

Te Aroturukitanga o te  
Mahere ā-Wae ki Tāmaki  
Makaurau

**Auckland Unitary  
Plan. Resource  
Management Act  
1991, Section 35  
Monitoring:  
B2.5 Commercial  
Growth**



March 2022

Technical Report









# Auckland Unitary Plan Resource Management Act (1991) Section 35 Monitoring:

## B2.5 Commercial Growth

March 2022

Technical Report

Plans and Places Department, Auckland Council

Auckland Council

Technical Report

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# Executive summary

The Auckland Unitary Plan (AUP) became operative in part in November 2016. This report considers how effective and efficient the objectives, policies, rules and other methods of the AUP have been in meeting the outcomes intended by the Regional Policy Statement – Chapter B2 Tāhuhu whakaruruhau ā-taone - Urban growth and form: B2.5 Commercial and industrial growth.

The focus of this report is on commercial growth only, with the industrial growth component of B2.5 reported on at a later date.

This monitoring work will contribute to our knowledge base – what is working in the plan and where there may be challenges. This knowledge will help to inform future plan changes and fulfil the policy cycle. Additionally, this report will address the Section 35(2)(b) plan monitoring requirements of the Resource Management Act 1991 (RMA).

Chapter B2.5 seeks to provide opportunities for commercial and industrial growth to meet current and future demands. This framework seeks to encourage commercial activities within a network and hierarchy of centres, and identifies the city centre, metropolitan centres and town centres as being the focus of commercial growth. Outside of these centres, the RPS also enables retail activity on identified growth corridors. Chapter B2.5 also provides for commercial growth more generally in AUP business zones, through the expansion of higher order centres, the provision of new centres, and the other out-of-centre activity, provided that a number of matters are considered through decision-making.

The data indicates that the AUP is providing sufficient opportunities for commercial and employment growth (Indicator 1). Development capacity data reported through the Housing and Business Assessment undertaken by the council in 2017<sup>1</sup> indicates that there is sufficient business capacity in the short and medium term (by 2028) at a regional level. At a sub-regional level, all areas in Auckland have capacity in the short and medium term except for Other Centres in the Urban North. Capacity shortfalls in the long-term (by 2048) are projected to arise in sub-regional areas, but these will be offset by significant increases in supply from the development of future urban areas in Auckland. Employment growth in business areas in Auckland has remained similar during the lifetime of the AUP. There has been a reduction in the rate of employment growth in centre-based activities within the retail and office sectors during the lifetime of the AUP. However, the influence of the AUP approach in informing this trend is likely to be limited given that commercial development completed during the lifetime of the AUP is highly likely to have obtained resource consents prior to the AUP being made operative in part.

Commercial growth from 2016 to 2020 has primarily been focussed within a network of centres (Indicator 2). In particular, retail activity is strongly concentrated in higher order centres. Office activity is more dispersed across the AUP business zones, with somewhat significant amounts of office growth occurring in the Mixed Use, Business Park and Light Industry zone. However, some growth is provided for in these locations, such as small-scale offices in the Mixed Use zone, accessory offices in the Light Industry zone, and more substantial extents of office floor in the more spatially discrete Business Park zone.

There is insufficient data to determine whether retail activities are being enabled on identified growth corridors, or whether decision-making for activities in these locations is having proper regard to the RPS provisions (Indicator 3).

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<sup>1</sup> National Policy Statement on Urban Development Capacity 2016: Housing and business development capacity assessment for Auckland, prepared by Auckland Council, dated 2017

Outside of higher order centres and identified growth corridors, commercial activity is being enabled, with only two of 85 resource consent applications assessed being refused consent (Indicator 4). However, decision-making on resource consents for out-of-centre commercial activity frequently does not have regard to the range of matters specified in the RPS. Most noticeably, significant levels of commercial activity have obtained resource consent in the Light Industry zone between 2016 and 2020 without decision-making explicitly considering fundamental matters such as effects on the role, function, amenity and hierarchy of centres, or the contribution of achieving a compact urban form.

Within centres, a diverse range of activities is occurring (Indicator 5). The City Centre has experienced the largest concentration and mix of activities between 2016 and 2020. Further monitoring is required to better understand the diversity of activity occurring in other centres in Auckland.

The AUP is, to a degree, enabling the expansion of metropolitan and town centres (Indicator 6). Whilst no plan changes have been sought or approved to rezone land adjacent to metropolitan or town centres, this can reasonably be expected given the volume of plan changes to the AUP and the limited spatial application of these centres, and therefore limited opportunities for such expansions. However, expansions are being enabled through commercial development (as recorded by building consents and resource consents) occurring within the Mixed Use zone within a walkable catchment to metropolitan and town centres. However, the matters outlined in Policy B2.5.2(3) are not consistently being had regard to in decision-making. It appears that it is not immediately obvious to decision-makers that Policy B2.5.2(3) is applicable or relevant to resource consent applications for commercial activities adjacent to metropolitan and town centres. This is however based on a very small sample size, and as such, further monitoring is recommended.

New metropolitan centres, town centres and local centres are being enabled, subject to structure planning processes (Indicator 7). Two private plan changes to enable new centres in Takanini and Warkworth North have been approved since the AUP was made operative in part. Decision-making on both plan changes, including the planning evidence prepared in support of these requests, has had regard to the matters relevant to new metropolitan centres, town centres and local centres set out in RPS B2.5.2(4).

Limited conclusions can be drawn on whether efficient transport modes are being promoted for improving access to City Centre (Indicator 8). Public transport capacity for routes inbound and outbound to the city centre during peak has increased significantly between 2016 and 2020, and the modal share for people travelling to and from the city centre by public or active transport has increased between 2016 and 2019. However, the promotion of efficient transport modes occurs primarily through investment in transport networks, which is undertaken through processes other than the Resource Management Act 1991, and therefore there is little correlation between the effectiveness and efficiency of the AUP and this outcome.

Overall, the AUP is effectively and efficiently providing for the outcomes in the Chapter B2.5 of the RPS. This is evidenced by the majority of indicators either being met completely, or being achieved to a certain degree.

Further monitoring is recommended for a number of indicators. This is reflective of limitations to the data, such as the building consent database capturing development resource consented prior to the AUP being made operative, and small sample sizes for data available for particular indicators. Amendments to the AUP are recommended in respect of Indicator 4 to better provide for the RPS B2.5.2(6) matters to be considered in decision-making on resource consents for commercial activity in the Light Industry zone.

It is recommended that this report is read in conjunction with its companion technical topic reports, and the summary report.

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Abbreviations in this report include:

<b>Abbreviation</b>	<b>Meaning</b>
AUP	Auckland Unitary Plan Operative in Part
the council	Auckland Council
RMA	Resource Management Act 1991
RPS	Regional Policy Statement
resource consents database	Plans and Places resource consent decision tracking database
compliance database	Resource consent compliance and monitoring database
building consents database	Building consent decisions database
AT	Auckland Transport
Watercare	Watercare Services Limited
council-controlled organisation	CCO
higher order centres	the city centre, metropolitan centre and town centre zones
other business zones	the local centres, neighbourhood centre, business park, general business, light industry and heavy industry zones
Employment Areas	Collectively: Onehunga-Te Papapa - Penrose - Sylvia Park - Mt Wellington - Otahuhu, East Tamaki - Botany Junction, Manukau - Wiri, Albany - North Harbour, Airport and industrial area to the north, Takapuna (incl. Smales Farm and North Shore Hospital), Ellerslie (Office park area), Wairau Valley, Rosebank Peninsula
ANZSIC	Australian and New Zealand Standard Industrial Classification



# 1.0 Introduction

This report considers how effective and efficient the objectives, policies, rules and other methods of the AUP have been in meeting the outcomes intended by the Regional Policy Statement ('RPS') – Chapter B2 Tāhuhu whakaruruhau ā-taone - Urban growth and form. The monitoring is in accordance with section 35(2)(b) of the RMA.

Section 35(2)(b) specifies that monitoring results are published every five years. The Auckland Unitary Plan ('AUP') became operative in part in November 2016 and will have been operative in part for five years in November 2021.

The findings seek to tell a story of what the AUP is achieving and where challenges may be. With monitoring being a key link in the policy development lifecycle, the data can also provide the evidence base for taking appropriate action where necessary.

The terms 'effectiveness' and 'efficiency' are not explicitly defined in the RMA. For the purposes of this monitoring report the terms are generally interpreted as<sup>2</sup>:

**Effectiveness** is the contribution that the provisions make towards achieving the objective, and how successful they are likely to be in solving the problem they were designed to address when compared with alternatives. The difficulty when assessing effectiveness is to be able to answer the question 'how do we know that implementing the policy, rule or method led or contributed to the outcome?'

**Efficiency** is an assessment of whether the provisions will be likely to achieve the objectives at the lowest total cost to all, or achieves the highest net benefit relative to cost to all.

The steps undertaken in this monitoring work are briefly summarised in Figure 1.

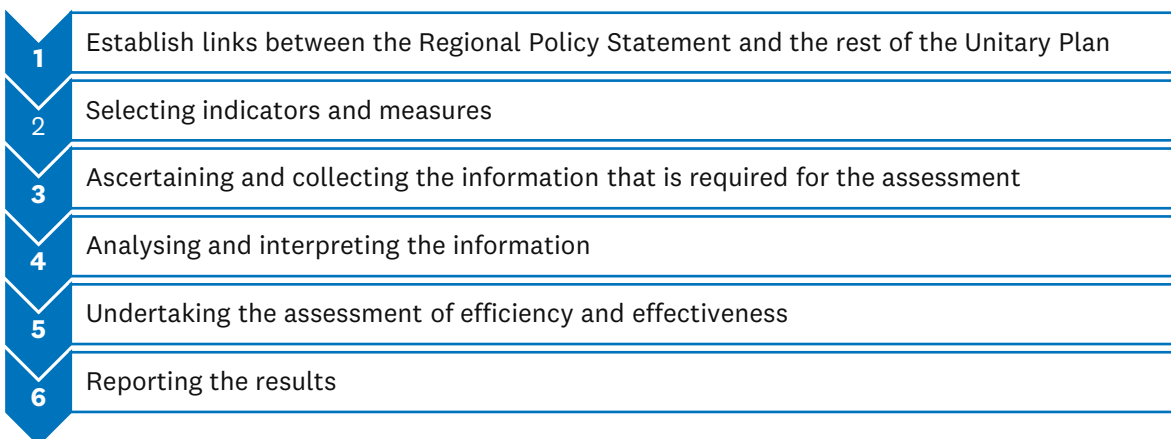


Figure 1 Section 35 monitoring steps

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2 Auckland Unitary Plan Monitoring Strategy 2018

## 1.1 Auckland Plan 2050

The Auckland Plan 2050 was adopted by Auckland Council in June 2018. It is a long-term spatial plan which considers how Auckland will address key challenges and opportunities over the next 30 years. These include high population growth, shared prosperity, and environmental degradation. It identifies *regulatory planning* as one of the mechanisms to support business, innovation and productivity growth (Focus Area 2, page 181).

The Auckland Plan recognises that demand for business land and floorspace is an important consideration in planning for growth and has projected the anticipated medium and long term floorspace demand as per Table 1 below.

*Table 1 Anticipated medium and long term business floor space demand*

	<b>City centre</b>	<b>Commercial zones</b>	<b>Light Industry zones</b>	<b>Heavy Industry zones</b>
Medium Term (1-10 years) (floor space sqm)	871,000	3,381,000	1,830,000	710,000
Long Term (1-30 years) (floor space sqm)	1,504,000	6,098,000	3,600,000	1,397,000

*Source: Auckland Plan 2050*

According to the demand modelling above, in the short to medium term the Urban North gets close to capacity in consuming business floor space. However, these figures do not account for the levels of business land anticipated in the future urban areas. The future urban areas would increase business land supply in the north, north-west and south.<sup>3</sup>

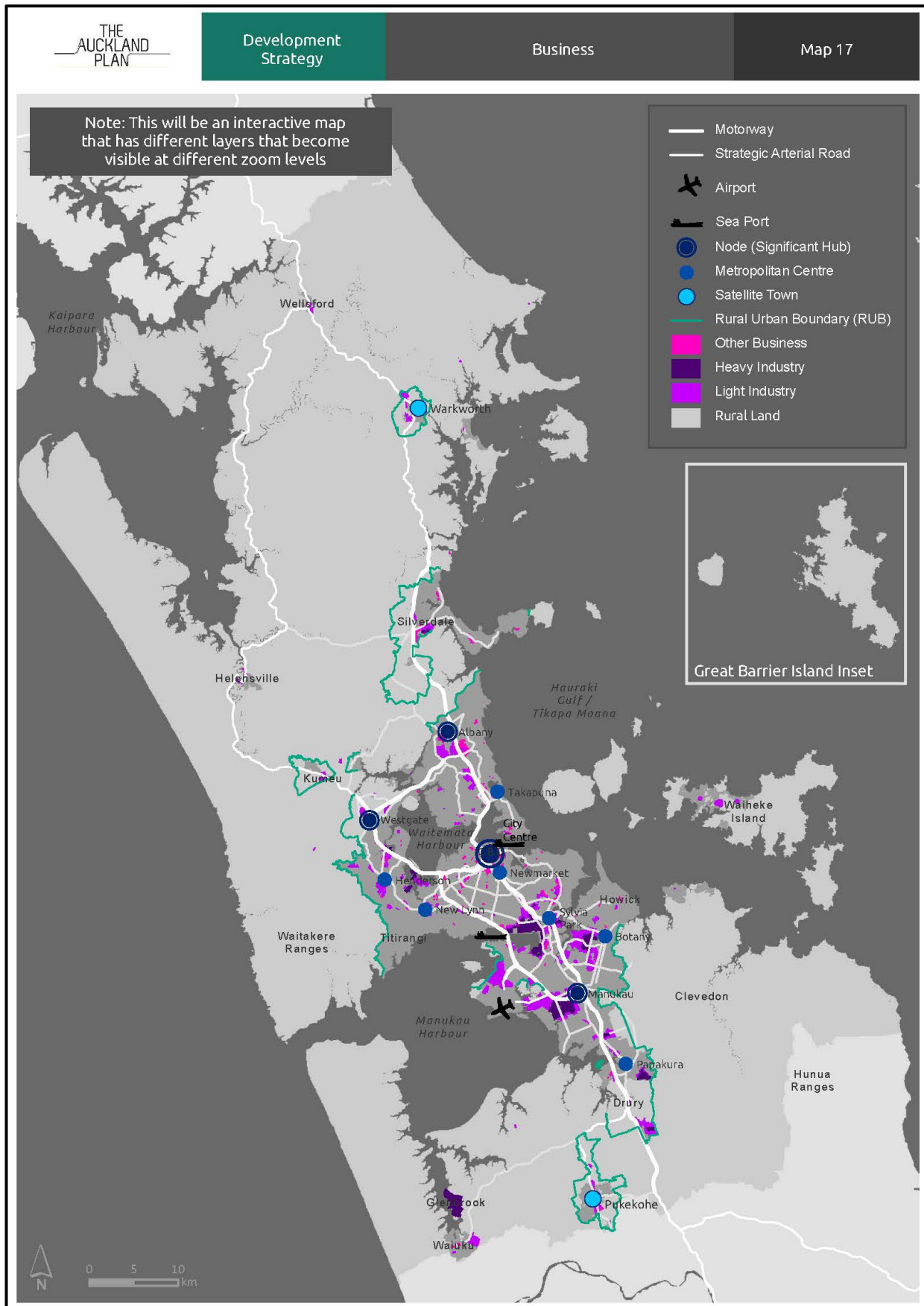
The Auckland Plan anticipates that the city centre will continue to be the focus of Auckland’s business, tourism, educational, cultural and civic activities as well as an important residential centre. Other centres that are critical to growth across the region include Albany, Westgate and Manukau and including their catchments.<sup>4</sup>

<sup>3</sup> Page 221, Auckland Plan 2050

<sup>4</sup> Page 205, Auckland Plan 2050

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Map 17 of the Auckland Plan 2050 below identifies business locations.



## 1.2 Business land and centres - context

As Auckland's population grows, the region will need more retail and commercial activity to provide goods and services and employment. However, business land use can have an adverse effect on natural and physical resources. It can also undermine the ability of significant infrastructure to function efficiently and effectively. For instance, dispersed commercial activity can reduce the ability of centres to function efficiently. This includes decreased use of centres, decreased public transport usage and increased transport infrastructure costs. This may also result in reduced investment in centres, and poorer amenity outcomes for nearby communities if fewer goods, services and employment are available locally.

The city centre, metropolitan centres and town centres, and areas surrounding these centres are significant places for social and community facilities and interaction. They are the priority areas for commercial and residential growth. Commercial growth concentrated in these locations is likely achieve higher levels of integration between land use and infrastructure and therefore contribute to a more efficient urban form, when compared to commercial growth occurring in a more dispersed manner. However, without commensurate investment, development within these business areas and centres could put pressure on infrastructure and particularly transport networks.

## 1.3 Regional Policy Statement

### 1.3.1 RPS Chapter B2 – Urban growth and form overview

The Regional Policy Statement ('RPS') Chapter B2 – Urban growth and form outlines objectives and policies relating to Auckland's population growth, demand for housing, employment, business infrastructure, social facilities and services.

Chapter B2.5 Commercial and industrial growth contains objectives and policies (see Appendix A) that seek to ensure employment and commercial and industrial opportunities meet current and future demand in responding to Auckland's growing population. The objectives of B2.5 in regard to commercial growth are below:

#### *B2.5. Commercial and industrial growth*

##### *B2.5.1. Objectives*

*(1) Employment and commercial and industrial opportunities meet current and future demands.*

*(2) Commercial growth and activities are primarily focussed within a hierarchy of centres and identified growth corridors that supports a compact urban form.*

### 1.3.2 B2.5 Commercial and industrial growth

Chapter B2.5 of the RPS seeks to encourage commercial growth and development primarily within a hierarchy of centres to achieve benefits in terms of amenity, infrastructure, travel efficiency and land use efficiency. Specifically, the concentration of commercial activities, within centres helps to:

- Make efficient use of existing infrastructure, including transport networks, community facilities and social infrastructure, and private infrastructure
- Provide direction for future infrastructure investment



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- Reinforce the public transport network through integration with land use patterns
- Efficiently provide goods and services to the population catchment, and provide outlets for businesses to distribute goods and services

This direction is expressed in RPS Policy B2.5.2(1), which seeks to: “encourage commercial growth and development in the city centre, metropolitan and town centres and enable retail activities on identified growth corridors, to provide the primary focus for Auckland’s commercial growth.” The city centre, metropolitan and towns centres are collectively referred to as ‘**higher order centres**’ in this report.

