk, rather than an increase in upside return. Developers can more confidently invest in upfront design work knowing that, if compliance is demonstrated, the likelihood of consent is high, and the risk of protracted negotiation is low. This improves feasibility at the margin for apartment-courtyard schemes, particularly for proponents sensitive to uncertainty and financing risk. In practical terms, the Design Matrix increases the share of Motueka apartment proposals that are likely to progress from concept through consenting to construction, relative to the current discretionary regime

4 Implementation uncertainty and conditions underpinning the assessment

The Design Matrix creates the conditions for improved consenting efficiency, but those benefits are realised only where the framework is clearly drafted, consistently applied, and effectively enforced. This chapter sets out the key implementation-related factors that determine whether the Design Matrix delivers improved certainty and reduced process risk in practice. These factors are not efficiency benefits in themselves; rather, they describe the assumptions and operating conditions that underpin the comparative assessment.

4.1 Clarity and operability of acceptable outcomes

(Short term critical, medium and long term enabled)

The effectiveness of the Design Matrix is highly sensitive to how acceptable outcomes are drafted and applied, particularly during the early implementation period. To deliver the intended certainty gains, acceptable outcomes must be:

- Clearly defined and internally consistent
- Measurable and verifiable at the consent stage
- Explicit about scale, scope, and unit of application (e.g. per dwelling, per building, or per site).

In the short term, where outcomes rely on non-directive language (such as “should” or “might”), lack quantitative thresholds, or are ambiguous as to how compliance is demonstrated, interpretation effort is likely to increase. In such cases, the Design Matrix risks reintroducing discretionary judgement through interpretation, reducing predictability for applicants and potentially increasing processing effort for Council officers.

In the medium term, consistent and precise drafting allows assessment effort to shift away from interpretation toward verification of compliance, supporting more predictable processing and reduced redesign.

In the long term, clear and operable acceptable outcomes are foundational to maintaining a stable, repeatable, and auditable rule based system. The efficiency benefits identified in this report assume that acceptable outcomes remain sufficiently precise to support consistent application across proposals and over time.

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4.2 Threshold and behavioural effects

(Medium term emergence, long term calibration issue)

Points based systems inherently create threshold effects. Proposals that clearly exceed minimum scoring thresholds are likely to experience high certainty and reduced process risk, while proposals that narrowly miss thresholds may continue to face redesign, negotiation, or discretionary assessment.

This effect is most relevant for:

- Constrained or irregular sites
- Higher-intensity typologies at the margin of acceptability
- Proposals seeking to maximise yield within tight envelopes.

In the medium term, as applicants gain familiarity with the Design Matrix, behavioural responses are likely to become more pronounced. Designers and developers may increasingly optimise proposals toward the minimum scoring thresholds required to secure a controlled activity pathway.

In the long term, this behaviour does not undermine consenting efficiency, but it shapes how efficiency gains are realised. It highlights the importance of careful calibration of scoring thresholds and periodic review, to ensure that minimum scores continue to function as gateways to certainty rather than de facto design targets.

4.3 Increased upfront design effort and cost distribution

(Short term impact, medium term adjustment, long term trade-off)

The Design Matrix shifts a greater share of design effort to the pre-lodgement stage. Applicants are required to undertake more detailed testing of layout, massing, and interface conditions upfront to demonstrate compliance with acceptable outcomes and achieve minimum scores.

In the short term, this front-loading of effort can increase early design costs and pre-application work as parties adjust to the new framework. For some proponents, particularly smaller or less experienced developers without ready access to specialist design expertise, higher upfront costs may represent a barrier to entry.

In the medium term, as familiarity increases and design responses become more standardised, the redistribution of effort is expected to reduce redesign and negotiation during processing, improving time and cost predictability.

In the long term, this cost redistribution reflects an inherent trade-off in rule-based systems: higher upfront investment in exchange for greater downstream certainty. The efficiency assessment assumes that, at the system level, reduced process risk and holding cost exposure outweigh the increase in early-stage design effort.

4.4 Consistency of interpretation and application

(Medium-term risk, long-term determinant of certainty)

The certainty gains associated with the Design Matrix depend on consistent interpretation and application by Council officers over time. Even with well drafted criteria, inconsistency in scoring, informal negotiation outside the framework, or variation in how marginal cases are treated can undermine predictability.

