BEFORE THE INDEPENDENT HEARING PANEL
APPOINTED BY THE TASMAN DISTRICT COUNCIL

IN THE MATTER	of the Resource Management Act 1991
AND	
IN THE MATTER	of the First Schedule to the Act
AND	
IN THE MATTER	of Proposed Change 1 to the Tasman Regional Policy Statement and Proposed Plan Change 81 to the Tasman Resource Management Plan

EVIDENCE IN CHIEF OF SUE THÉRÈSE MCLEAN FOR TASMAN DISTRICT COUNCIL

HEARING STAGE 2

12 October 2026

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Qualifications, role and experience

1. My full name is Sue Thérèse McLean.

2. I am the Group Manager Strategy and Finance at Tasman District Council – Te Kaunihera o te tai o Aorere (**Council** or **TDC**). In this role I am a member of Council's Executive Leadership Team and a direct report to the Chief Executive. I have been employed by TDC since November 2024.

3. My role includes overall responsibility for Council's policy functions, including under the Resource Management Act 1991 and delivery of Council's annual and long-term plans under the Local Government Act 2002.

4. I have a Masters of Business Administration (MBA) from Massey University.

5. TDC is the proponent of Change 1 (**C1**) to the Tasman Regional Policy Statement (**TRPS**) and Plan Change 81 (**PC81**) to the Tasman Resource Management Plan (**TRMP**), and I am authorised to give evidence on its behalf.

Scope of evidence

6. I have been asked to give this evidence as a representative of TDC to provide organisational context to the changes being proposed by Council. While I am giving this evidence in Hearing Stage 2, it is applicable to subsequent hearing stages addressing PC81, especially those that will deal with the residential parts of the changes. To do this, my evidence sets out the high-level background to C1 and PC81, and I will explain why these changes are being pursued.

7. Specifically, I have been asked to provide contextual statements relating to:

   (a) The growth pressure currently experienced in Tasman District.

   (b) The broad intention of the C1 and PC81 changes.

   (c) The planning context in which the proposed changes arise, including describing recent measures Council has taken to address planning challenges and growth pressure. This includes:

(i) The operative Tasman Regional Policy Statement;

(ii) Nelson Tasman Future Development Strategy 2022-2052 (**FDS**);

(iii) Housing and Building Capacity Assessment for Tasman 2024 (**HBA**);

(iv) Richmond Spatial Plan 2024;

(v) Māpua Master Plan 2025.

(d) Infrastructure financing and development challenges faced by Council;

(e) The scope of public and iwi engagement on the proposed changes to Tasman's planning system to date.

Growth pressures in Tasman

8. Despite fluctuating growth rates, the demand for housing in Tasman remains high. In the years preceding the COVID-19 pandemic, household growth was steadily increasing, outpacing new dwelling consents. In 2021, the rate spiked from a pre-COVID rate of approximately 400 households per year to more than 800, before declining in the post-COVID period.[1]

9. Since the 2021 spike, the trend has reversed: consenting has outstripped household growth, despite a general economic downturn and a related decline in housing and business land demand. Although this may indicate an improving housing supply, development capacity remains insufficient as is addressed in the evidence of other witnesses.

10. Likewise, although house and land prices have recently declined, Tasman has New Zealand's least affordable housing, as described in by Massey University's 2026 Housing Affordability Report[2].

[1] I have been assisted to identify this data and have been advised that it was obtained from the Urban Development Dashboard hosted at Urban Development.
[2] See Arshad, J (2026) Home affordability report: Quarterly Survey (March), Massey University, 37, 1, p.2.

11. The work undertaken by Council on the 2024 HBA, including work on draft capacity analysis for the LTP 2027-2037, shows housing choice is also limited in Tasman. Of the existing dwellings in Tasman 90% are stand-alone houses, reflecting the land development pattern enabled by the current, outdated planning framework.

12. Despite this pattern, the Future Development Strategy and the Housing and Building Capacity Assessment indicate that while short- and long-term capacity for stand-alone housing is sufficient, medium-term capacity is insufficient. I understand Jacqui Deans' evidence for HS2 updates the capacity assessments considering amended data and draft direction from elected members for the next long-term plan and that this pattern remains, albeit with a greater shortfall from that addressed in the notified C1 and PC81.

13. The Future Development Strategy and the Housing and Building Capacity Assessment shows a difference between overall housing capacity and capacity for different housing types. While sufficient capacity may exist for detached housing in some time periods, the HBA shows that short-, medium- and long-term capacity for attached housing, the type of housing PC81 will enable, is insufficient, largely because current development settings in the District encourage stand-alone housing.