However, the RPS also acknowledges that commercial activities outside of higher order centres and identified growth corridors may also be appropriate, subject to qualifying criteria. Policy B2.5.2(6) acknowledges that commercial activities outside of the city centre, metropolitan and town centres and identified growth corridors may be appropriate and therefore enabled, where they have regard to particular matters, including:

- adverse effects on the function, role and amenity of the city centre, metropolitan and town centres;
- adverse effects on the quality compact urban form including the existing and planned location of activities, facilities, infrastructure and public investment
- the efficient use and integration of land and infrastructure
- effects on the safe and efficient operation of the transport network.

## 1.3.2.1 Retail activity

The RPS framework establishes that higher order centres and identified growth corridors are the primary focus for retail activities. Specifically, Policy B2.5.2(1) and (5) seeks that commercial growth and development, including retail activity, is encouraged in the city centre, metropolitan and town centres, and that retail activities are also enabled on identified growth corridors.

The enablement of retail activity on identified growth corridors recognises that opportunities for retail activities, and particularly large format retail, within centres may be constrained due to the size, scale or nature of the activity. Large format retail within centres may be hindered by centre capacity constraints and land fragmentation<sup>5</sup> that limits opportunities for large sites suitable for accommodating more land-extensive retail activity. In addition, the presence of large format retail within centres may result in opportunity costs of finer grain in-centre development being lost to low intensity large format providers that have limited functional amenity<sup>6</sup>.

The AUP recognises four identified growth corridors, as shown on the AUP Viewer Identified Growth Corridor Overlay:

- Lincoln Road, Henderson
- Wairau Road, Wairau Valley
- Ti Rakau Drive, East Tamaki
- New North Road, Eden Terrace

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<sup>5</sup> D22 Identified Growth Corridor Overlay – D22.1 Overlay description

<sup>6</sup> Para 5.25, Statement of Evidence of Matthew William Bonis on Behalf of Auckland Council to the Auckland Unitary Plan Independent Hearings Panel

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Policy B2.5.2(5) provides for the enablement of retail activity outside of higher order centres, subject to criteria which decision-makers must have regard to:

- (a) adverse effects on the function, role and amenity of the city centre, metropolitan and town centres, beyond those effects ordinarily associated with trade effects on trade competitors;*
- (b) adverse effects on the quality compact urban form including the existing and planned location of activities, facilities, infrastructure and public investment;*
- (c) effects on community social and economic wellbeing and accessibility;*
- (d) the efficient use and integration of land and infrastructure;*
- (e) effects on the safe and efficient operation of the transport network;*
- (f) effects of the development on the efficient use of any industrial land, in particular opportunities for land extensive industrial activities and heavy industry;*
- (g) avoiding conflicts between incompatible activities; and*
- (h) the effects on residential activity<sup>7</sup>*

These criteria apply to retail activity in identified growth corridors under Policy B2.5.2(5) and to business zones in locations other than higher order centres and identified growth corridors under Policy B2.5.2(6) (by way of a cross-reference to B2.5.2(5)). In addition to these criteria, commercial activity in business zones in locations other than higher order centres and identified growth corridors is subject to additional criteria, as set out in Policy B2.5.2(6):

- (b) the extent to which activities would compromise the achievement of policies B2.5.2(1) and B.2.5.2(2): and*
- (c) the extent to which activities would compromise the hierarchy of locations identified in policies B2.5.2(1) to B.2.5.2(5).<sup>8</sup>*

## **1.3.2.2 Office activity and other commercial activities**

RPS Chapter B2.5 seeks to encourage commercial growth and development in the city centre, metropolitan and town centres, as the primary focus for Auckland’s commercial growth. Offices and retail represent the vast majority of commercial activities in Auckland in terms of floor area, and therefore are an important subset by which to understand commercial growth and development.

In addition to the broader benefits of focussing commercial growth within a hierarchy of centres (refer to Section 4.2.1 of this report), the concentration of office activity at high densities within centres yields agglomeration benefits. These are in essence, the benefits of concentrating employment activities within given locations. Three key foundations for agglomeration can be identified:

- *“Geographically concentrated industries can support specialised local providers of inputs and better supply-chain linkages*
- *Concentrations of firms employing similar types of workers can support labour market pooling, which enables better skill matches*

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<sup>7</sup> RPS Policy B2.5.2(5)

<sup>8</sup> RPS Policy B2.5.2(6)

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- *Geographic proximity facilitates the spread of information (knowledge spillovers)*.<sup>9</sup>

Concentrating employment activities within a network of centres and industrial areas connected by efficient transport networks can result in further agglomeration benefits, primarily by facilitating the exchange of goods and services between business, providing workers with access to a range of jobs, enabling people to meet and exchange knowledge, and also enabling household and personal needs to be met<sup>10</sup>.

Conversely, from a resource management perspective, a dispersed office distribution (rather than consolidated in a network of centres) is likely to lead to adverse effects arising from an inefficient pattern of development, which are primarily:

- Costs to economic well-being arising from lost agglomeration benefit opportunities
- Social costs arising from inefficient access opportunities between employment, employee catchments, retail, commercial and community activities
- Inability for public and private infrastructure to be efficiently provided
- Inability to develop efficient public transport networks and modal choice

However, there is a need to provide for flexibility in the Mixed Use, Local Centre and Light Industry zones. The RPS approach recognises that offices in out-of-centre locations, where limited in scale and form, can “*appropriately provide for choice and service local needs, without detriment to the wider centres approach*”<sup>11</sup>.

Unlike retail activities, office activities are not enabled on identified growth corridors. This approach recognises that office growth occurs within the upper levels of buildings and therefore can be accommodated within fine-grain urban environments in the city centre, metropolitan centres and town centres without encountering the same capacity-related constraints that large format retail activity experiences.

As such, the AUP’s district plan provisions seek that the most significant concentration of office activity in Auckland is located in the city centre<sup>12</sup>. Outside of centres, the RPS seeks to enable commercial activities including offices, where appropriate, having had regard to a broad range of matters, which are the same as those listed in Section 1.3.3.1 in relation to retail activities.

## 1.3.3 AUP district plan

The district plan component of the AUP implements the RPS B2.5 approach to commercial growth. Primarily, this is managed through a framework of business zones, outlined in Table 2 below.

*Table 2 Overview of AUP district plan provisions on commercial growth*

Type	AUP chapter name	AUP Chapter	Reference in this report
Zone	Business – City Centre Zone	H8	City Centre zone / city centre

<sup>9</sup> Para 7.4, Statement of Evidence of Gregory Michael Akehurst On Behalf Of Auckland Council to Topics 051-054 AUPIHP, relying on Fujita, Krugman and Venables (The Spatial Economy, 2001).

<sup>10</sup> Para 7.7, *ibid*

<sup>11</sup> Para 8.69, Statement of Evidence of Matthew William Bonis on Behalf of Auckland Council to the Auckland Unitary Plan Independent Hearings Panel

<sup>12</sup> Policy H8.3(17), Business – City Centre Zone

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Zone	Business – Metropolitan Centre Zone	H9	Metropolitan Centre zone / metropolitan centres
Zone	Business – Town Centre Zone	H10	Town Centre zone / town centres
Zone	Business – Local Centre Zone	H11	Local Centre zone
Zone	Business – Neighbourhood Centre Zone	H12	Neighbourhood Centre zone
Zone	Business – Mixed Use Zone	H13	Mixed Use zone
Zone	Business – General Business Zone	H14	General Business zone
Zone	Business – Business Park Zone	H15	Business Park zone
Zone	Business – Heavy Industry Zone	H16	Heavy Industry zone
Zone	Business – Light Industry Zone	H17	Light Industry zone
Overlay	Built Environment: Identified Growth Corridor Overlay	D22	Identified Growth Corridor Overlay
Auckland-wide	Subdivision – Urban	E38	-

## 1.3.4 Connections with other parts of the plan

Additional to the zoning provisions referenced in section 1.3.4 above, the policy direction of B2.5 crosses over with the outcomes sought in:

- B2.2 Urban growth and form
- B2.3 A quality built environment
- B2.4 Residential Growth
- B3.3 Transport



## 2.0 Indicators

Indicators and measures have been developed to assess the progress toward achieving the objectives and outcomes intended by the RPS. They are qualitative or quantitative gauges that assess changes and help diagnose potential issues.

An **indicator** (for the purposes of this report) is a qualitative or quantitative gauge that displays degrees of progress to determine whether or not the AUP is moving in the right direction toward meeting its objectives. An indicator should be used to assess the condition of the environment, to identify changes to that condition, to diagnose problems and then to guide future changes to objectives, policies or methods (via plan change or plan review).

A **measure** is the selected information that enables evaluation of the indicator. Methods of measurement will differ depending on the indicator.

The selected indicators for this topic have been shaped by limitations. It was not possible to develop a set of indicators which encompassed all facets of the topic – this is due to constraints on time, resource, and data availability.

### 2.1 B2.5 indicators and measures

There are eight indicators under B2.5, summarised in Table 3 below.

*Table 3 Summary of B2.5 indicators*

Indicator		RPS objectives and policies	Other relevant RPS matters
Indicator 1	Employment and commercial development capacity meets current and future demands	B2.5.1(1)	
Indicator 2	Commercial growth and activities are occurring within a hierarchy of centres	B2.5.2(1)	
Indicator 3:	Retail activities are enabled on identified growth corridors subject to qualifying criteria	B2.5.2(5)	
Indicator 4	Commercial activities are enabled outside of centres subject to qualifying criteria	B2.5.2(6)	B2.5 Industrial growth
Indicator 5:	A diverse range of activities occurs in centres, with the greatest mix and concentration of activities in the city centre	B2.5.2(b) H8.2(7) H8.3(15) – (18)	B2.4 Residential growth
Indicator 6	Expansion of metropolitan and town centres is enabled and is consistent with centre hierarchy	B2.5.2(3)	
Indicator 7:	New metropolitan, town and local centres are enabled, subject to structure planning and plan changes, and are consistent with centre hierarchy	B2.5.2(4)	
Indicator 8	Efficient transport modes are promoted for improving access to City Centre	H8.2(11)	B3.3 Transport

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A series of questions were formulated in order to develop appropriate indicators and measures for this topic. Each indicator corresponds to an objective and its related policies. Every indicator has one or a number of 'measures' which break down what the indicator is intended to show

## 2.1.1 Chapter B11 Monitoring and environmental results anticipated

Chapter B11 in the AUP sets out the monitoring and environmental results anticipated (ERA) of a regional policy statement. B11 is not exhaustive, an ERA is not listed for every objective in the RPS. Chapter B11 explains -

Environmental results anticipated identify the outcomes expected as a result of implementing the policies and methods in the regional policy statement and provide the basis for monitoring the efficiency and effectiveness of those policies and methods as required by section 35 of the Resource Management Act 1991.

Environmental results anticipated are not additional objectives, policies or rules: they are indicators to be used when assessing progress towards achieving the objectives in the regional policy statement. These indicators should be used:

- to assess the condition of the environment;
- to identify changes to that condition;
- to diagnose the causes of environmental problems; and
- to guide future changes to objectives, policies and methods'.

The B11 indicators relevant to B2.5 are outlined in Table 4 below:

Table 4 B11 indicators relevant to Topic B2.5

Reference	Objective	Indicator
B2.5.1(1)	Employment and commercial and industrial capacity meets current and future demands.	Employment and productivity are not constrained by a lack of land zoned for employment, commercial and industrial activities
B2.5.1(2)	Commercial growth and activities are enabled within a hierarchy of centres and corridors that supports a compact urban form.	The amount of floorspace within centres and along corridors zoned for commercial activities increases over time

The first B11 indicator is assessed within Indicator 1, Section 4.1 of this report. This section assesses development capacity and employee growth in Auckland to measure whether there are sufficient opportunities for employment and commercial growth.

The second B11 indicator is assessed within Indicator 2 (Section 4.2 of this report) and Indicator 3 (Section 4.3 of this report). Indicator 2 assesses whether commercial growth in Auckland is focussed within a network of centres, and particularly higher order centres<sup>13</sup> where the RPS seeks to focus commercial growth. Indicator 3 assesses the extent to which retail activities are being enabled on identified growth

<sup>13</sup> City Centre, Metropolitan Centre and Town Centre Zones

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corridors, including the increase in floor space within the Identified Growth Corridor Overlay since the AUP was made operative in part.

## 2.2 Outcomes not being monitored

Chapter B2.5 of the RPS seeks to achieve outcomes related to the design and character of built form, streetscapes and public places. Specifically, RPS Policy B2.5.2(2) seeks that development within centres contributes to:

- an attractive and efficient urban environment with a distinctive sense of place and quality public places (B2.5.2(2)(a))
- a character and form that supports the role of centres as focal points for communities and compact mixed-use environments (B2.5.2(2)(e)); and
- high-quality street environments including pedestrian and cycle networks and facilities (B2.5.2(2)(g)).

This report does not seek to report on monitoring of built form outcomes within centres or other business zones. This is because strategic outcomes for the built environment outcomes are primarily addressed by RPS Chapter B2.3 A quality built environment. An assessment of whether the AUP is giving effect to quality built environment outcomes in centres and business zones should be undertaken as a separate piece of work that considers the strategic direction in both RPS B2.3 and B2.5.

## 3.0 Data and information

The following data sources have been relied upon to measure outcomes against the indicators:

- Building consent database for consents issued in Auckland between 2016-2020, filtered by building type/code, AUP zoning, year and gross floor area;
- Resource consent database for consents issued in Auckland between 2016-2020, filtered by AUP zoning, reasons for consent, activity status and outcome;
- Employment count within the Auckland Region between 2000-2020, collected and refined by the Research and Evaluation Unit, RIMU from Statistics New Zealand, and filtered by broad area categories including the City Centre and Fringe, Employment Areas and all other areas;
- *National Policy Statement on Urban Development Capacity 2016: Housing and business development capacity assessment for Auckland* (**Housing and Business Assessment 2017**), prepared by Auckland Council, dated 2017, used to determine development capacity in Auckland.
- Census of Businesses in Auckland’s City Centre: January 2020 and Changes Since 2017, prepared by Ting Huang, Research and Evaluation Unit, Auckland Council (2020)
- Data on employment growth and structure within Auckland’s City Centre obtained from Infometrics, a Wellington-based Economic Consultancy.



## 4.0 Findings and analysis

This section reports on the data findings, and considers how effective and efficient the objectives, policies, rules and other methods of the AUP have been in meeting the outcomes intended by the Regional Policy Statement. Where appropriate, recommendations are also provided.

### 4.1 Indicator 1: Employment and commercial development capacity meets current and future demands

#### 4.1.1 Importance of indicator and RPS Approach

##### RPS Objectives and Policies

Objective B2.5.1(1) *Employment and commercial and industrial opportunities meet current and future demands.*

The RPS seeks that employment and commercial opportunities meet current and future demands. RPS Policy B2.2.2(1) requires sufficient land to be provided within the Rural Urban Boundary to accommodate at any one time a minimum of seven years' projected growth. Clause 3.3(1)(b) of the NPS:UD requires local authorities to provide at least sufficient development capacity for business in the short term (3 years), medium term (3 – 10 years) and long term (10 – 30 years).

#### 4.1.2 Measures

The measures adopted are:

- Sufficient capacity for commercial development as measured by feasible supply compared with anticipated demand, in the short, medium and long term horizons.
- Increase in employment from 2017 to 2020, compared with 2000 – 2007, including Auckland as a whole, and within retail and office sectors.
- Proportion of employment within key Employment Areas and within retail and office sectors

#### What can the indicator and measures tell us?

Measures have been adopted for the following reasons:

- The sufficiency of capacity for commercial development tells us whether the AUP zonings are providing sufficient opportunities for commercial growth.

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

- The increase in employment over the timeframe of the AUP (since 2016) has been compared with the prior rate of increase prior to 2016. This is to understand whether the AUP has provided for sufficient land for employment and commercial activities.
- The increase in employment within retail and office sectors seeks to understand the increase in employment within centres over the timeframe of the AUP, compared with the prior rate of increase prior to 2016.
- The percentage of employees within Employment Areas compared with the rest of the city seeks to understand whether business zones are providing sufficient capacity for employment, or whether this is being redirected to other areas.

## 4.1.3 Data sources and limitations

Data Sources:

- National Policy Statement on Urban Development Capacity 2016: Housing and business development capacity assessment for Auckland (**‘Housing and Business Assessment’**), prepared by Auckland Council, dated 2017.
- Employment growth and distribution between 2000 and 2020 data by Statistical Area 2 (**‘SA2’**) areas, collected from Statistics New Zealand and refined by Auckland Council’s Research, Investigation and Monitoring Unit. This includes employment growth and distribution by Australian and New Zealand Standard Industrial Classification (**‘ANZSIC’**)

The Housing and Business Assessment was prepared by the council in response to the obligations of the National Policy Statement on Urban Development Capacity 2016 (**‘NPS:UDC’**)<sup>14</sup>. The Housing and Business Assessment seeks to establish whether development capacity for housing and business enabled by the AUP is sufficient to meet demand in the short, medium and long-term horizons.

The Housing and Business Assessment is supported by a report titled *Auckland Business Land Demand and Supply NPS-UDC (2017)* prepared by Market Economics, which assesses the sufficiency of the AUP business zones in the short-medium term and long term. The assessments compare feasible floor space capacity enabled by the AUP as it existed in 2017, and assesses whether this is sufficient to meet the demand for commercial floor space by 2028. This includes a further margin of 20 per cent in the short and medium term and 15 per cent in the long term to factor in that a proportion of developable capacity may not be actually developed<sup>15</sup>.

This is categorised by the City Centre Zone, Metropolitan Centre Zone, Other Centre Zones (Town Centre, Local Centre and Neighbourhood Centre Zones) and Commercial Zones (Business Park and General Business Zones), and is further disaggregated into geographic areas<sup>16</sup>.