In the medium term, inconsistency is most likely to arise during the bedding-in phase, as different officers interpret new criteria and scoring thresholds.

Maintaining consistency requires:

- Clear internal guidance on interpretation and scoring
- Training and calibration across assessment teams
- A shared understanding of how acceptable outcomes are applied in different contexts.

In the long term, sustained consistency is a critical determinant of whether the Design Matrix delivers enduring certainty benefits. Without these supports, there is a risk that discretion re-emerges in practice, eroding the intended efficiency gains of the Design Matrix.

4.5 Monitoring, compliance, and enforcement capacity

(Long term credibility condition)

Rule-based consenting systems place greater emphasis on post-consent monitoring and enforcement. The credibility of the Design Matrix depends on approved designs being delivered as consented, particularly where compliance with acceptable outcomes is central to granting consent.

In the short to medium term, the absolute increase in monitoring activity may be modest. However, over the long term, effective compliance checking is critical to maintaining confidence in the system. If built outcomes routinely diverge from approved designs without consequence, the perceived certainty of the Design Matrix may weaken, undermining incentives to design to the Matrix.

The efficiency assessment therefore assumes that monitoring and enforcement are sufficiently resourced and consistently applied over time, ensuring that the shift toward rule-based approval is matched by credible delivery on the ground.

5 Wider trade-offs and potential benefits

This chapter identifies broader trade-offs and potential benefits associated with the Design Matrix. These effects are relevant to policy design and governance, but are not evaluated, quantified, or weighed against one another.

5.1 Trade-off between certainty and discretionary design flexibility

A fundamental trade-off inherent in rule-based assessment systems is the reduction in discretionary flexibility in exchange for increased certainty. Under the Design Matrix, compliance with predefined acceptable outcomes and minimum scoring thresholds constrains the scope for discretionary, site-specific refinement during the consenting process.

While this improves predictability and consistency, it may limit opportunities for planners and designers to respond flexibly to unique site conditions or to negotiate bespoke design solutions that sit outside the defined framework. This trade-off reflects a deliberate policy choice rather than a design flaw and is characteristic of score-based systems internationally.

5.2 Potential for merging toward minimum-standard design responses

Points-based frameworks can create incentives for applicants to optimise designs to meet minimum scoring thresholds, rather than pursue higher-order or more innovative outcomes. Over time, this may result in some degree of convergence toward baseline compliance responses, particularly where scoring thresholds are perceived as compliance targets rather than minimum expectations.

The extent to which this occurs depends on how scoring is calibrated, how outcomes are framed, and whether periodic review is undertaken. It is not evident if such convergence would materially affect urban design quality, but it might.

5.3 Reliance on acceptable outcomes to manage amenity effects

The Design Matrix works by setting clear rules for what “good enough” design looks like. If those rules are well written and cover the things people actually care about, like building bulk, privacy, sunlight, and how developments fit together then decisions can be made more consistently and with less debate.

But if the rules miss important context, or do not fully capture how multiple effects add up across a site or neighbourhood, a development can technically comply while still feeling wrong to the community. When that happens, confidence in the system can be undermined. This is why the quality of the rules matters so much, and why they need to be reviewed and adjusted over time as real-world outcomes become clear.

5.4 Potential implications for housing supply and delivery timing

The Design Matrix may have implications for housing delivery beyond consenting efficiency. By reducing regulatory uncertainty and improving time predictability, it has the potential to lower barriers to development and support faster progression from concept to construction for proposals that are able to meet the required scoring thresholds.

In principle, these features are most valuable for developers who are sensitive to uncertainty and holding costs, including small-scale, infill, and non-institutional developers. However, the extent to which these benefits are realised depends on developer capability, access to professional advice, and site complexity. As a result, the potential supply-side benefits are likely to be uneven across the development market.

5.5 Distributional effects across developer types and sites

Developers with good access to architects, urban designers, and planning advice, as well as those working on relatively straightforward or regular sites, are more likely to meet the Design Matrix scoring thresholds with limited iteration. For these proponents, the system delivers what it promises: greater certainty, faster processing, and reduced risk.

By contrast, smaller developers, first-time entrants, or those working on tight, irregular, or constrained sites may find it more difficult to achieve minimum scores, even where proposals are reasonable in context. For these projects, the Design Matrix may not materially reduce risk and may still require redesign or progression through discretionary pathways.