14. C1 and PC81 address insufficiency by promoting higher-density housing in key urban areas. They also enable housing choice – including Māori housing through the papakāinga provisions – improved affordability and aim to ensure development happens in the right place, at the right time.

15. The HBA concludes that business land development capacity is sufficient in the short-, medium- and long term. I note there is, in fact, a surplus of business land that provides capacity for Nelson City Council's identified shortfall of commercial, retail, and industrial land in the medium and long terms.

Precursors to C1 and PC81

16. Parts of the Tasman District form part of the shared Nelson Tasman Tier 2 urban environment under the NPS-UD. Under this policy statement TDC

and Nelson City Council (**NCC**) are jointly responsible for monitoring land development, for strategic planning through a future development strategy, and for preparing a housing and business development capacity assessment.

17. In line with these responsibilities, and consistent with other Local Government Act and Resource Management Act functions, Council has developed various strategic planning tools, as noted earlier, including:

    (a) Nelson Tasman Future Development Strategy 2022 – 2052[3];

    (b) Housing and Business Assessment for Tasman 2024 (and previous iterations);

    (c) Richmond Spatial Plan;

    (d) Māpua Master Plan.

18. TDC jointly prepared the FDS with NCC and prior to that in 2020 defined the joint urban environment to include Nelson City, Hira and Cable Bay and key towns in Tasman District: Richmond, Brightwater, Wakefield, Māpua and Motueka. The FDS also met growth demands in several rural towns including Collingwood, Murchison, Tapawera, Tākaka, and St Arnaud.

19. The strategy recognises that intensification enables wider benefits, such as different types of housing, reduced car dependency and more efficient use of existing network infrastructure. Where intensification occurs in already developed areas, it reduces the demand for rural land.

20. Last year the Joint Committee of Nelson City and Tasman District Councils adopted the Nelson Tasman Future Development Strategy Implementation Plan 2025 **(Implementation Plan).** The Implementation Plan provides indicative timing for the staging of development contemplated by the FDS. At Section 4, Table 2 sets out that staging, which includes some PC81 sites (shown in green font).[4]

[3] Dated 19 September 2022.
[4] Future Development Strategy Implementation Plan 2025.pdf

21. The Council subsequently developed a spatial plan for Richmond (2024) and a masterplan for Māpua (2025) to begin giving effect to the consolidation of growth set out in the FDS.

22. In 2024, in line with obligations under cl 3.7 NPS-UD, TDC wrote to the Minister for the Environment and the Minister for Housing and RMA Reform, notifying them that the district has insufficient housing land capacity over the medium term. The letter explained that a shortfall in enabling infrastructure was the primary reason for this insufficiency, along with some topographical constraints at Motueka.

23. It went on to outline steps being taken to address the shortfall, including what would become C1 and PC81:

> Work is also well progressed on a large plan change to zone land in nine of Tasman's towns, implementing the 2022-2052 Future Development Strategy. This plan change will provide for approximately 4,000 additional houses and 222 business units over the next thirty years.

24. In August 2024, the Minister for Housing and RMA Reform responded, acknowledging the shortfall and encouraging Council to pursue increased intensification. He said:

> The actions that you have identified to address this housing shortfall are critical to address the district's housing shortfall, including:
>
> - Plan changes that have recently been, or will soon be, made operative to provide additional housing capacity in five of your towns.
> - Work on a large plan change to rezone land in nine urban areas to implement the 2022-2052 Future Development Strategy.
> - Infrastructure upgrades planned in the five towns within your urban environment.
>
> I thank the Council for its leadership on the work being undertaken and encourage you to consider all available options to prioritise work on plan changes that enable further growth. I support the approach you are taking to enable greater urban intensification and a wider range of

> housing typologies in areas close to existing centres, in addition to enabling greenfield growth. [Emphasis added].

25. He then acknowledged the difficulties councils face in financing and delivering infrastructure and indicated that legislative solutions were being developed to better support local government infrastructure financing. I discuss this point further later in my evidence. Copies of the letters are attached.

26. Council was due to prepare another Housing and Business Assessment in 2026 to inform the LTP 2027-2037. However, I am advised the Planning Act now exempts Tier 1 and 2 local authorities from preparing the 2026 HBA within the timeframe contemplated in the NPS-UD.

Development of C1 and PC81

27. C1 and PC81 were developed in parallel. This approach was taken based on legal and planning advice that the TRMP must integrate with the TRPS.

28. Accordingly, C1 establishes the regional policy direction, while PC81 is intended to ultimately give effect to that direction through the TRMP's objectives, policies, zones and rules.