The employment growth and distribution within the retail and office sectors seeks to further delineate the data to identify trends within centres. Retail and office activities have been used to approximate the types of sectors that predominantly occur within centres. The data relies on ANZSIC codes to delineate retail and office from other sectors, as these are generally accepted as broad industry categorisations within New Zealand:

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<sup>14</sup> Now replaced by the National Policy Statement on Urban Development 2020

<sup>15</sup> As required by the NPSUDC

<sup>16</sup> Urban Central, Urban North, Urban South, Urban West, Rural North, Rural South

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

- For retail activities, ANZSIC Division G Retail trade has been selected to capture convenience and comparison retail activities (and exclude wholesale retail which is less likely to occur in centres)
- Office-based activities are more difficult to demarcate as employment activities relying on office space are distributed across a number of sectors. Therefore, a selection of 1-digit and 2-digit ANZSIC codes have been used to form a proxy to represent office activities<sup>17</sup>.

The limitations on this data are that:

- The Statistics New Zealand employment data is based on mesh blocks rather than AUP zones, and therefore the Employment Areas identified do not align completely with the AUP business zones.
- The Statistics New Zealand employment data by ANZSIC code uses retail and office sectors as a proxy to represent employment growth in centres, and thus do not account for other employment that may occur within centres. Whilst comparison and convenience retail can be largely captured by the ANZSIC categorisations, office-based activities are more difficult to demarcate as employment activities relying on office space are distributed across a number of sectors. A selection of 1-digit and 2-digit ANZSIC codes have been used to form a proxy for office activity within centres.
- The Housing and Business Assessment measuring capacity for commercial development was last undertaken in 2017 and therefore does not reflect a current view of development capacity in Auckland. Given this was undertaken shortly after the AUP was made operative in part, this is unlikely to reflect the uptake of commercial development based on the AUP provisions, and the effect of this uptake on capacity for commercial activity.

## 4.1.4 Findings

### 4.1.4.1 What does the data say?

#### 4.1.4.1.1 Sufficient capacity for commercial development

The Housing and Business Assessment finds that in the short and medium term horizons (by 2028), there is sufficient feasible development capacity within the AUP business zones<sup>18</sup> to meet expected demand within commercial zones at a regional level. At sub-regional level, there is sufficient feasible capacity in all areas except for Other Centres within the Urban North, in which there is projected to be less than 20 per cent available development capacity by 2028. Other Centres encompass the Town Centre, Local Centre and Neighbourhood Centre zones.

In the long-term (by 2048), there are some geographic areas where the NPS:UDC margin of 15 per cent will not be achieved. This means that less than 15 per cent of development capacity is available within a particular area and zone type once the long-term demand is subtracted from current floorspace capacity. These areas are Metropolitan Centre Zones in the Urban North, and Other Centre Zones in the Urban North, Urban South, Rural North and Rural South.

However, the assessment does not include commercial zones that will be added through plan changes in the Future Urban Zone. The Housing Business Assessment considers that future plan changes will add significant capacity in the medium term and long term. Overall, the Housing and Business Assessment

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<sup>17</sup> 1-digit ANZSIC divisions used unless specified: J — Information Media and Telecommunications, K — Financial and Insurance Services, M — Professional, Scientific and Technical Services, N — Administrative and Support Services: 72 — Administrative Services, O — Public Administration and Safety: 75 — Public Administration, 77 — Public Order, Safety and Regulatory Services

<sup>18</sup> City Centre, Metropolitan Centre, Town Centre, Local Centre, Neighbourhood Centre, Mixed Use, General Business, Business Park, Light Industry and Heavy Industry zones

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indicates that the AUP provides for sufficient opportunities for employment and commercial growth in the short- and medium-term horizons. Potential shortfalls in the long-term may arise, but these will be mitigated by significant development capacity increases in Future Urban areas.

Table 5 below summarises the available capacity for growth in the AUP business zones across Auckland.

Table 5 Floor space capacity by AUP base zones (reproduced from Table 23 in the Housing Business Assessment and amended to round up figures to nearest whole number)<sup>19</sup>

Capacity Type	Maximum capacity (m <sup>2</sup> )	Existing floor space (m <sup>2</sup> )	Capacity for growth (m <sup>2</sup> )
Business Park	1,608,977	221,389	1,387,588
City Centre	12,672,983	3,851,539	8,821,444
General Business	11,420,864	1,033,736	10,387,128
Heavy Industry	57,868,501	3,960,786	53,907,715
Light Industry	155,654,836	10,436,404	145,218,431
Local Centre	6,316,993	596,432	5,720,561
Metropolitan Centre	33,523,947	2,227,078	31,296,869
Mixed Use	30,679,315	4,080,729	26,598,586
Neighbourhood Centre	2,601,865	368,262	2,233,603
Town Centre	18,673,420	1,922,791	16,750,629
<b>Total</b>	<b>331,021,702</b>	<b>28,699,146</b>	<b>302,322,556</b>

## 4.1.4.1.2 Growth and distribution of employment

The data from Statistics New Zealand measures the employee count by location, from 2000 to 2020. As the 2020 data was collected in February 2020, this data is not affected by central government restrictions associated with the COVID-19 pandemic.

As outlined in Figure 2 below, the data shows that number of employees across the Auckland Region has increased from 522,300 in 2000 to 807,400 in 2020. This is an increase of 285,100 employees, an additional 54.6 per cent compared with employee counts for the year 2000, and an average growth rate of 2.2 per cent per year.

<sup>19</sup> National Policy Statement on Urban Development Capacity 2016: Housing and business development capacity assessment for Auckland, prepared by Auckland Council, dated 2017

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

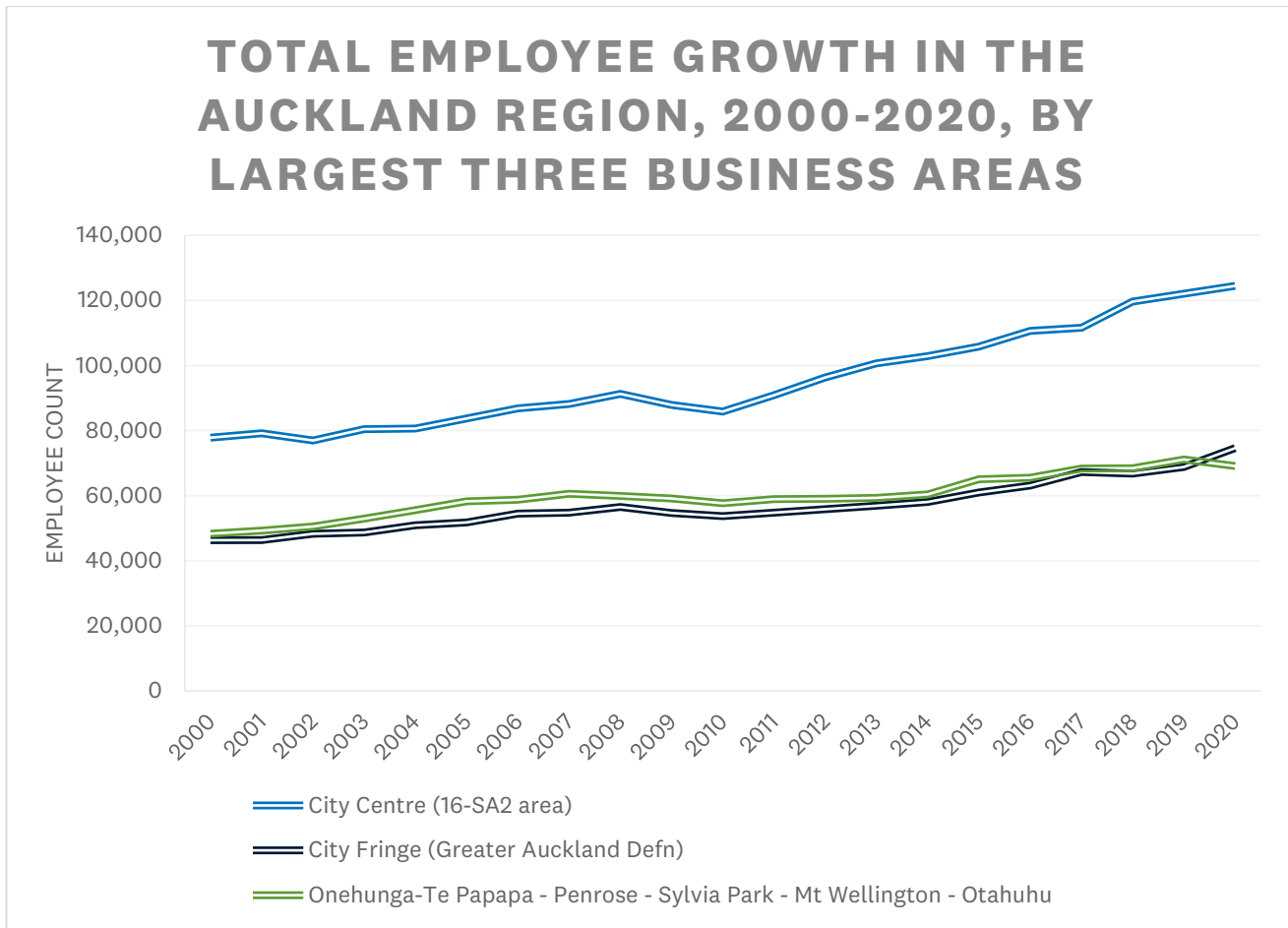


Figure 2 Total Employee Growth in the Auckland Region, 2000-2020<sup>20</sup>

Within the lifetime of the AUP (2017-2020) the average rate of growth in employees across the Auckland Region was 2.16 per cent, compared with 2.23 per cent for the prior 17-year period (2000-2017).

Within the city centre and fringe areas<sup>21</sup>, employment increased by 20,190 between 2017 and 2020, an average rate of growth of 3.6 per cent. In comparison, the average rate of employee growth in the city centre and fringe areas from 2000 to 2017 was 2.2 per cent.

Within Employment Areas<sup>22</sup> outside of the city centre and fringe areas, employment increased by 12,400 between 2017 and 2020, an average rate of growth of 2.1 per cent. In comparison, the average rate of employee growth in Employment Areas from 2000 to 2017 was 3.1 per cent.

In all other areas, employment increased by 18,702 between 2017 and 2020, an average of rate of growth of 1.86 per cent. This is similar to the average rate of employee growth in these areas from 2000 to 2017, which was 1.88 per cent.

Figure 3 below outlines the yearly employee growth rate for each year from 2000 to 2017. Figure 4 below compares the average yearly employment growth rate from 2000 to 2017 with 2017 to 2020.

<sup>20</sup> Employment by Statistical Area 2 2000 – 2020, Statistics New Zealand

<sup>21</sup> Newmarket, Grafton, Parnell West, Eden Terrace, Grey Lynn East, Freemans Bay, Mount Eden North East, Saint Marys Bay

<sup>22</sup> Onehunga-Te Papapa - Penrose - Sylvia Park - Mt Wellington - Otahuhu, East Tamaki - Botany Junction, Manukau – Wiri, Albany - North Harbour, Airport and industrial area to the north, Takapuna (incl. Smales Farm and North Shore Hospital), Ellerslie (Office park area), Wairau Valley, Rosebank Peninsula

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

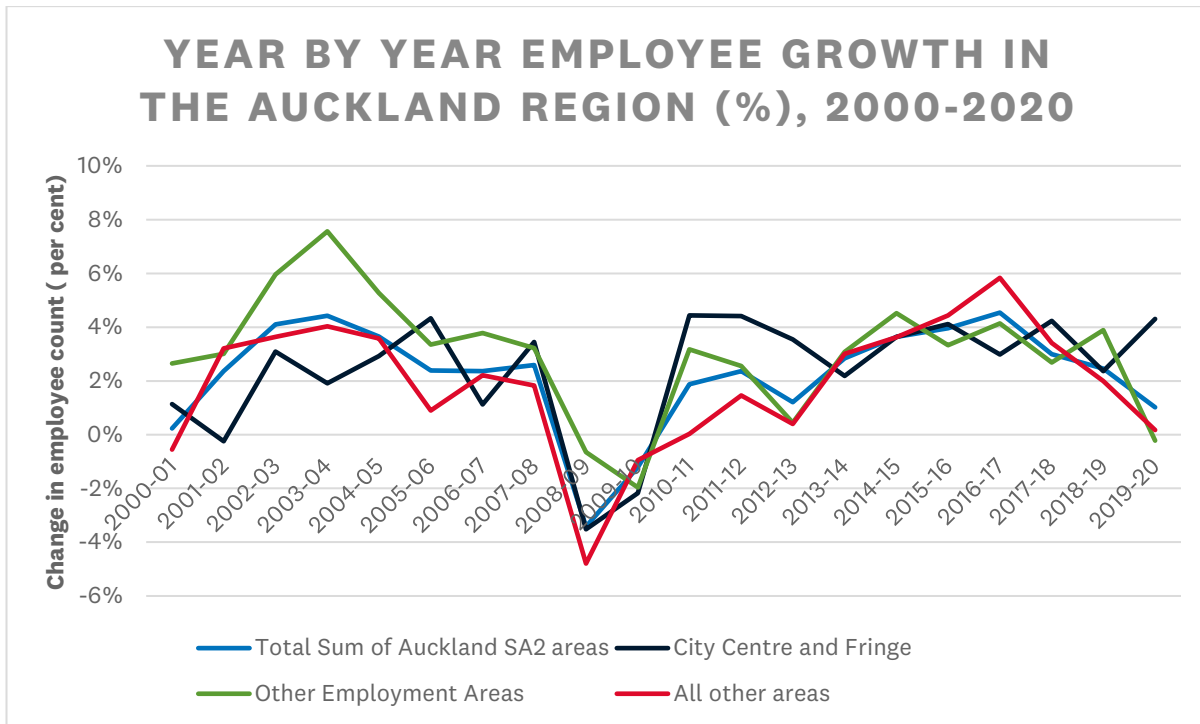


Figure 3 Year by year employee growth in the Auckland Region (%), 2000-2020<sup>23</sup>

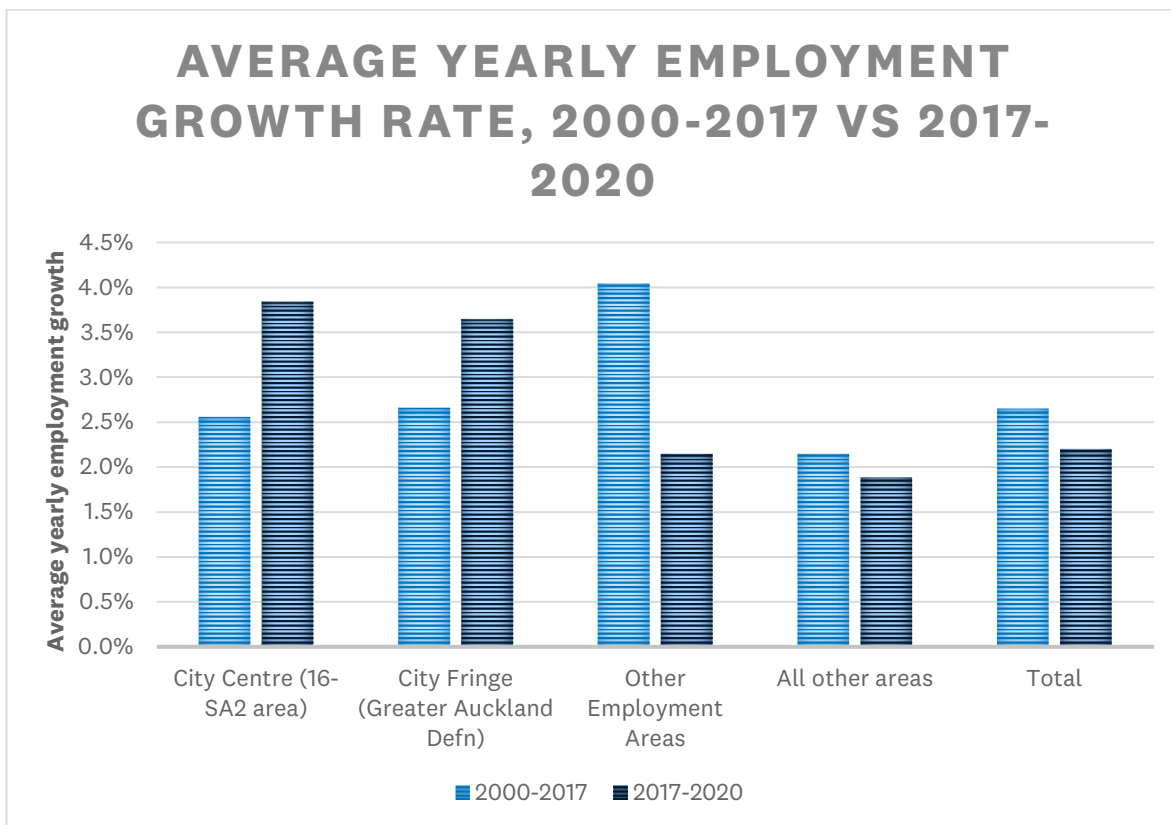


Figure 4 Average yearly employment growth rate (%), 2000-2017 vs 2017-2020<sup>24</sup>

<sup>23</sup> Employment by Statistical Area 2 2000 – 2020, Statistics New Zealand

<sup>24</sup> Employment by Statistical Area 2 2000 – 2020, Statistics New Zealand



# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

The data indicates that employment growth during the lifetime of the AUP has been consistent with, albeit slightly less than, the rate of growth from 2000 to 2017. Most prominently, the city centre and fringe areas have experienced an increased rate of employee growth from 2017 to 2020, both compared with the rate of employee growth elsewhere during this timeframe, and the rate of growth over the previous 17 years.

Outside the city centre and fringe area subset, a downward trend towards slower employment growth is observable. Within ‘Other Employment Areas’, the rate of yearly employment growth has reduced from 2017 to 2020. Within ‘All Other Areas’ a broader trend of decreasing employment growth can be observed from 2016 onwards.

The reduction in employment growth in Other Employment Areas from 2017 to 2020 is highly influenced by the minimal growth observed between 2019-2020, from 348,825 to 349,422 employees. Similar fluctuations have occurred during previous one-two year periods, within this subset and other geographic subsets, without signalling a broader trend in the rate of employment growth.