Over time, this may result in development activity concentrating among more capable or well-resourced developers, while some complex infill sites are slower to develop or are bypassed altogether, potentially dampening supply responses in precisely the locations where intensification is most policy-relevant.

6 Monitoring, compliance, and governance implications

This chapter sets out governance and operational considerations relevant to the Design Matrix. These do not form part of the efficiency assessment itself but are critical to maintaining confidence in a rule-based consenting system over time.

6.1 Shift in assessment effort toward verification of compliance

Under the Design Matrix, consenting effort shifts away from open-ended qualitative judgement toward verification of compliance with clearly defined acceptable outcomes and scoring thresholds. Rather than debating overall design merit, officers are required to assess whether proposals meet specified criteria and to apply scores accordingly.

This shift has the potential to improve consistency, transparency, and predictability, as outcomes are more directly linked to observable features of a proposal. However, these benefits depend on criteria being applied rigorously and consistently across officers and cases. Where scoring is treated as a matter of interpretation or informal negotiation, discretion can re-enter the process, undermining the intended clarity of the system.

Clear internal guidance, shared interpretation of criteria, and quality assurance processes are therefore important to ensure that assessment effort remains focused on objective verification rather than subjective judgement. Without this discipline, a system designed to be rules-based risks reproducing many of the uncertainties associated with discretionary assessment.

6.2 Increased importance of post-consent monitoring and enforcement

Rule-based systems place greater emphasis on ensuring that built outcomes align with approved designs, as certainty at the consent stage is premised on confidence that agreed standards will be delivered in practice. Under the Design Matrix, this shifts some regulatory effort downstream, from assessing intent to verifying compliance.

While the absolute increase in monitoring activity may be modest, its importance is high. Effective compliance checks and credible enforcement are central to maintaining trust in the system. Where approved outcomes are consistently delivered, developers can rely on the integrity of the rules-based pathway, reinforcing the certainty gains achieved at consent stage.

However, if non-compliance is weakly monitored or inconsistently enforced, confidence in the system may erode. Over time, this can undermine incentives to design to the Matrix, disadvantage compliant developers, and reintroduce risk and uncertainty into development decision-making. In this way, post-consent monitoring plays a critical role in sustaining the overall effectiveness of the Design Matrix.

6.3 Need for clear documentation and auditable consent records

Effective implementation of the Design Matrix depends on clear and auditable documentation of how scoring thresholds are met and how compliance has been assessed. Because outcomes are tied directly to defined criteria, the credibility of the system rests on being able to demonstrate how decisions were reached.

Transparent consent records support consistent decision-making by enabling shared understanding across officers and cases. They also strengthen the defensibility of consent decisions by clearly linking approvals to documented evidence and applied scores, rather than implicit or undocumented judgement.

Clear documentation is also essential for effective post-construction monitoring and enforcement. Where approved outcomes are recorded in a precise and traceable way, compliance checks can focus on whether built form aligns with what was consented. This is particularly important where acceptable outcomes involve qualitative judgement at the margins, as explicit recording of reasoning helps limit scope for reinterpretation over time.

6.4 Ongoing review, calibration, and system learning

Over time, monitoring of consented and built outcomes can provide important feedback on how the Design Matrix is operating in practice. This evidence can inform targeted refinements to acceptable outcomes, adjustment of scoring thresholds, and identification of unintended consequences, including distributional effects across sites or developer types.

Periodic review plays a critical role in system learning. By allowing the rules to be recalibrated in light of observed outcomes, governance can ensure that the Design Matrix continues to align with policy intent and community expectations while remaining credible and workable for users. Importantly, this process provides a structured mechanism for adaptation, reducing pressure to resolve emerging issues through case-by-case discretion.

When undertaken transparently and at defined intervals, ongoing review supports continuous improvement without reintroducing unnecessary uncertainty. In this way, system learning helps preserve both the legitimacy and the certainty gains of the Design Matrix over time.

6.5 Governance role in maintaining certainty gains

The efficiency benefits identified in this report are not self-executing and do not arise from governance involvement in individual consenting decisions. Rather, governance influences certainty indirectly, through its role in setting clear policy intent, establishing robust frameworks, and providing for structured review and recalibration over time.

In practice, operational consistency in applying the Design Matrix sits with regulatory functions, including plan implementation, assessment practice, and compliance activity. Governance's role is to ensure that those functions are supported by clear objectives, stable settings, and appropriate feedback mechanisms, rather than to intervene in day-to-day application.