Exemption to plan stop and ministerial direction

29. During the final preparation of C1 and PC81, and shortly before Council was ready to publicly notify, the "plan stop legislation"[5] came into force preventing notification. Given the shortfalls described above, Council staff considered that the plan change processes were sufficiently well-advanced, important and urgent to pursue an exemption.

30. Council wrote to the Minister for the Environment seeking a direction to use the Streamlined Planning Process. Council considered that C1 and PC81 met the eligibility criteria in section 80C(2) of the RMA because:

[5] Resource Management (Consenting and Other System Changes) Amendment Act 2025.

(a) They implement the NPS-UD by increasing housing and business development capacity and supporting well-functioning urban environments;

(b) The identified development-capacity shortfalls and associated housing affordability and supply issues required an urgent planning response; and

(c) They respond to significant community needs by enabling approximately 3,047 additional homes and 82 hectares of business land[6], supported by substantial community, landowner and developer engagement.

31. Additionally, while Council is actively participating in the transition to the new resource management system, developing and implementing Regional Spatial Plans and Land Use Plans will take time. It remains the view of Council that development-capacity shortfalls require action now, rather than waiting for the preparation of those new plans. C1 and PC81 therefore provide an interim but necessary response that is broadly consistent with what I understand to be the strategic direction anticipated by the emerging planning framework.

32. A direction was ultimately issued by the Minister, thereby enabling the public notification of the changes.

Change 1

33. The TRPS is the region's 'big picture' growth document. It has been operative since 2001, and as a first-generation regional policy statement, I have been advised it is in parts out of date. Importantly, it does not give effect to the NPS-UD, nor does it provide the planning framework needed to provide for the growth contemplated by the FDS.

34. Around seven years ago, recognising the TRPS did not, in parts, reflect the changes in the Tasman District since the TRPS was made operative, TDC decided to update it via a combined regional policy statement and district plan. Work began on a Tasman Environment Plan in 2019-2020, under the previous government's planning reforms, but stopped when that

[6] Numbers have since been refined through further assessment and amendments.

government's Planning and Built Environment Act was repealed. This meant the TRPS has remained in place, largely unaltered since then.

35. After the 'false start' in 2019, it was recognised that to achieve the objectives of Council's current planning strategy, the TRPS needed to be aligned with the proposals in PC81. This means changes to the TRPS are necessary to give PC81 provisions a clear grounding in regional policy. This is despite my understanding the framework provided by the TRPS has now been superseded by the comprehensive planning system reforms enacted through the Planning Act 2026 and Natural Environment Act 2026, which I address briefly below.

36. C1 therefore provides the context for addressing our urban development issues and upholding our obligations under the NPS-UD.

37. C1 does this in the following ways:

    (a) Providing updated objectives for well-functioning urban environments, development sufficiency, housing variety and choice, and well-planned growth;

    (b) Ensuring the TRPS gives effect to the NPS-UD and has regard to the FDS;

    (c) Aligning the TRPS with National Planning Standards for commercial zoning and town centres.

Plan Change 81

38. PC81 updates Tasman's regulatory land use framework to achieve the policy objectives outlined above, taking an integrated approach to the challenges of regional growth and development.

39. PC81's key shifts are:

    (a) Addressing deficits in residential and business land supply by rezoning land for urban growth across the district;

(b) Introducing the Medium Density Residential Zone in key urban areas – Richmond, Brightwater, Motueka, Wakefield and Māpua;

(c) Reinforcing the role of town centres as commercial focal points;

(d) Providing for greenfield residential development where additional capacity is needed, and development is supported by planned infrastructure investment;

(e) Aligning infrastructure capacity and delivery with planned urban growth, as far as is possible and;

(f) Providing for papakāinga through updated provisions aligned with the National Environmental Standards for Papakāinga (**NES-P**) and identifying areas iwi have signalled are suitable for papakāinga development.

Infrastructure challenges

40. As noted above, the Government acknowledges the difficulties local government faces in financing and delivering infrastructure. The changes the Minister referred to in his letter have recently been enacted in the Infrastructure Funding and Financing Act 2026.

41. As part of our case for Hearing Stages 3 and 4 TDC will call evidence to explain the infrastructure challenges the district currently faces and how we intend to use the Act's provisions to address them. In the meantime, I make the following comments and observations as a member of the Council's Executive Leadership Team.

42. Council currently faces challenges relating to providing infrastructure to support growth, to maintain existing networks and to maintain or increase levels of infrastructure services. These challenges are financial, operational and regulatory and are interrelated and compounding. They follow a period of very high growth in Tasman relative to historical trends.