Within Other Employment Areas, two specific locations experienced negative growth in employment between 2018 and 2020:

- Ellerslie Office Park, which reduced from 13,700 employees in 2018 to 12,100 employees in 2020, a reduction of 11.7 per cent
- Wairau Valley, which experienced a small reduction from 10,900 employees in 2018 to 10,600 employees in 2020, a reduction of 2.8 per cent.

## Employment growth within retail and office sectors

Figure 5 below compares the rate of employment growth within retail and office sectors, as determined by ANZSIC industry categorisations, from 2000 – 2017 and 2017 – 2020.

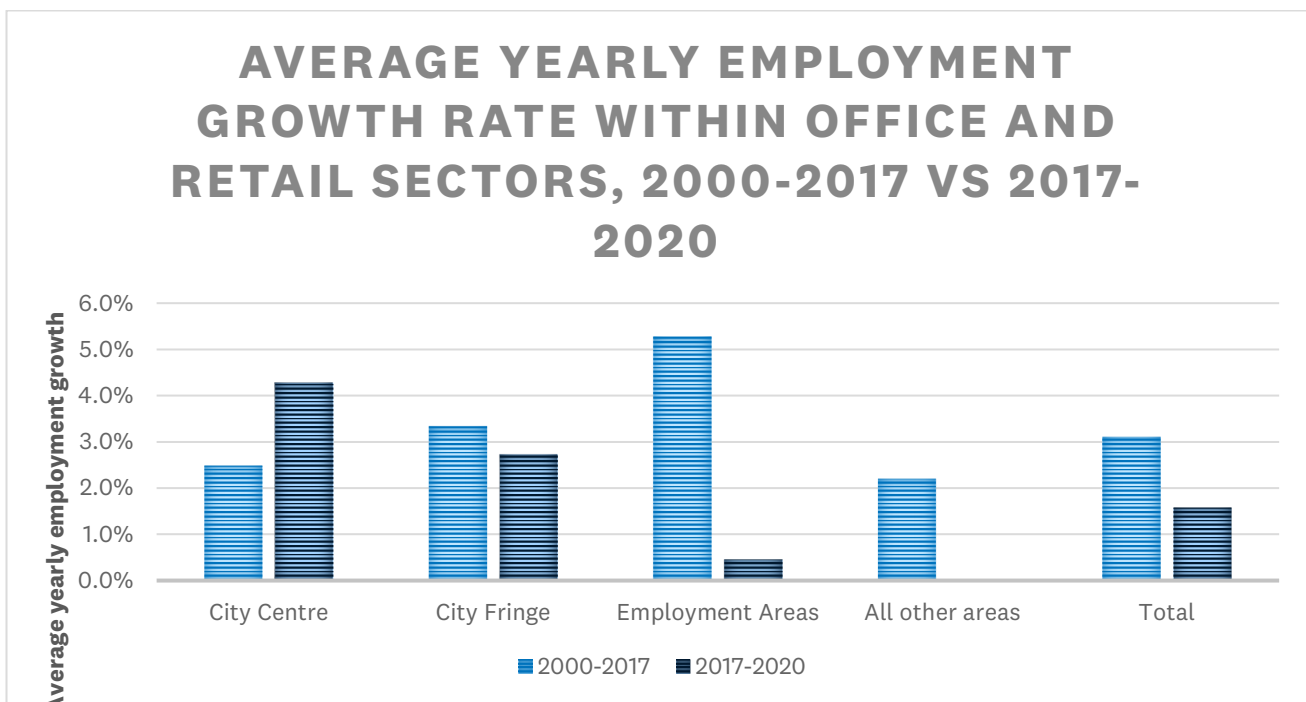


Figure 5: Average yearly employment growth rate within office and retail sectors, 2000-2017 vs 2017-2020<sup>25</sup>

<sup>25</sup> Employment by Statistical Area 2 2000 – 2020 and by ANZSIC 1 and 2 digit codes, Statistics New Zealand

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

The data indicates an overall decrease in employment growth within retail and offices sectors across Auckland as a during the lifetime of the AUP, compared with 2000 to 2017. This reduction in employment growth rate (3.1% in 2000 – 2017, 1.6% in 2017 – 2020) is more pronounced in the retail and office subset compared to employment growth in Auckland as a whole. This is particularly driven by reduced rates of employment growth for retail and office sectors within Employment Areas (from 5.3% between 2000-2017 to 0.5% between 2017-2020) and ‘All Other Areas’ (2.2% between 2000-2017 to no growth between 2017-2020). This is, to an extent, balanced by increased retail and office growth within the City Centre between 2017-2020 (4.3% compared with 2.5% between 2000-2017).

When exploring particular geographic subsets of Employment Areas, the data indicates that:

- Significant decreases in retail and office employment growth between 2000-2017 and 2017-2020 (greater than 5% reduction in average yearly growth rate) can be observed within Albany – North Harbour, East Tamaki – Botany Junction and Onehunga-Te Papapa - Penrose - Sylvia Park - Mt Wellington – Otahuhu. This suggests that employment growth within the Albany, Sylvia Park and Botany metropolitan centres and Onehunga town centre has decreased since the AUP was made operative in part in 2016.
- Smaller but still measurable decreases in retail and office employment growth (2 – 5% reduction in average yearly growth rate) can be observed at the Airport and associated industrial area, Wairau Valley, and All other areas. Wairau Valley and the Airport and associated industrial area do not contain centres. The ‘All other areas’ subset encompasses a range of smaller town centres and local centres that do not fall within the city centre, city fringe or Employment Areas subsets.

Table 6 below presents the rate of employment growth delineated by office and retail sectors between 2000-2017 and 2017-2020.

Sector	Retail		Office	
	2000-2017	2017-2020	2000-2017	2017-2020
City Centre	1.7%	1.4%	2.5%	4.5%
City Fringe	2.0%	-0.6%	3.7%	3.4%
Employment Areas	5.8%	1.3%	5.1%	0.1%
All other areas	1.5%	0.8%	2.9%	-0.8%
Total	2.5%	0.9%	3.4%	1.8%

Table 6: Average yearly employment growth within office and retail sectors, 2000-2017 vs 2017-2020<sup>26</sup>

The data indicates that the reductions in employment growth in retail and office sectors are not being significantly driven by one particular sector. Rather, similar decreases in employment growth in Employment Areas can be observed within retail and office sectors. In All other areas, office employment has seen a sharper reduction in growth compared with retail activities.

## Areas subject to projected development capacity shortfalls in the Housing Business Assessment

As outlined above, the Housing Business Assessment identifies capacity shortfalls in Other Centres in the Urban North in the medium-term horizon, by 2028. In order to investigate whether this shortfall has had any immediate effect on employment, employee growth has been assessed within Town Centres in the Urban North. The use of the Town Centre zone as a proxy to measure all Other Centres<sup>27</sup> reflects the broad

<sup>26</sup> Employment by Statistical Area 2 2000 – 2020 and by ANZSIC 1 and 2 digit codes, Statistics New Zealand

<sup>27</sup> Which also includes Local Centres and Neighbourhood Centres)

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

nature of SA2 areas, which are typically too large to accurately capture employment from a single local centre or neighbourhood centre. The Town Centres in the Urban North are:

- Birkenhead
- Milford
- Glenfield
- Devonport
- Northcote
- Sunnynook
- Browns Bay

The data shows a long-term decrease in employment between 2001<sup>28</sup> and 2017 in these areas from 10,220 employees in 2001 to 9,860 employees in 2020. This is a reduction of 3.5 per cent between 2017 and 2020, or a yearly reduction of 0.2 per cent. During the lifetime of the AUP (2017-2020), this trend continued, with a reduction of 90 employees. This is a reduction by 0.9 per cent between 2017 and 2020, or 0.3 per cent per year.

#### 4.1.4.2 Effectiveness and efficiency of the plan

The Housing Business Assessment data indicates that there is sufficient development capacity in the AUP zoning to meet current demands, and future demands in the short and medium terms. This assessment finds that there is sufficient development capacity to meet the future demands at a sub-regional level in the short and medium term, with the only exception being Other Centres in the Urban North. In the longer term, this assessment forecasts a shortfall in commercial floorspace in particular areas, such as Metropolitan Centres in the Urban North of Auckland (Albany and Takapuna) and Other Centres in the Urban North, Urban South, Rural North and Rural South.

However, this data is limited by its lack of recency, given that the Housing Business Assessment undertaken in 2017 does not reflect:

- the uptake of development capacity in the AUP zonings from 2017 onwards;
- plan changes that have created further development capacity since the AUP was made operative in part.

The employment data shows a similar rate of employment growth during the lifetime of the AUP compared with the previous period on record (2000-2017). However, employee growth fell slightly during 2017 and 2020, in part attributable to negative growth in some Employment Areas, in particular Ellerslie Office Park and Wairau Valley. In contrast, the City Centre and Fringe subset saw a stronger rate of annual growth between 2017 and 2020 (3.8 per cent) compared with the previous 2000 – 2017 period (2.6 per cent).

When exploring employment trends within centres, using retail and office ANZSIC subsets as a proxy for such employment, the data shows an overall decrease in average yearly employment growth for 2017-2020 compared with the previous 2000-2017 period. This is most apparent in Employment Areas and all other areas which have seen significant decreases in retail and office employment growth. This is balanced, to a degree, by greater rates of employment growth within the city centre for office and retail. In particular,

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<sup>28</sup> Used instead of 2000 as incomplete employment data was available for the year 2000 within the Browns Bay Town Centre

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

office-based employment sectors have seen a 2% increase in yearly employment growth between 2017-2020, when compared with yearly employment growth between 2000-2017.

The data on employment growth between 2017-2020 was last recorded in February 2020, and therefore does not account for government policy settings in response to the COVID-19 pandemic. It is difficult to determine what relationship the downturn in employment growth has to the implementation of the AUP. As discussed in Section 4.2 of this report, a large proportion of development subject to buildings consents issued between 2016-2020 obtained resource consents prior to the AUP being made operative in part<sup>29</sup>. A similar, if not greater delay can be expected between resource consenting and the completion of construction and eventual operation of commercial premises. Therefore, it is unlikely that the AUP approach to commercial growth and corresponding provisions have directly informed the reduced employment growth rates for retail and office sectors in Auckland. Other external factors, such as increased spending at online stores, may play a more influential role in informing such trends.

Within Other Centres in the Urban North, identified by the Housing and Business Assessment as experiencing a capacity shortfall by 2028, employment has reduced between 2000 and 2017, prior to the AUP becoming operative, and between 2017 and 2020. This suggests that the AUP zonings have not had a noticeable impact on employment growth, and perhaps reflects a broader trend in the Urban North of commercial activities gravitating towards the Albany and Takapuna Metropolitan Centres.

Overall, the data suggests that the AUP is providing opportunities for growth in employment and commercial activity.

### 4.1.4.3 Recommendations

No amendments to the AUP are recommended for this indicator.

Ongoing monitoring should be undertaken on the following matters:

- the uptake of business development capacity through the AUP provisions;
- an updated assessment of development capacity at a regional and sub-regional level, taking into account development capacity added through plan changes to the AUP;
- employment growth across Auckland as a whole, and in particular:
  - retail and office employment growth within centres
  - employment growth within geographic areas identified by further development capacity assessment as having insufficient capacity in the short, medium or long term.

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<sup>29</sup> 15 November 2016

## 4.2 Indicator 2: Commercial growth and activities are occurring within a hierarchy of centres

### 4.2.1 Importance of indicator and RPS Approach

#### **RPS Objectives and Policies**

Objective B2.5.1(2) *Commercial growth and activities are primarily focussed within a hierarchy of centres and identified growth corridors that supports a compact urban form.*

Policies B2.5.2(1)-(2), (6)

The RPS approach to commercial growth is outlined in Section 1.3.2 of this report. In essence, the RPS seeks that commercial growth and activity is focussed within a hierarchy of centres and enabled in business zones elsewhere. Specifically, the centres-plus approach seeks to:

- encourage commercial growth and development in the city centre, metropolitan centres and town centres;
- enable retail activities, where appropriate, on identified growth corridors in business zones, having regard to a range of matters; and
- enable commercial activities, where appropriate, in business zones other than the city centre, metropolitan and town centres and identified growth corridors, having regard to a range of matters.

### 4.2.2 Measures

The measures adopted are:

- Proportion of commercial development approved (square metres of office space) in the city centre, metropolitan centres and town centres, compared with out-of-centre commercial development.
- Proportion of office activity approved in the city centre, metropolitan centres and town centres, compared with out-of-centre commercial development.
- Proportion of retail activity approved in the city centre, metropolitan centres and town centres, compared with out-of-centre commercial development.
- Distribution of retail activity by broad sector in the city centre, metropolitan centres and town centres, compared with out of centre
- Increase in commercial floorspace within centres over time.

#### **What can the indicator and measures tell us?**

Measures have been adopted to understand:

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

- The extent to which commercial activity is occurring within higher order centres, and thus is giving effect to the AUP RPS direction to ‘encourage’ commercial growth within these areas.

## 4.2.3 Data sources and limitations

Gross floor area extracted from building consent data from 2016 to 2020 has been used to measure the distribution of commercial activities occurring across Auckland. This dataset comprises five building consent classes, which have then been filtered by AUP zone and year. These are summarised in Table 7 below.

Table 7 Building consent activity classes

Reference category in this report	Building consent class	Building consent code
Retail	Other shops and retail buildings	2519
Retail	Restaurants, bars and cafes	2512
Retail	Supermarkets	2511
Office	Office and administration buildings	2521
Other cultural, social, and entertainment buildings	Other cultural, social, and entertainment buildings	2419

Building consent data has been chosen as it reflects planned development that has or is likely to be implemented. Gross floor area has been adopted as a metric for retail development and growth, as it is a commonly used system of measurement that accounts for cumulative floor area accrued in multi-storey buildings.

The building consent classes have been selected to represent the activities listed under the Commerce nesting table in Chapter J – Definitions of the AUP.

Resource consent data from between 2016 and 2020 has been used to assess whether the qualifying criteria for out-of-centre retail activity is being had regard to. This dataset is filtered by AUP zoning and overlays, reasons for consent, overall activity status and outcome (i.e. whether granted or refused).

The limitations on this data are that:

- Given that resource consent precedes building consent, the data captures development that obtained resource consent prior to the AUP becoming operative.
- It is difficult to disentangle pre-2016 resource consented development due to the way that building consent data is presented. More complex projects are usually subject to multiple building consents and often over a number of years; however the gross floor area for each development is recorded only once.
- Data on commercial gross floor area is highly influenced by large scale individual developments, given that commercial developments tend to be less common and larger in scale than residential counterparts.
- Additional limitations are identified in the overarching monitoring summary report.

## 4.2.4 Findings

The findings in this section are structured as follows:



# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

- 4.2.4.1 Commercial growth, providing an overview of the distribution of commercial growth in relation to centres and AUP zones
- 4.2.4.2 Office growth, outlining the distribution and growth of office activities within and outside of centres, and across AUP zones.
- 4.2.4.3 Retail growth, outlining the distribution and growth of office activities within and outside of centres, and across AUP zones.
- 4.2.4.4 Increase in commercial floorspace within centres and identified growth corridors

The growth in office and retail activities reflects their primacy in the composition of commercial activities across Auckland.

## 4.2.4.1 Commercial growth

This section assesses commercial growth occurring within two time periods:

- 2016-2020
- 2018-2020

### 3.2.4.1.1 Distribution of commercial growth, 2016-2020

At a broad level, commercial development is occurring within higher order centres, being the city centre, metropolitan centres and town centres. As outlined in Table 8 below, 61 per cent of all GFA subject to a building consent between 2016 and 2020 occurred within higher order centres, compared with 36 per cent in business zones outside of these centres.

Table 8 Commercial growth by GFA, within and outside of higher order centres 2016-2020<sup>30</sup>

Subset	Gross floor area (m <sup>2</sup> )	Per cent of whole
Higher order centres	534,682	61.3%
Other business zones	336,919	38.7%
<b>Total</b>	<b>871,601</b>	<b>100.0%</b>

Figure 6 below presents the distribution of commercial gross floor area from 2016 to 2020, categorised by zone and by activity type.

<sup>30</sup> Building consent database for consents issued in Auckland between 2016-2020 ('Building consents database' herein)

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Figure 6 Commercial growth by gross floor area (m²) added between 2016-2020, by AUP zone<sup>31</sup>

\*Per cent annotations represent zone the proportion of commercial growth accommodated by each zone

The data shows that the City Centre and Metropolitan Centres zones account for nearly half of all commercial growth between 2016 and 2020. The City Centre zone accounts for the vast majority of office space growth within Auckland, comprising 127,120m² GFA (39.4 per cent of all office GFA), whereas the Metropolitan Centre is the focus for retail space in the region, comprising 178,452m² (35.6 per cent of all retail GFA). Town centres also account for a substantial amount of retail floorspace (21.0 per cent of all retail GFA in Auckland).

Within business zones outside of the higher order centres, commercial growth from 2016 to 2020 has been primarily focussed within the Mixed Use and Light Industry zones. The Mixed Use zone accounts for 12 per cent of all commercial floorspace consented between 2016 and 2020, whereas the Light Industry zone accounts for 14 per cent of all commercial floorspace during this period.

The General Business zone is almost wholly comprised of retail activity, and the Business Park zone almost exclusively office activity. This reflects the highly specific purposes of the zones, which are to provide for retail and office activity respectively, and are envisaged by the plan to have limited applicability outside of existing locations. The General Business zone accounts for 5.2 per cent of all retail floorspace consent between 2016 and 2020. The Business Park zone represents 10.5 per cent of all office floorspace consented during this period.

### 3.2.4.1.2 Distribution of commercial growth, 2018-2020

A limitation on the data is that building consents obtained between 2016 and 2020 are for development subject to resource consents issued prior to the AUP being made operative in part on 15 November 2016.

<sup>31</sup> Building consent database

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As such, a more focussed time period of building consents issued between 2018 and 2020 has been explored to more accurately capture development subject to resource consents approved during the lifetime of the AUP.

At a broad level, the 2018-2020 time period shows slightly less commercial growth distributed within centres, which account for 60.3 per cent of all floorspace consented during this period, compared with 39.7 per cent out of centre development (Table 9).