Periodic, evidence-based review of how the Design Matrix is operating in practice allows governance to refine acceptable outcomes and scoring thresholds where needed, without reintroducing case-by-case discretion. When undertaken transparently and at defined intervals, this approach supports system learning while preserving the regulatory certainty that underpins the economic benefits identified in this assessment.

7 Summary

This report assesses the consenting efficiency implications of the Design Matrix relative to current provisions. The analysis identifies material efficiency benefits arising from improved certainty, reduced discretion, and clearer allocation of risk, conditional on effective implementation. The Design Matrix represents a deliberate policy choice to prioritise predictability and efficiency over discretionary refinement.

Planners' perspective: certainty, consistency, and enforceability

Efficiency gains

- Greater consent certainty where criteria are precise
- More consistent decisions using checklist-based assessment
- Reduced debate and appeal risk for compliant schemes.

Implementation risks

- Vague or non-directive criteria increase processing effort
- Inconsistent interpretation if thresholds are unclear
- Greater reliance on post-consent monitoring and compliance.

Architects' perspective: feasibility, speed, and delivery risk

Efficiency gains

- Early go / no-go certainty at feasibility stage
- Fewer redesigns, lower holding costs, predictable fees
- Encourages better site use and more diverse housing types
- Improves access for small and non-institutional developers.

Implementation risks

- Designs may optimise to minimum thresholds
- Some residual subjectivity around contextual fit
- Higher-intensity forms require careful calibration
- Community concerns (sunlight, height, privacy) remain.

7.1 Summary tables

Table 3: Consenting efficiency effects

Efficiency dimension	Baseline (current provisions)	Design Matrix pathway	Assessed direction of change	Basis for assessment
Regulatory pathway	Discretionary or judgement-based urban design assessment with scope for negotiation and reinterpretation	Rule-based controlled activity pathway where compliance with minimum scoring thresholds requires consent to be granted	↑ Certainty ↓ Discretion	Design Matrix provisions; planning practice evidence
Consent outcome certainty	Variable outcomes; risk of refusal or unexpected conditions	High certainty where thresholds are met	↑ Material improvement	Comparative case studies; practitioner testing
Time predictability	Highly variable processing due to redesign and negotiation	More predictable processing where compliance is demonstrated upfront	↓ Time variability	Case studies; practitioner feedback
Design iteration during processing	Common redesign and negotiation post-lodgement	Redesign largely avoided where thresholds are met	↓ Redesign	Comparative assessment
Professional cost risk	High and unpredictable due to extended engagement	More predictable total professional inputs despite higher upfront effort	↓ Cost variability	Economic theory on risk premiums

Efficiency dimension	Baseline (current provisions)	Design Matrix pathway	Assessed direction of change	Basis for assessment
Holding cost exposure	Elevated due to uncertain timelines	Reduced through improved time certainty	↓ Holding cost risk	Development finance theory
Development feasibility (margin)	Marginal projects sensitive to uncertainty and delay	Improved feasibility at the margin due to reduced regulatory risk	↑ Feasibility	Integrated qualitative assessment
Developer participation	Participation constrained, particularly for small and non-institutional developers	Broader participation enabled through clearer upfront signals	↑ Likelihood of participation	Practitioner insights

Table 4: Implementation conditions underpinning the efficiency assessment

Implementation condition	Why it matters for efficiency outcomes
Clarity and measurability of acceptable outcomes	Ambiguous or non-directive criteria reintroduce interpretation effort and uncertainty
Consistency of scoring and interpretation	Interpretation drift undermines predictability and certainty gains
Front-loaded design capability	Applicants must be able to assess and design to thresholds pre-lodgement
Post-consent monitoring and enforcement	Credibility of rule-based systems depends on delivered outcomes matching approvals
Clear documentation at consent stage	Supports transparency, defensibility, and compliance checking

Table 5:Wider trade-offs and potential benefits (identified, not assessed)

Dimension	Nature of effect
Design flexibility	Reduced scope for discretionary, site-specific refinement
Design behaviour	Potential convergence toward minimum-threshold solutions
Amenity outcomes	Reliance on robustness of acceptable outcomes to manage qualitative effects
Housing delivery timing	Potential for faster delivery through reduced uncertainty
Distributional impacts	Differential effects across site types and developer capability