43. As in many parts of New Zealand, addressing infrastructure deficits and providing for growth is a significant financial challenge. Council has limited

means to raise revenues to fund investment, compounded by a small population and a large geographic extent.

44. In addition, Council already carries significant debt, leaving little room for further debt financing.

45. A low-density pattern of development means infrastructure networks are extensive and costly to maintain and renew. To illustrate, Nelson and Tasman have comparable populations, yet Tasman maintains 15 wastewater treatments plants compared to Nelson's single plant. Our roading network is extensive, often serving small populations.

46. Our region faces significant natural hazards. The 2025 storm damage resulted in an additional 2.3% rates increase in 2026-2027 – revenue which is not available for funding or financing growth related infrastructure.

47. Regulatory requirements further compound these pressures. Reform, while necessary to provide overall system improvements, places additional unfunded requirements on Councils, such as requirements to improve levels of service and achieve higher standards of resilience.

48. Lastly, policy uncertainty can undermine local development. For instance, NZTA is a major enabler of local development and where road transport funding is uncertain, delayed or unpredictable, well-sited development can be displaced to other locations.

Work on the Regional Spatial Plan under the Planning Act

49. The Planning Act 2026 has recently passed into law and requires TDC and NCC to work together to produce a joint Regional Spatial Plan (**RSP**).

50. TDC's Environmental Policy team is currently working alongside their NCC colleagues setting up the governance arrangements and other machinery necessary for commencement of the substantial work on the RSP. This will be an important and significant piece of work for both Councils.

51. I note that the Implementation Plan (at Section 5) recognises that RSP will have an important role under the new Act and that this may impact the ongoing role of the FDS.

Public and Iwi Engagement

52. Engagement on C1 and PC81 builds on the substantial engagement TDC undertook in 2021-2022 during the development of the FDS.

53. We engaged on drafts of C1 and PC81 together, over two phases: early engagement in October 2024, followed by more intensive engagement between March and June 2025.

54. In total, we received over 120 written submissions on the draft changes, covering a variety of issues and expressing both support and concern for the proposals.

55. Concerns centred on infrastructure cost and adequacy, the effects of intensification on community character, flood risk in growth areas, and heritage matters. Support focused on efficient urban growth and ensuring sufficient land supply for development.

56. Feedback shaped the proposals in several ways, including boundary changes and the removal of some strongly opposed sites where intensification was proposed.

57. Māpua-specific community and iwi engagement took place during the development of the Māpua Master Plan, with community concern focused on preserving local character while providing for housing choice.

58. We engaged with Tasman iwi over an approximately two-year period (July 2024 to June 2026) on C1 and PC81, through a range of activities, including a programme of iwi and Papakāinga Working Group hui, and ongoing, iterative review by iwi of various draft materials, including maps of proposed rezoning areas.

59. The most substantial theme to emerge from this engagement was enabling papakāinga housing: the Papakāinga Working Group collaborated with us in drafting objectives, policies and rules for proposed papakāinga zones.

60. Other issues raised by Māori entities included environmental matters, such as waterway protection, Māori land development, and the need to expand

engagement to include all relevant Māori landowners and entities - which we acted on.

Conclusion

61. The Tasman District continues to experience growth pressure and a shortfall in development capacity, particularly for higher-density and attached housing, driven by an outdated planning framework and a lack of enabling infrastructure.

62. This conclusion is supported by a substantial evidence base – including the HBA and the draft 2026 capacity analysis, which identify both existing and emerging capacity constraints and the significant need for a broader range of housing types, supported by coordinated infrastructure planning and investment.

63. C1 and PC81 have therefore been developed as an integrated package. Together, they update our regional policy statement and district plan to increase development opportunities in appropriate locations, and support housing choice and affordability, including through the Medium Density Residential Zone and updated papakāinga provisions while better aligning development with planned infrastructure investment. In doing so, C1 and PC81 will in part achieve the outcomes required by the NPS-UD.

64. These changes are also the product of sustained engagement with Tasman communities and with iwi and Māori entities, and they reflect the input received throughout their development.

65. Although broader resource management reform is under way nationally, it is considered that action is required now to respond to the capacity shortfalls identified. C1 and PC81 represent a practical and necessary step toward a more efficient and responsive urban development framework for Tasman.

66. For these reasons, Council considers that the proposed changes are supported by the available evidence, are consistent with the direction of the NPS-UD and provide an appropriate planning response to Tasman's current and anticipated growth needs.

S T McLean

12 October 2026