Table 9 Commercial growth by GFA, within and outside of higher order centres (2018-2020)<sup>32</sup>

Subset	Gross floor area (m <sup>2</sup> )	Per cent of whole
Higher order centres	379,070	60.3 per cent
Other business zones	249,669	39.7 per cent
<b>Total</b>	<b>628,739</b>	<b>100.0 per cent</b>

Figure 7 below presents the distribution of commercial gross floor area from 2018 to 2020, categorised by zone and by activity type.

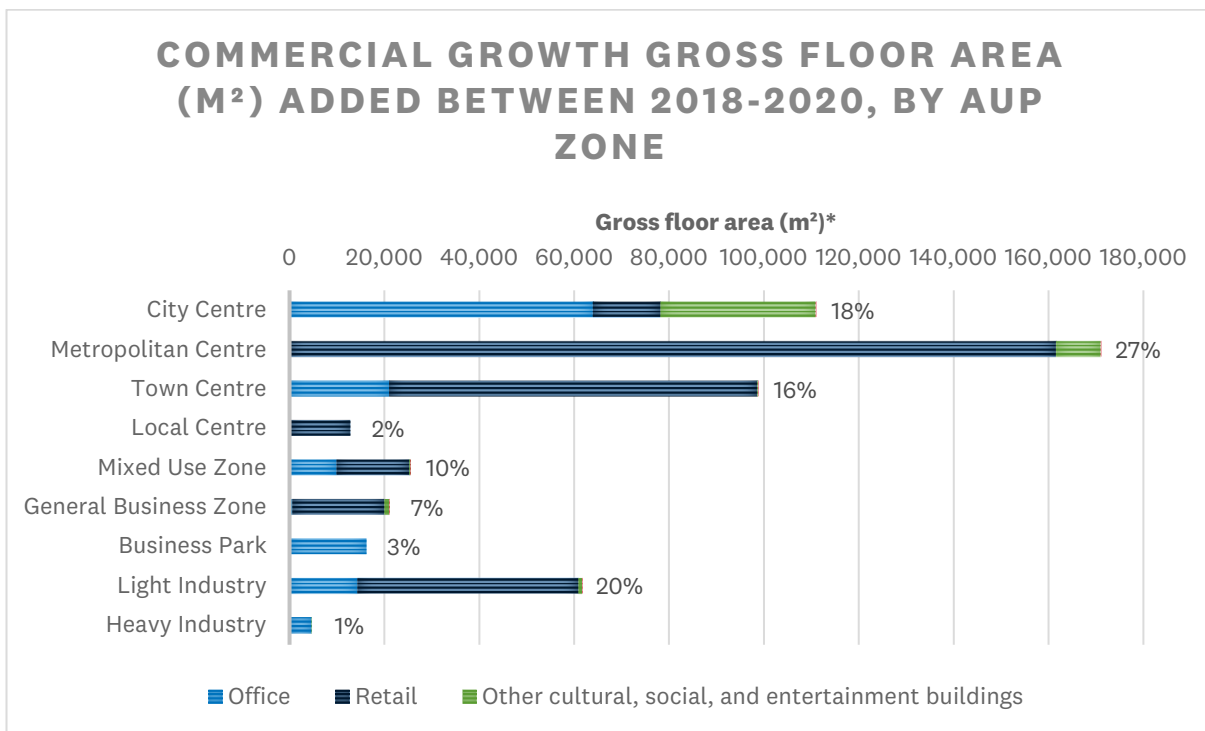


Figure 7 Commercial growth gross floor area (m<sup>2</sup>) added between 2018-2020, by AUP zone<sup>33</sup>

\*Per cent annotations represent zone the proportion of commercial growth accommodated by each zone

The data shows a greater concentration of commercial activities occurring within the City Centre zone (110,877m<sup>2</sup> or 36 per cent of all commercial floorspace consented between 2018 – 2020). Conversely, in the 2018-2020 period the Metropolitan Centre (13 per cent) and Town Centre (10 per cent) zones have accommodated proportionally less commercial growth compared to the 2016-2020 period.

<sup>32</sup> Building consent database

<sup>33</sup> Building consent database

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Outside of centres, the Light Industry zone accounts for 20 per cent of all commercial floor space approved between 2018 and 2020. A significant proportion of this is retail activity, of which 46,574m<sup>2</sup> was consented between 2018 and 2020. However, a large proportion of this gross floor area (31,760m<sup>2</sup> or 68.2 per cent) occurred within the Identified Growth Corridor Overlay (refer to Indicator 3 in Section 4.3 of this report).

## 4.2.4.2 Office activity

### 3.2.4.2.1 Distribution of office growth, 2016-2020

At a broad level, the majority of office gross floor area is occurring within higher order centres. As shown in Table 10 below, the City Centre, Metropolitan Centre and Town Centre zones account for 53 per cent (170,262m<sup>2</sup>) of all office gross floor area subject to buildings consents between 2016 and 2021. However, during this time a substantial amount of office floorspace (152,174m<sup>2</sup>) occurred outside of the higher order centres.

Table 10 Distribution of office gross floor area approved between 2016-2020, within and outside of higher order centres<sup>34</sup>

Subset	Gross floor area (m <sup>2</sup> )	Per cent of whole
Higher order centres	170,262.00	52.8%
Other business zones	152,174.00	47.2%
<b>Total</b>	<b>322,436.00</b>	<b>100.0%</b>

Figure 8 below shows the distribution of office activity by the AUP business zones, as recorded through building consents issued between 2016 and 2020.

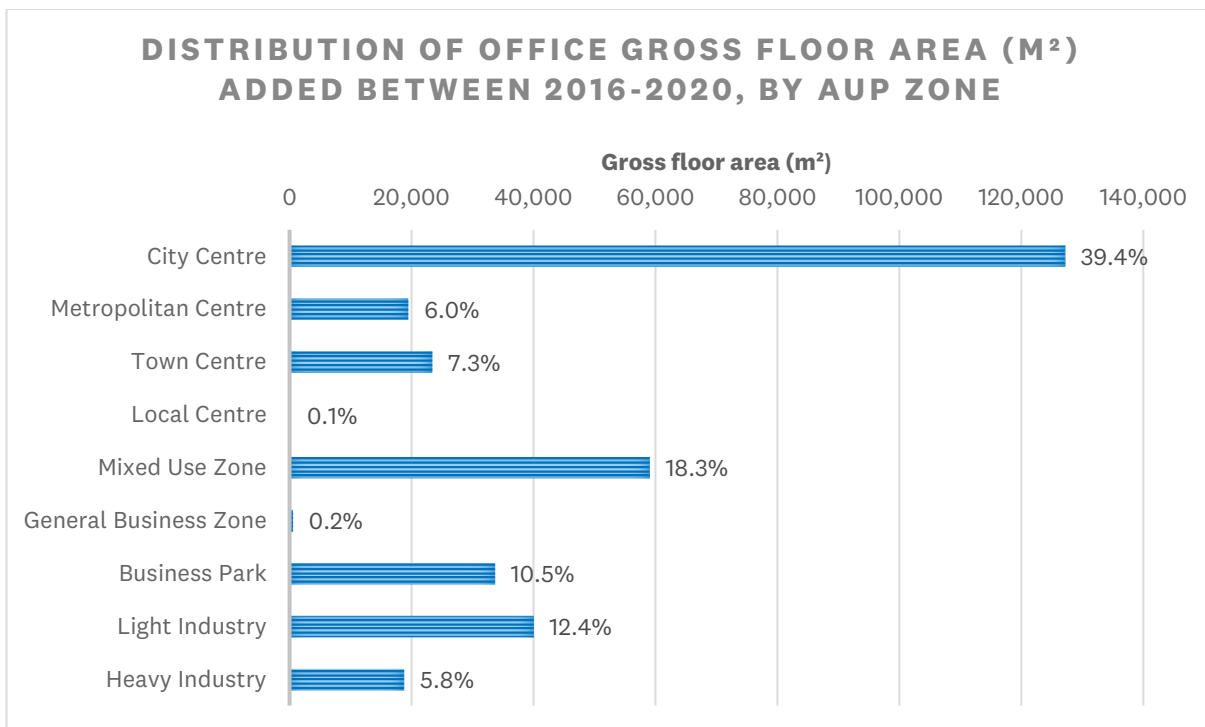


Figure 8 Distribution of office gross floor area (m<sup>2</sup>) added between 2016-2020, by AUP zone<sup>35</sup>

<sup>34</sup> Building consent database

<sup>35</sup> Building consent database

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\*Per cent annotations represent zone the proportion of commercial growth accommodated by each zone

The data shows that the most significant concentration of office GFA is occurring within the Business – City Centre zone, which accounts for 39.4 per cent (127,120m<sup>2</sup>) of all office GFA in Auckland. The Metropolitan Centre and Town Centre zones account for relatively small proportions of office GFA in Auckland, at 6 per cent and 7 per cent respectively.

Outside of the higher order centres, the majority of office gross floor area has been distributed amongst the Mixed Use zone (18 per cent), Business Park zone (11 per cent) and Light Industry zone (12 per cent). Further office space is contained in the Heavy Industry zone (6 per cent). The distribution of office gross floor area added through building consents approved between 2016 and 2020 is shown in Table 11 below.

Table 11 Distribution of office gross floor area (m<sup>2</sup>) subject to building consents approved between 2016 and 2020, by year and AUP zone<sup>36</sup>

AUP zone	Office GFA (m <sup>2</sup> ) by year				
	2016	2017	2018	2019	2020
City Centre	10,212	53,166	21,770	37,394	4,719
Metropolitan Centre	-	19,500	-	-	-
Town Centre	2,136	260	934	15,573	4,500
Local Centre	-	-	-	239	-
Mixed Use	26,125	20,956	6,491	4,641	831
General Business	-	-	-	-	587
Business Park	16,810	700	652	700	14,928
Light Industry	10,479	15,203	7,966	4,616	1,769
Heavy Industry	12,510	1,612	1,389	832	2,469

### 3.2.4.2.2 Proliferation of offices outside of higher order centres

The data shows a significant amount of office space being approved outside of the higher order centres, and specifically in the Mixed Use, Business Park and Light Industry zones. Whilst the AUP does not

<sup>36</sup> Building consent database

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envisage out-of-centre areas as the focus for office growth, some level of growth is acceptable given that offices are anticipated in these zones by the district plan level provisions. Specifically:

- The Mixed Use zone enables offices up to 500m<sup>2</sup> gross floor area per site
- The Business Park zone enables offices as permitted up to a cumulative gross floor area threshold for each business park
- The Light Industry zone enables accessory offices as a permitted activity where they are less than 100m<sup>2</sup> and less than 30 per cent of the buildings on site; enables standalone offices up to 100m<sup>2</sup> as a restricted discretionary activity; and accessory offices greater than 30 per cent of the buildings on site as a restricted discretionary activity.

Resource consent data from 2016 to 2020 records 30 instances of activities requiring consent for offices in the Light Industry zones. Of these, 16 were for offices accessory/ancillary to primary activity on site.

## 4.2.4.3 Retail

### 3.2.4.3.1 Distribution of retail growth, 2016-2020

At a broad level, the majority of retail gross floor area is occurring within higher order centres. As shown in Table 12 below, the City Centre, Metropolitan Centre and Town Centre zones account for 64 per cent (319,442m<sup>2</sup>) of all retail gross floor area between 2016 and 2020.

Table 12 Distribution of retail gross floor area approved between 2016-2020, within and outside of higher order centres<sup>37</sup>

Subset	Gross floor area (m <sup>2</sup> )	Per cent of whole
Higher order centres	319,442m <sup>2</sup>	63.7%
Other business zones <sup>38</sup>	182,208 m <sup>2</sup>	36.3%
<b>Total</b>	<b>501,650 m<sup>2</sup></b>	<b>100.0%</b>

Figure 9 below shows the distribution of retail activity by business zones in Auckland, as recorded through building consents issued between 2016 and 2020.

<sup>37</sup> Building consent database

<sup>38</sup> Including on identified growth corridors, assessed in Section 4.3 of this report



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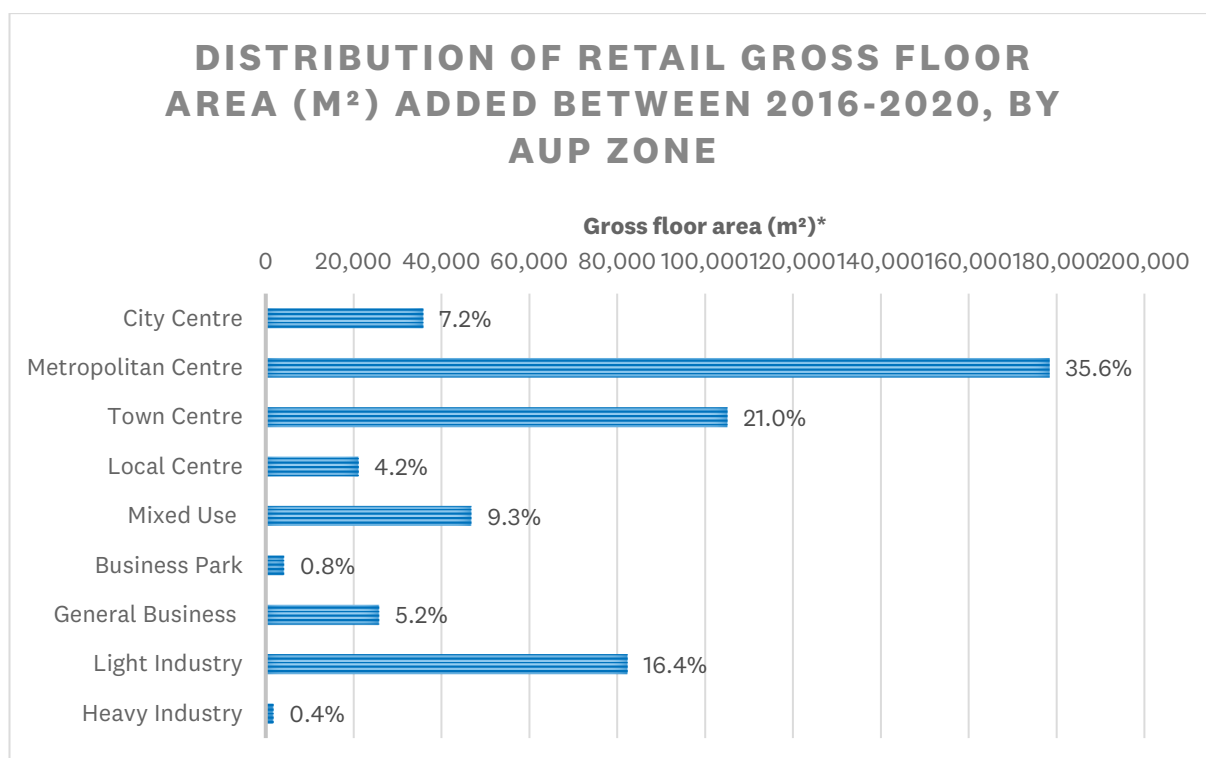


Figure 9 Distribution of retail gross floor area (m<sup>2</sup>) approved between 2016-2020, by AUP zone<sup>39</sup>

\*Per cent annotations represent zone the proportion of commercial growth accommodated by each zone

The data shows that the most significant concentration of retail activity is occurring within the Metropolitan Centre zone (35.6 per cent) and Town Centre zone (21.0 per cent). The City Centre zone (7.2 per cent) makes a more modest contribution to the distribution of retail activity within higher order centres.

Outside of higher centres, the most significant concentrations of retail activity are occurring in the Light Industry zone (16.4 per cent), Mixed Use zone (9.3 per cent) and General Business zone (5.2 per cent). As outlined in Table 12 below, the extent of retailing occurring in the Light Industry zone is in part a function of the Identified Growth Corridor Overlay which applies primarily within the Light Industry zone.

Table 13 Allocation of retail in the Light Industry zone, 2016-2020, within and outside of the Identified Growth Corridor Overlay<sup>40</sup>

Area	Gross floor area (m <sup>2</sup> )	Per cent of all retail in the Light Industry zone
Light Industry zone	44,841m <sup>2</sup>	54.4%
Light Industry zone subject to Identified Growth Corridor Overlay	37,533m <sup>2</sup>	45.6%
<b>Light Industry zone retail total</b>	<b>82,374m<sup>2</sup></b>	<b>100.0%</b>

<sup>39</sup> Building consent database

<sup>40</sup> Building consent database

## Influence of large-scale developments

Data on commercial gross floor area is highly influenced by large scale individual developments, given that commercial developments tend to be less common and larger in scale than residential counterparts\*. This has influenced the building consent dataset for retail activity. Particular developments of a substantial scale include the following:

- **277-305 and 309 Broadway, Newmarket** – redevelopment of the Westfield shopping centre in the Metropolitan Centre Zone with a total gross floor area of 115,340m<sup>2</sup>, or 64 per cent of all retail gross floor area approved in the Metropolitan Centre Zone between 2016 – 2020;
- **240 Ormiston Road, Flat Bush** – development of the Ormiston Town Centre shopping centre in the Town Centre Zone with a total gross floor area of 57,000m<sup>2</sup>, or 54 per cent of all retail gross floor area approved in the Town Centre Zone between 2016 – 2020.
- **614-616 Great South Road, Ellerslie** – development of a 12,079m<sup>2</sup> storage facility in the Mixed Use Zone, representing 26 per cent of all retail gross floor area approved in the Mixed Use Zone between 2016 – 2020

*\*Between 2016 – 2020, 501 building consents were issued for commercial activities*

### 3.2.4.3.2 Distribution of retail activity by sector, 2016-2020

As outlined Section 4.2.3, three building consent activity subsets were relied upon as a basis for retail activity, being other shops and retail buildings, restaurants, bars, and cafes, and supermarkets. Other shops and retail buildings applies to the vast majority of all retail floor gross floor area (464,415m<sup>2</sup> or 93 per cent), as it encapsulates all retail not considered to restaurants, bars and cafes or supermarkets.

The distribution of retail sectors within and outside of higher order centres is shown in Figure 10 below:

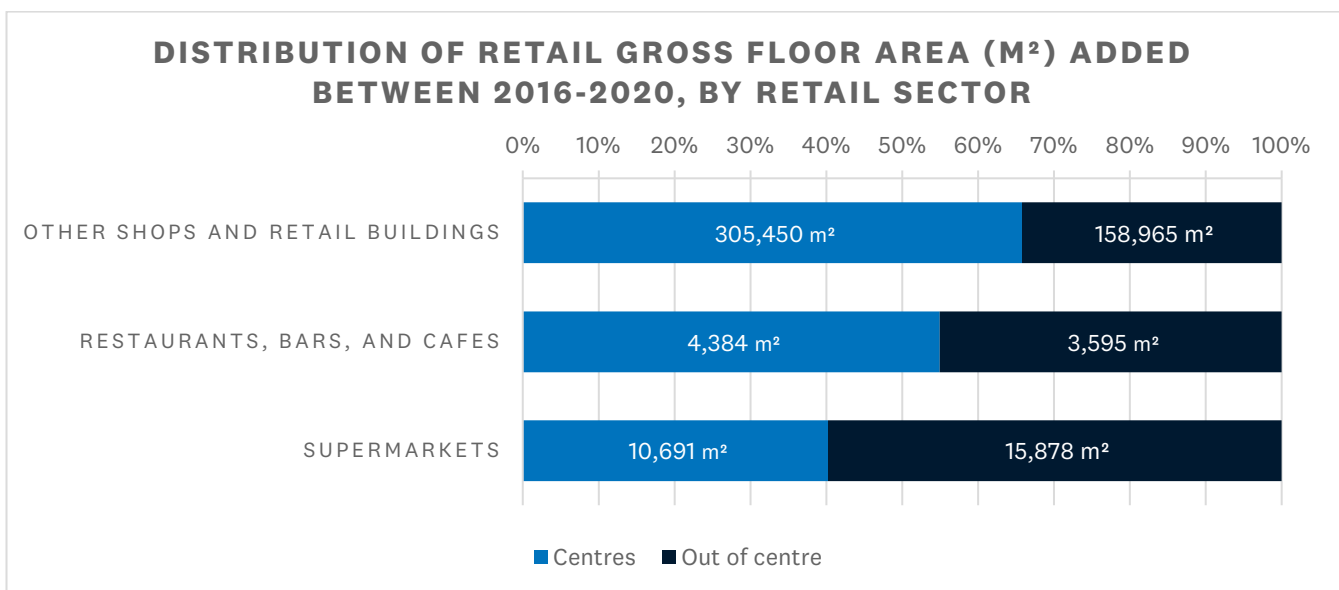


Figure 10 Distribution of retail gross floor area (m<sup>2</sup>) added between 2016-2020, by retail sector

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The data shows that a strong majority of other shops and retail buildings (66 per cent) are occurring within the higher order centres. Restaurants, bars and cafes are also occurring primarily within higher order centres (55 per cent) though the total floor area occupied by such activities is expectedly low (7,797m<sup>2</sup>) given the typical small scale of premises required. Supermarkets are predominately occurring outside of centres, with 40 per cent of supermarket floor area located within the higher order centres and 60 per cent outside of these centres.

Table 14 below shows the distribution of building consents for retail activity between retail sectors within the AUP zones.

Table 14 Distribution of retail activity by sector and AUP zones, 2016-2020<sup>41</sup>

AUP Zone	Retail gross floor area (m <sup>2</sup> ) by sector			
	Other shops and retail buildings	Restaurants, bars, and cafes	Supermarkets	Total
City Centre	34,797	1,094	-	35,891
Metropolitan Centre	168,146	2,506	7,800	178,452
Town Centre	102,507	784	2,891	106,182
Local Centre	9,772	164	11,221	21,157
Mixed Use	44,167	2,644	-	46,811
General Business	24,094	188	1,563	25,845
Light Industry	79,176	599	3,065	82,840
Heavy Industry	1,756	29	35 <sup>42</sup>	1,785

### 3.2.4.3.3 Increase in commercial floorspace within centres and identified growth corridors

Figure 11 below shows the amount of floorspace consented on a yearly basis from 2016-2020. Figure 12 shows this represented as cumulative growth during this timeframe.

<sup>41</sup> Building consent database

<sup>42</sup> This applies to a site on Hunua Road, Papakura and has most likely been miscoded to Supermarket, as no supermarkets operate on the site.

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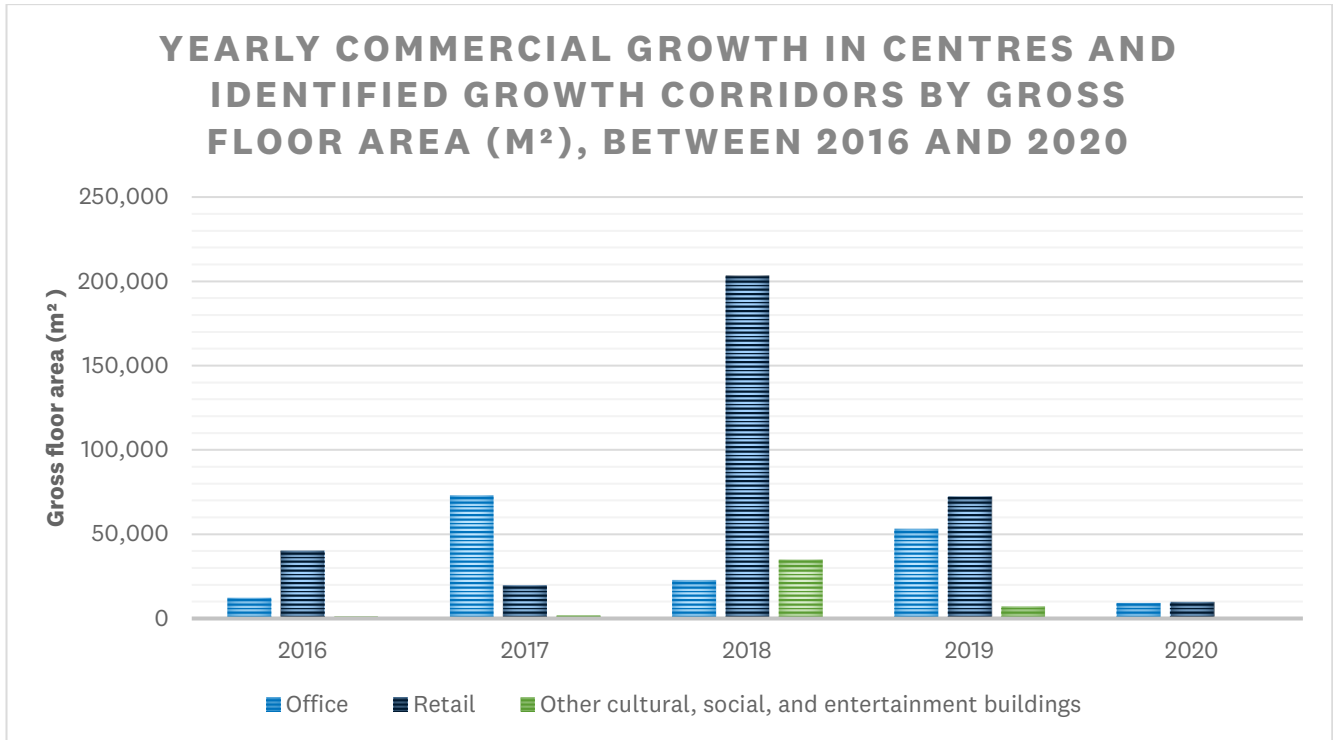


Figure 11 Yearly commercial growth in centres and identified growth corridors by gross floor area (m<sup>2</sup>) between 2016 and 2020<sup>43</sup>

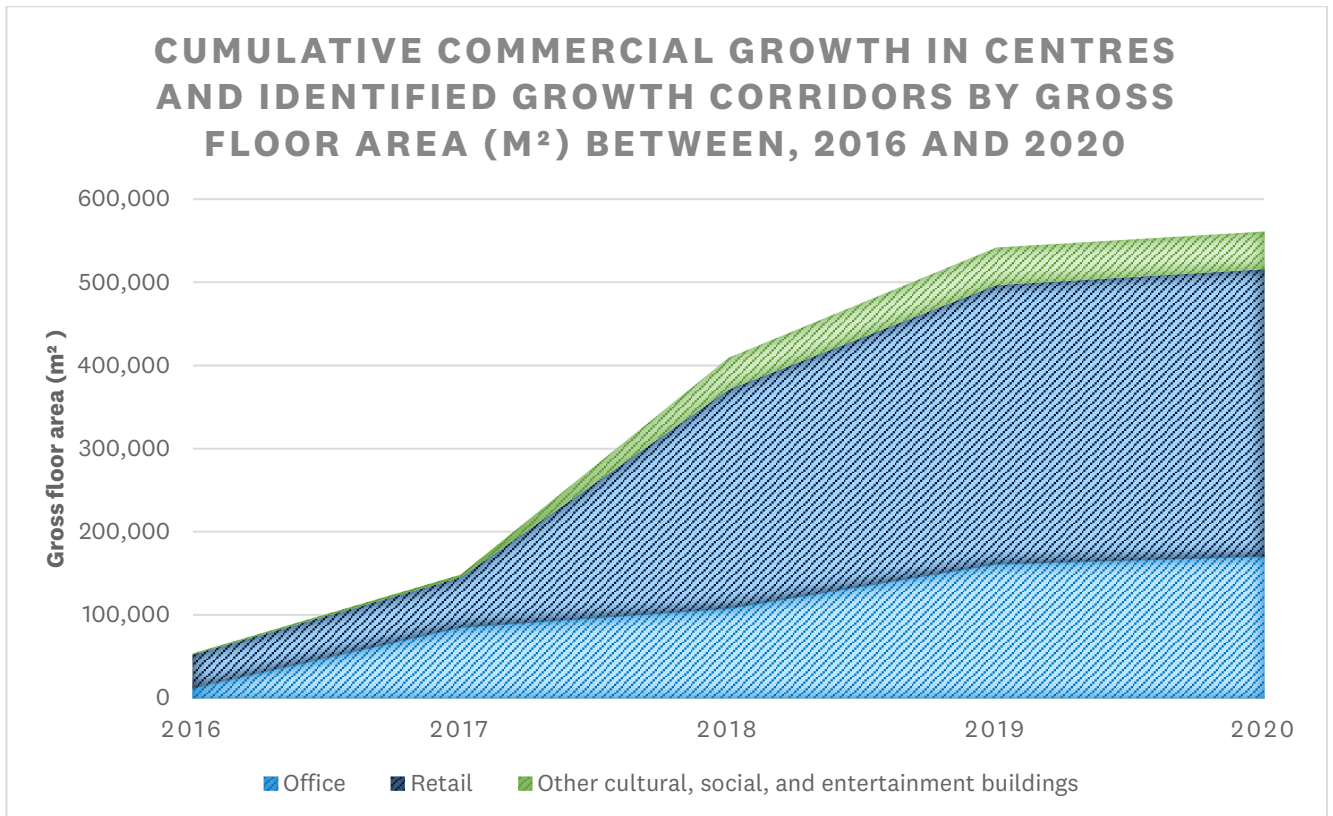


Figure 12 Cumulative commercial growth in centres and identified growth corridors by gross floor area (m<sup>2</sup>) between 2016 and 2020<sup>44</sup>

<sup>43</sup> Building consent database

<sup>44</sup> Building consent database

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The data shows that commercial gross floor area in centres and identified growth corridors has increased by 560,899m<sup>2</sup> from 2016 to 2020. A substantial increase in floor area can be observed in 2018 (256,556m<sup>2</sup>), much of which can be attributed to the redevelopment of Westfield Newmarket shopping mall, and development of the Ormiston Town Centre. A strong increase in floor area within centres can also be observed in 2019 (105,009m<sup>2</sup>).

Conversely, 2020 saw a relatively small increase in gross floor area within centres (19,125m<sup>2</sup>). In contrast to residential activity, commercial growth was likely affected by government policies in response to the COVID-19 pandemic, which saw between 27 – 31 per cent of the total New Zealand workforce work from home full-time in Alert Levels 3 and 4 imposed by central government<sup>45</sup>.

### 3.2.4.3.4 Case studies

The following are examples of resource consent applications granted for commercial activities within the higher order centres. These provide a snapshot of how decision-making has provided for the encouragement of commercial activities within higher order centres under the AUP. Generally, office activities and most retail activities are permitted within the higher order centres without any scale controls, reflective of the RPS approach to encourage commercial growth within these centres. As such, the resource consents assessed have been selected from those with a discretionary or non-complying activity status, by way of other rules and standards in the AUP.

#### Sylvia Park – Metropolitan Centre zone

Land use resource consent was granted by the council under delegated authority in 2020 for a mixed use tower at Sylvia Park comprising retail at ground floor and offices and hotel at upper floors. The proposal was considered as a non-complying activity as it infringed maximum height standards under the Sylvia Park Precinct. As such, the council as decision-maker was unfettered in their scope to consider resource management matters.

Retail activity is provided for as a permitted activity within the Metropolitan Centre zone, and permitted up to a cumulative gross floor area within the Sylvia Park Precinct. As such, the decision did not consider effects on the role, function and amenity of centres as part of an assessment of adverse effects. Rather, the decision considered the relationship between the proposal and the Sylvia Park metropolitan centre in the:

- Assessment of positive effects, which are identified as being providing for ‘enhanced and diversified mixture of activities within the Sylvia Park Shopping Centre’; and
- Assesses against the relevant objectives and policies, in which the decision noted that the scale and intensity of development are contemplated by the precinct, and that proposal will make a positive contribution to Sylvia Park Shopping Centre developing from a shopping mall to a diverse metropolitan centre with daytime and night time social cultural and economic activity.

#### Central Boulevard, Silverdale – Town Centre zone

Land use resource consent was granted by the council under delegated authority in 2017 for seven retail units, including two large format retail tenancies and one café, with accessory car parking. The proposal was considered as a non-complying activity as it infringed a vehicle access standard under Chapter E27 – Transport of the AUP. As such, the council as decision-maker was unfettered in their scope to consider resource management matters.

Retail activity is provided for as a permitted activity within the Town Centre zone, with no controls on the scale of such activity. As such, the encouragement of commercial activities centres, or effects on the

<sup>45</sup> Auckland Economic Update, prepared by Auckland Council (2020)) <https://knowledgeauckland.org.nz/media/1802/04april-2020-covid-19-economic-update-2-groups-in-lockdown-employment.pdf>

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role, function and amenity of centres, did not form part of the decision’s assessment of adverse effects. Instead, the decision acknowledges the following positive effects in its Section 104 of the RMA effects assessment:

- the contribution that the activity will make to the amenity of the Silverdale Town Centre’ and
- that the proposed activities will overall, support and enhance the vibrancy and functionality of the Silverdale Town Centre

The decision also noted in its assessment of the proposal against the relevant AUP objectives and policies :

*In addition as 'anchor tenants' for surrounding retail. and as significant 'destination stores' within the town centre, the positive contribution that the larger format retail activities of [company names] make to town centre viability and function is also noted.*

It appears that the decision to grant or refuse both of these resource consent applications was not finely balanced, and that the decision-makers were concerned primarily with other matters such as urban design, transport effects, and construction and land disturbance effects. As such, it is likely that the positive effects associated with the proposals were not an integral part of decision-making on these resource consents.

## 4.2.4.4 Effectiveness and efficiency of the plan

### 3.2.4.5.1 Commercial growth

Commercial development is primarily focussed within a hierarchy of centres. As a whole, 64 per cent of all commercial activity floorspace consented between 2016 and 2020 occurred in higher order centres. Between 2018 – 2020, this figure drops slightly to 60 per cent.

There has been growth in floor area in centres, with the most significant amount of growth experienced in 2018.

### 3.2.4.5.2 Office activity

Growth in office activity between 2016 and 2020 has been evenly distributed between higher order centres and other areas, with 53 per cent of office gross floor area in the higher order centres and 47 per cent elsewhere.

A significant volume of office activity is occurring in the City Centre zone – 127,120m<sup>2</sup> or 39.4 per cent of all office gross floor area approved between 2016 and 2020. This is consistent with the anticipated function and role of the City Centre in being a focus for commercial activities and enabling the most significant concentration of office activity in Auckland<sup>46</sup>.

However, outside of the City Centre zone, a substantial amount and proportion of gross floor area is occurring outside of higher order centres. This is distributed primarily in the Mixed Use zone (18.3 per cent), Light Industry zone (10.5 per cent) and Business Park zone (12.4 per cent).

The presence of offices in the Mixed Use zone is explored further in Indicator 6 which relates to the expansion of metropolitan centres and town centres. This is because these regionally significant centres are often spatially sleeved with the Mixed Use zone, which provides a natural location for the expansion of such centres. Aside from its role in accommodating expansions to centres, the Mixed Use zone also generally provides opportunity for smaller scale offices, up to a threshold of 500m<sup>2</sup> gross floor area per site. The Mixed Use zone is also more extensively applied across Auckland compared with centre zones,

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<sup>46</sup> Policy H8.3(15)



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with a total quantum of 985.92ha within the region. In comparison, the Metropolitan Centre zone occupies 379.9ha and the Town Centre zone 442.94ha. The combination of these factors suggest that a relatively significant proportion of commercial office growth can be anticipated in the Mixed Use zone without generating significant adverse effects on higher order centres.

Similarly, fairly significant concentrations of office activity can be expected in the Business Park zone. The zone has the express purpose of recognising existing business parks, where office-type activities can group together in a park or campus like environment. Offices in the Business Park zone are permitted, up to a cumulative gross floor area threshold specified for each business park. No resource consents have been sought or granted to exceed any given gross floor area threshold, and therefore the proliferation of offices in this zone is not likely to undermine the centres-based policy approach to office development.

The proliferation of office activities occurring in the Light Industry zone presents the most significant threat to the RPS approach to commercial growth. The widespread establishment of office activity in this zone not only weakens the role of centres and the potential benefits in locating large amounts of employees proximate to public transport, other infrastructure (such as social facilities), convenience retail and commercial services other workplaces (agglomeration benefits). It also reduces the opportunities for industrial activities within the zone and potentially makes new industrial activities less viable due to reverse sensitivity effects.

However, some level of office growth is anticipated in the Light Industry zone, which provides for accessory offices and small-scale standalone offices. Resource consent data shows that 16 of the 30 resource consents processed by the council for offices in the Light Industry zone between 2016 and 2020 were for accessory offices. In addition, there may be a substantial amount of office gross floor area that has been achieved as a permitted activity, either as an accessory office or a small-scale office.

In addition, some Light Industry areas are subject to place-based precinct standards that enable some degree of office or other commercial activity. For example, the largest office development (by gross floor area) subject to a building consent between 2016 and 2020 was at 60 Highbrook Drive, East Tamaki. This site is subject to Sub-precinct C of the Pukewairiki Precinct in the AUP<sup>47</sup>, which seeks to enable higher intensity office activity, by enabling offices as a permitted activity with controls on the scale of offices.

It is also worth noting that the Light Industry zone has seen a gradual decrease in the extent of new office gross floor area subject to a building consent between 2016 and 2020. As set out in **Table 10**, the extent of new office growth area in the zone peaked in 2017 (15,203m<sup>2</sup>), before declining each year between 2018 – 2020, with just 1,769m<sup>2</sup> of new office space added in the Light Industry zone in 2020.

### 3.2.4.5.3 Retail activity

Retail activity is the primary driver of commercial activity within centres. Between 2016 and 2020, a total of 319,442m<sup>2</sup> of retail floorspace was added in centres, which accounts for 64 per cent of all retail floorspace added during this timeframe. The Metropolitan Centre (36 per cent) and Town Centre (21 per cent) zones accounted for the greatest share of retail activity.

However, this data is highly influenced by particular developments of a significant scale. For example, of the total retail gross floor area consented in the Metropolitan Centre zone (178,452m<sup>2</sup>), 115,340m<sup>2</sup> was for the Westfield Newmarket redevelopment at 277-305 and 309 Broadway, Newmarket. Similar large-scale developments (though not as significant the Westfield development) have a large influence on the distribution of retail activity. While this does skew the numbers towards a particular zone, it is also a

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<sup>47</sup> Chapter I435 Pukewairiki Precinct, AUP

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positive outcome where these large-scale retail activities are occurring in higher order centres, where they can make a significant contribution to the function and amenity of the centre.

Outside of the higher order centres, growth in retail activity has been most significantly concentrated in the Mixed Use zone (9.3 per cent) and Light Industry zone (16.4 per cent). As with office activity, these zones provide for small scale retail activity. The Mixed Use zone provides for smaller scale convenience retailing by enabling retail up to 200m<sup>2</sup> as a permitted activity. The Light Industry zone enables retailing associated with primary industrial activity on the site as permitted activity subject to controls<sup>48</sup>.

When exploring retail growth by activity type, the data shows a strong concentration of other retail growth (other than restaurants, bars and cafes, and supermarkets) within centres, and a majority of 'restaurants, bars and cafes' growth in higher order centres. However, growth in supermarket activity has been primarily distributed outside of higher order centres. The Local Centre zone has been a focus of growth in supermarket floor area, with 11,221m<sup>2</sup> added between 2016 and 2020 through four developments<sup>49</sup>. However, as for the majority of commercial activity, the data for supermarkets is based on a small sample size<sup>50</sup> and is therefore skewed by individual developments.

## 4.2.4.5 Recommendations

No amendments to the AUP are recommended for this indicator.

Further monitoring is recommended, with a particular focus on the following matters:

- The distribution of office activity occurring outside of the city centre, and in particular the extent of office growth occurring within the Light Industry zone;
- The distribution of supermarket activity within higher order centres compares with other business zones;

A key limitation with the building consents database used for this indicator is that many commercial activities subject to building consents between 2016 – 2020 had obtained resource consent prior to the AUP being made operative in part in November 2016. As such, it is anticipated that further monitoring of the building consents database will return a greater share of activities that obtained resource consent during the lifetime of the AUP. Therefore, further monitoring in the future is likely to portray a more accurate picture of whether commercial activities are occurring within a hierarchy of centres.

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<sup>48</sup> Where the goods sold are manufactured on site and the retail gross floor area does not exceed 10 per cent of all buildings on the site (H17.4.1(A20))

<sup>49</sup> Located at Clendon Park, Hobsonville, Long Bay and Kaukapakapa

<sup>50</sup> 10 building consents across all AUP zones, when removing small-scale works (100m<sup>2</sup> or less)

## 4.3 Indicator 3: Retail activities are enabled on identified growth corridors subject to qualifying criteria

### 4.3.1 Importance of indicator and RPS Approach

#### RPS Objectives and Policies

Objective B2.5.1(2) *Commercial growth and activities are primarily focussed within a hierarchy of centres and identified growth corridors that supports a compact urban form.*

Policy B2.5.2(5)

The RPS approach to commercial growth is outlined in Section 1.3.1 of this report. A core component of the RPS is the enablement of retail activities on identified growth corridors, in addition to encouraging them in centres. This is primarily to accommodate large format retail activity, which requires larger landholdings that are not often readily available within centres. It also acknowledges that large format retail can displace opportunities for finer grain urban activities within centres, and can be of a scale and character incongruous with a fine grain urban form.

At the same time, the RPS seeks that retail activity on identified growth corridors has regard to a range of matters, including the role, function and amenity of higher order centres, achieving a compact urban form, efficient use and integration of land and infrastructure and effects on the safe and efficient operation of the transport network.

There are currently four corridors subject to the Identified Growth Corridor Overlay in the AUP Viewer:

- Lincoln Road, Henderson
- Wairau Road, Wairau Valley
- Ti Rakau Drive, East Tamaki
- New North Road, Eden Terrace

Within these areas, Identified Growth Corridor Overlay applies to primarily Light Industry but also Mixed Use zoned sites adjacent to (but not necessarily adjoining) the arterial road corridor.

### 4.3.2 Data sources and limitations

Gross floor area extracted from building consent data between 2016 to 2020 has been used to measure the distribution of retail activities occurring within the Identified Growth Corridor Overlay. The retail activity dataset comprises three building consent types, which have then been filtered by AUP zone and year:

- Other shops and retail buildings (building type code 2519)
- Restaurants, bars and cafes (building type code 2512)

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- Supermarkets (building type code 2511)

Building consent data has been chosen as it reflects planned development that has or is likely to be implemented. Gross floor area has been adopted as a metric for retail development and growth, as it is a commonly used system of measurement that accounts for cumulative total floor area across multiple floors.

Resource consents issued between 2016 and 2020 have been assessed to determine the number of consents approved and declined within the Identified Growth Corridor Overlay. This helps to determine the level of enablement of retail activity within IGC's. Individual resource consents for this period have also been assessed to determine whether decision making is having regard to the matters outlined in Policy B2.5.2(5).

The data is however limited for the reasons below:

- 1) Given that resource consent precedes building consent, the data captures development that obtained resource consent prior to the AUP becoming operative.
- 2) It is difficult to disentangle pre-2016 resource consented development due to the way that building consent data is presented. More complex projects are usually subject to multiple building consents and often over a number of years; however the gross floor area for each development is recorded only once.
- 3) Data on commercial gross floor area is highly influenced by large scale individual developments, given that commercial developments tend to be less common and larger in scale than residential counterparts.
- 4) Additional limitations to the building consent and resource consent data are identified in the overarching monitoring summary report.

### 4.3.3 Measures

The measures adopted are:

- Retail activities approved on identified growth corridors.
- Proportion of resource consents for retail activity within the Identified Growth Corridor Overlay approved and refused
- Resource consent decisions for retail activity within the Identified Growth Corridor Overlay having regard to the matters in Policy B2.5.2(5).

#### What can the indicator and measures tell us?

The extent of retail activities approved within the Identified Growth Corridor Overlay and proportion of such consents approved and refused tells us whether the AUP is enabling large format retailing on such corridors, as directed by RPS Policy B2.5.2(5).

The extent of resource consent decisions for retailing within the Identified Growth Corridor Overlay tells us whether decision-making is having regard to the range of matters outlined in RPS Policy B2.5.2(a) – (g), which qualify the enablement of retailing in these locations.

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## 4.3.4 Findings

### 4.3.4.1 What does the data say?

#### 4.3.4.1.1 Enablement on identified growth corridors

Building consent data indicates that there is a reasonable level of uptake of retail activity on identified growth corridors. As outlined in Figure 13 below, 7.5 per cent of all retail gross floor area subject to an approved building consent between 2016 and 2020 occurred within the Identified Growth Corridor Overlay. This in fact reflects four developments approved on identified growth corridors, the most significant of which being the Nido development<sup>51</sup> at 158-164 Central Park Road, Henderson<sup>52</sup> comprising 27,760m<sup>2</sup> in gross floor area.

In addition, all four of these developments obtained resource consent prior to the AUP becoming operative. This is a significant limitation of the data available, and therefore provides little if any reflection of how effective or efficient the AUP RPS objectives and policies are.

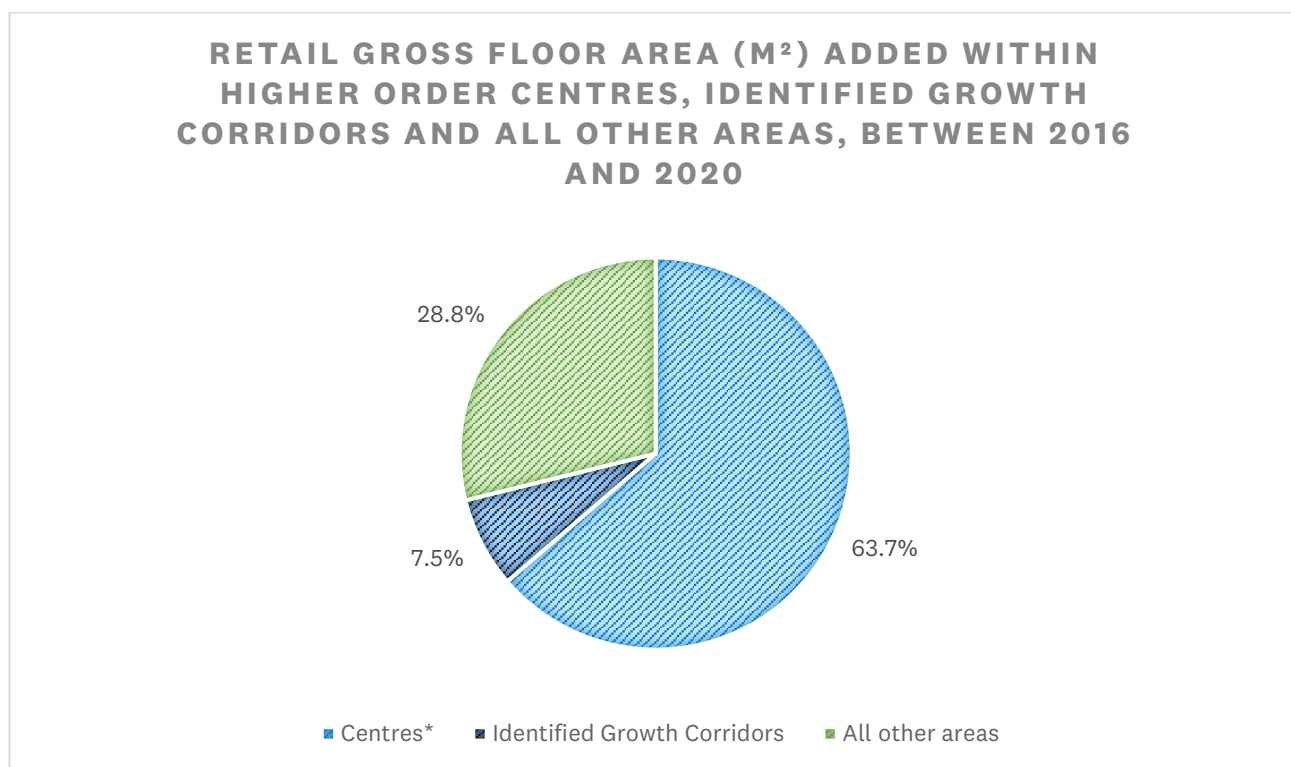


Figure 13 Retail gross floor area (m<sup>2</sup>) added within higher order centres, identified growth corridors and all other areas, between 2016 and 2020<sup>53</sup>

Between 2016 and 2020, nine resource consents were issued on land within the Identified Growth Corridor Overlay. However, only two resource consents were for retail activity within the overlay. Table 13 below shows the resource consents considered by the council between 2016 and 2020, where resource consent was required under the Chapter D22 – Identified Growth Corridor Overlay provisions.

<sup>51</sup> Large format furniture retailer

<sup>52</sup> Subject to the Lincoln Road Identified Growth Corridor Overlay

<sup>53</sup> Building consents database

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Table 15 Resource consents considered by the council within the AUP Identified Growth Corridor Overlay between 2016 - 2020<sup>54</sup>

IGC	Address	Activity	Outcome
East Tamaki	Ti Rakau Drive	Gym (Recreational activity)	Granted
East Tamaki	Ti Rakau Drive	Entertainment facility	Granted
Lincoln Road	Lincoln Road	Restaurant, replacing existing restaurant on site	Granted
Lincoln Road	Lincoln Road		Granted
Lincoln Road	Lincoln Road	Additional display area (585m <sup>2</sup> ) for a Hirepool vehicle and equipment hire centre.	Granted
Wairau Valley	Wairau Road		Granted
Wairau Valley	Wairau Road		Granted
Wairau Valley	Wairau Road		Granted
Wairau Valley	Wairau Road		Granted

#### 4.3.4.1.2 Relevant B2.5.2(5) matters having had regard to?

The data is limited as only two resource consents for retail activity within the Identified Growth Corridor Overlay were decided by the council between 2016 and 2020.

- One resource consent on Lincoln Road was a new restaurant replacing an existing restaurant activity.
- Another resource consent on Lincoln Road for a small scale expansion to a vehicle and equipment hire outdoor display area.

No assessment of the matters in B2.5.2(5) are referenced in the decisions. This is to be expected, given the nature of the activities, being the establishment of a restaurant in an existing restaurant tenancy, and a minor expansion of a motor vehicle hire facility.

#### 4.3.4.2 Effectiveness and efficiency of the plan

There is insufficient data to determine whether retail activities are being enabled on identified growth corridors, or whether decision making is having regard to the relevant matters in Policy B2.5.2(5).

Whilst a noticeable amount of retail floorspace was added within the IGC between 2016 and 2020, this is attributable to development subject to resource consents issued by the council prior to the AUP being made operative in part. In particular, the Nido development at 158 – 164 Central Park Drive, Henderson is a large-scale development captured in the building consent data, but granted resource consented prior to 16 November 2016.

Similarly, the sample size is not large enough to understand whether retail activities approved by resource consent on identified growth corridors are having regard to the matters in RPS Policy B2.5.2(5)(a) – (h). The

<sup>54</sup> Building consents database

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

small sample size of resource consents sought within the Identified Growth Corridor Overlay can be expected given the limited spatial extent of the overlay across Auckland. Further monitoring is required to understand whether decision-making is having regard to these matters.

## 4.3.4.3 Recommendations

### (1) Further monitoring

Further monitoring of building consents for retail activity within the Identified Growth Corridor Overlay is recommended to understand the extent to which retail activity is being enabled along these corridors.

Further monitoring of resource consents for retail activity within the Identified Growth Corridor Overlay is recommended to understand:

- Enablement of retail activities, in terms the proportion of resource consents approved and refused along these corridors;
- Whether decision-making is having regard to the matters in RPS Policy B2.5.2(5)(a) – (h).

## 4.4 Indicator 4: Commercial activities are enabled outside of centres subject to qualifying criteria

### 4.4.1 Importance of indicator and RPS Approach

#### **RPS Objectives and Policies**

Objective B2.5.1(2) *Commercial growth and activities are primarily focussed within a hierarchy of centres and identified growth corridors that supports a compact urban form.*

Policy B2.5.2(6)

The RPS approach seeks to enable commercial activities outside of centres and identified growth corridors, subject to a range of matters that must be had regard to. This approach, summarised in section 1.3.3 of this report, is outlined Policy B2.5.2(6) of the RPS.

### 4.4.2 Measures

The measures adopted are:

- Extent of commercial activity subject to building consents in locations other than centres and identified growth corridors approved between 2016 and 2020;
- Number and proportion of resource consents approved and refused outside of centres between 2016 and 2020;



# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

- Number and proportion of resource consents issued between 2016 and 2020 where the decision has regard to the matters in Policy B2.5.2(6).

## What can the indicator and measures tell us?

The term enable is to provide with the means or opportunity, or to make something possible, practical or easy<sup>55</sup>. The proportion of resource consents being approved or refused for commercial activities outside of higher order centres can help indicate whether such activities are being enabled.

The proportion of resource consents approved between 2016 and 2020 with a decision referencing the matters outlined in Policy B2.5.2(6)<sup>56</sup> directly captures the extent to which decision making ‘has regard to’ these matters and is therefore giving effect to Policy B2.5.2(6).

### 4.4.3 Data sources and limitations

The resource consent database from 2016 to 2020 has been used to assess this indicator. This dataset has been filtered by AUP zoning and overlays, reasons for consent, overall activity status and outcome (i.e. whether granted or refused).

The AUP zones assessed are those other than the City Centre, Metropolitan Centre and Town Centre zones, which are:

- Local Centre;
- Mixed Use;
- General Business;
- Business Park;
- Light Industry; and
- Heavy Industry.

The activities assessed comprise all office and retail activities that exceed the relevant zone thresholds. These may be a per tenancy or per site gross floor area threshold, a threshold relative to the total building gross floor area proposed (such as accessory retailing in the Light Industrial zone not being more than 30 per cent of the total gross floor area on the site), or simply a blanket resource consent requirement for a commercial activity of any scale (such as retail in the Heavy Industry zone not falling into any other category<sup>57</sup>).

The zones and activities assessed are summarised in **Table 16** below:

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<sup>55</sup> Common definition, Merriam-Webster

<sup>56</sup> Refer to Appendix A to this report

<sup>57</sup> Such as garden centres, motor vehicle sales, marine retail, and limited food and beverage which are provided for to some extent in the zone.

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Table 16 Zones and activities assessed to measure enablement in areas other than higher order centres and identified growth corridors

Zone	Activity / Reason for consent
Local Centre	<ul style="list-style-type: none"> <li>H11.4.1(A19): Offices greater than 500m<sup>2</sup> gross floor area per site</li> <li>H11.4.1(A21): Retail greater than 450m<sup>2</sup> gross floor area per tenancy</li> <li>H11.4.1(A24): Supermarkets greater than 2000m<sup>2</sup> gross floor area per tenancy</li> <li>H11.4.1(A11): Entertainment facilities</li> </ul>
Mixed Use	<ul style="list-style-type: none"> <li>Offices greater than 500m<sup>2</sup> gross floor area per site (H13.4.1(A19))</li> <li>Retail greater than 200m<sup>2</sup> gross floor area per tenancy (H13.4.1(A21))</li> <li>Supermarkets exceeding 450m<sup>2</sup> and up to 2000m<sup>2</sup> gross floor area per tenancy (H13.4.1(A24))</li> <li>Supermarkets greater than 2000m<sup>2</sup> gross floor area per tenancy (H13.4.1(A25))</li> </ul>
General Business	<ul style="list-style-type: none"> <li>Offices greater than 500m<sup>2</sup> gross floor area per site (H14.4.1(A21))</li> <li>Retail up to 200m<sup>2</sup> gross floor area per tenancy (H14.4.1(A22))</li> <li>Retail exceeding 200m<sup>2</sup> per tenancy and up to 450m<sup>2</sup> gross floor area per tenancy (H14.4.1(A23))</li> <li>Supermarkets up to 450m<sup>2</sup> gross floor area per tenancy (H14.4.1(A26))</li> <li>Supermarkets greater than 450m<sup>2</sup> gross floor area per tenancy (H14.4.1(A27))</li> </ul>
Business Park	<ul style="list-style-type: none"> <li>Offices that exceed the maximum gross floor area shown for the area on the Business Park Zone Office Control as shown on the planning maps (H15.4.1(A17))</li> <li>Retail (H15.4.1(A18))</li> <li>Supermarkets greater than 450m<sup>2</sup> gross floor area per tenancy (H15.4.1(A20))</li> </ul>
Light Industry	<ul style="list-style-type: none"> <li>Retail not otherwise provided for (H17.4.1(A21))</li> <li>Offices that are accessory to the primary activity on the site and the office gross floor area exceeds 30 per cent of all buildings on the site (A18)</li> <li>Offices not otherwise provided for (A19)</li> </ul>
Heavy Industry	<ul style="list-style-type: none"> <li>Offices that are accessory to the primary activity on the site and the office gross floor area exceeds 30 per cent of all buildings on the site (A14)</li> <li>Offices not otherwise provided for (A15)</li> <li>Retail, up to 450m<sup>2</sup> per site, not otherwise provided for (A17)</li> </ul> <p><i>Note: Retail greater than 450m<sup>2</sup> per site is a prohibited activity</i></p>

Resource consents applications where consent is required for an activity listed above have then been filtered to focus on 'more significant consents', where the resource consent seeks to exceed the relevant gross floor area threshold by 100m<sup>2</sup> or more. This seeks to capture activities that sought to:

- Exceed the retail gross floor area thresholds by 100m<sup>2</sup> in the Local Centre, Mixed Use, Business Park and General Business zones
- Exceed the relative gross floor area thresholds in the Light Industry and Heavy Industry zones by 100m<sup>2</sup> or more

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- Establish retail activities of 100m<sup>2</sup> or more in the Heavy Industry zone

This approach seeks to eliminate small-scale infringements that are technical in nature rather than substantive.

The resource consent decisions for more significant resource consents then assessed against the B2.5.2(6) matters, outlined in Appendix 1 to this report. This assessment considers a matter to have had regard to if the particular matter/topic is referenced:

- anywhere in the reasons for the decision for resource consents decided under council delegation, or by a duty commissioner
- anywhere in the decision document for resource consents decided by independent hearing commissioners.

The primary limitation of the data is that the resource consent database does not capture circumstances where activities did not proceed to a resource consent decision. There may be circumstances where a pre-application meeting was held between an applicant and the council, but the resource consent application was not lodged. Similarly, a resource consent application may have been lodged but later withdrawn.

Further limitations to the resource consent database are identified in the overarching monitoring summary report.

## 4.4.4 Findings

### 4.4.4.1 What does the data say?

#### 4.4.4.1.1 Enablement in out-of-centre zones

##### Enablement of commercial activity as recorded by building consents

The extent of commercial activity occurring in locations other than centres and identified growth corridors is addressed in Section 4.2.4 of this report in relation to Indicator 2. This indicator finds that significant extents of commercial floor area have been approved under building consent between 2016 and 2020 in the Mixed Use and Light Industry zones (refer to **Figure 5**).

##### Enablement of commercial activity through resource consents

Between 2016 and 2020, 85 resource consents were processed by the council for out-of-centre commercial activities outlined in **Table 16** above. **Table 17** below shows the proportion of resource consents granted and refused for out-of-centre commercial between 2016 and 2020, baselined against all resource consents during this period.

*Table 17 Number and proportion of out-of-centre resource consents approved and refused between 2016 and 2020<sup>58</sup>*

Activity	Resource consents granted	Resource consents refused	Outcome not recorded
Out of centre commercial (refer Table 16)	83 (98%)	2 (2%)	0 (0%)
All resource consents	12,711 (99%)	15 (0.1%)	34 (0.3%)

<sup>58</sup> Resource consents database for consents processed by Auckland Council between 2016 – 2020, Auckland Council ('resource consents database' herein)

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The data shows that a significant proportion of resource consents for out of centre commercial activity are being granted. The proportion of resource consents granted between 2016 and 2020 (98 per cent) is similar to all consents recorded during this period (99 per cent).

A slightly higher rate of refusal could be expected for out-of-centre commercial activity, as this dataset contains a higher proportion of non-complying activities that are not anticipated within the zones. For example, offices and retail not otherwise provided for in the Light Industry and Heavy Industry zones. However, the rate of resource consents granted/refused for out-of-centre commercial activity is only slightly lower than that for all resource consents.

An assessment of the distribution of resource consents for out-of-centre zones is provided in **Table 18** below.

*Table 18 Distribution and outcome of resource consents for out-of-centre commercial activities, by zone, 2016-2020<sup>59</sup>*

<b>Zone</b>	<b>Resource consents approved</b>	<b>Resource consents refused</b>	<b>Resource consents refused description</b>
Local Centre	2	1	Mixed use development at 443-445 Mount Eden Road (Mount Eden Village) including 856m <sup>2</sup> of office space refused because of effects on volcanic viewshafts and special character
Mixed Use	12	0	-
General Business	10	0	-
Business Park	2	0	-
Light Industry (excluding IGC)	48	1	Use of the second floor of a building at 57 Walls Road, Penrose as non-accessory office space, comprising 572m <sup>2</sup> . Refused as contrary to LIZ objectives and policies regarding activities supporting the primary purpose of the zone.
Heavy Industry	9	0	-
<b>Total</b>	<b>83</b>	<b>2</b>	

### 4.4.4.1.2 Relevant B2.5.2(6) criteria having had regard to

Of the 85 resource consents assessed for out-of-centre commercial activities, 58 were for 'more significant' activities seeking to exceed the relevant permitted standard by 100m<sup>2</sup> or more.

<sup>59</sup> Resource consents database

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Figure 14 below shows the number and proportion of more significant resource consent decisions referencing the matters in Policy B2.5.2(6).

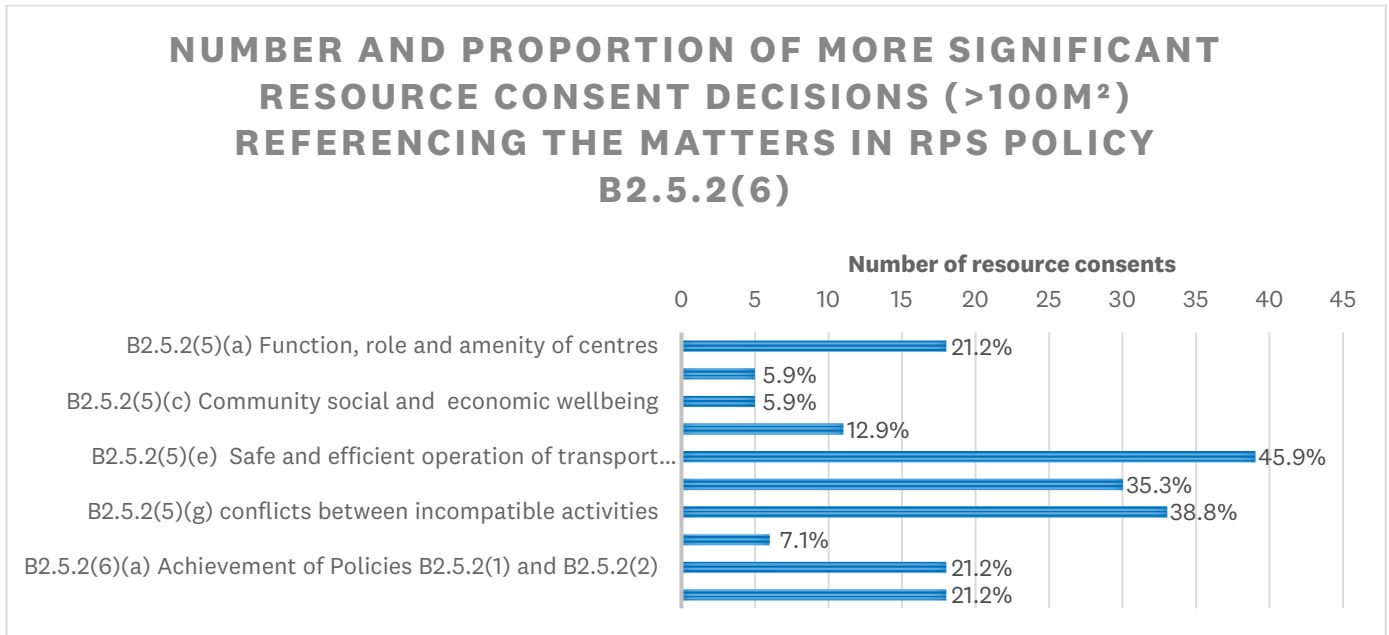


Figure 14 Number and proportion of more significant resource consent decisions (>100m<sup>2</sup>) referencing the matters in RPS Policy B2.5.2(6)<sup>60</sup>

The data shows that overall, the matters within B2.5.2(6) are not being had regard to consistently in decision-making on resource consents. The most commonly referenced matters in decision making were safe and efficient operation of the transport network (45.9 per cent), effects on the efficient use of industrial land (33.3 per cent) and conflicts between incompatible activities (38.8 per cent). The least commonly referenced matters were a compact urban form (5.9 per cent), effects on community social and economic wellbeing and accessibility (5.9 per cent) and effects on residential activity (7.1 per cent).

### Decision-making by zone type

However, these matters do not apply equally to each type of zone. For example, the efficient use of land for industrial activities (B2.5.2(5)(f)) is not a relevant consideration in the commercial zones. Similarly, effects on residential activity (B2.5.2(5)(h)) is more relevant in the Mixed Use and Local Centre zones, where residential activity is provided for, compared with the industrial zones which do not anticipate such activity.

When applying a more focussed lens on particular zones or zone types, the data shows that:

- A moderate to high proportion of resource consent decisions in the industrial zones<sup>61</sup> have referenced matters (e), (f) and (g):
  - 64.1 per cent of decisions in these zones reference the safe and efficient operation of the transport network;
  - 79.5 per cent of decisions in these zones reference the efficient use of land for industrial activities;

<sup>60</sup> Assessment of resource consent decisions recorded in the resource consents database

<sup>61</sup> Light Industry and Heavy Industry

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- 61.5 per cent of decisions in these zones reference avoiding conflicts between incompatible activities.
- A more significant proportion of decision-making for consents in the commercial zones<sup>62</sup> referenced B2.5.2(5)(a) function role and amenity of centres (11 of the 19 consents or 57.9 per cent), and by extension also had regard to the hierarchy of centres (B2.5.2(6)(c)).

## Decision-making for unrestricted resource consents

In addition, the matters considered in decision-making on resource consents can be restricted or unfettered depending on overall the activity status of the consent. Nine of the 58 resource consents assessed were for restricted discretionary activities, with the council’s discretion restricted to matters such as

- For accessory offices in the Light Industry zone, the location, design and operational characteristics which could give rise to potential reverse sensitivity effects on industrial activity, and whether offices might reduce available opportunities for light industry to operate within the zone<sup>63</sup>
- For retail, offices, supermarkets and department stores exceeding the relevant thresholds in the Local Centre zone, the compatibility of the activity with the existing and expected future amenity values, the design and location of parking areas and access, and the effects of the size, composition and characteristics of retail activities on the role, function and amenity of other centre zones<sup>64</sup>.

Figure 15 below outlines the reference to B2.5.2(6) matters for decision-making on resource consents where the council’s discretion to assess all relevant resource management matters was unrestricted. This comprises all resource consents where the overall activity status was either discretionary or non-complying.

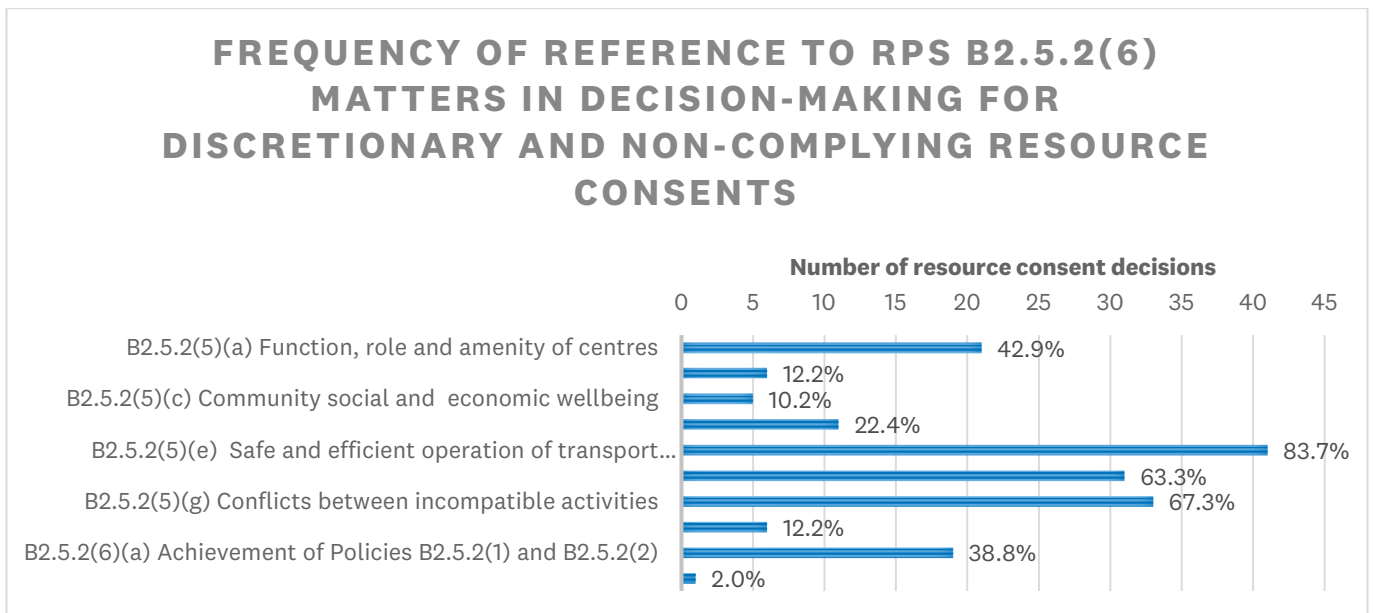


Figure 15 Frequency of reference to RPS B2.5.2(6) matters in decision-making for discretionary and non-complying resource consents<sup>65</sup>

<sup>62</sup> Local Centre, Mixed Use, General Business and Business Park

<sup>63</sup> H17.8.1(2)

<sup>64</sup> H11.8.1(2)

<sup>65</sup> Assessment of resource consent decisions recorded in the resource consents database

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An assessment of resource consent decisions where the council's discretion to consider any resource management effects was unfettered finds that the matters in B2.5.2(6) were had regard to at a higher rate than out-of-centre resource consents more generally. Across all of the B2.5.2(6) matters, such resource consent decisions referenced the matters 35.5 per cent of the time on average, compared with 21.6 per cent for all out-of-centre resource consents. In particular, matters (e), (f) and (g) were commonly referenced in resource consent decisions.

However, the assessment shows that two fundamental matters, being: B2.5.2(5)(a) function, role and amenity of higher order centres (42.9 per cent) and B2.5.2(5)(b) compact urban form (12.2 per cent) are not being referenced in the majority of planning decisions. This is most acute in the Light Industry zone, in which resource consent decisions had regard to the function, role and amenity of higher order centres in only 7 of the 27 resource consents assessed (25.9 per cent).

## Large-scale activities

Decisions on resource consents for out-of-centre commercial activities of 1,000m<sup>2</sup> gross floor area or more had regard to the B2.5.2(6) matters at a higher rate than out-of-centre consent decisions more generally. For these applications for large-scale activities, the B2.5.2(6) matters were referenced 39.6 per cent of the time, compared with 21.6 per cent for decision-making on out-of-centre resource consents more generally.

### **4.4.4.2 Effectiveness and efficiency of the plan**

Commercial activities are being enabled in business zones in the AUP other than the Metropolitan Centre, Town Centre and City Centre zones. Of the 85 resource consents lodged for out-of-centre office or retail activity, 83 consents were granted, a rate of approval (98 per cent) similar to that observed for all resource consents in Auckland between 2016 and 2020.

However, decision-making for out-of-centre commercial activity resource consents is not consistently having regard to the range of matters in B2.5.2(6).

The most acute examples are commercial activity resource consents in the Light Industry zone, which comprises over half (49 out of 85) of resource consent applications for out-of-centre commercial activity. Within this zone, decision-making is consistently having regard to matter B2.5.2(5)(f) efficient use of land for industrial activities, B2.5.2(5)(e) safe and efficient operation of transport network and B2.5.2(5)(g) avoid conflicts between incompatible activities. However, decision-making is very rarely having regard to the function, role and amenity of centres, compact urban form, community and social wellbeing, accessibility, and the efficient use and integration of land and infrastructure.

When refined to only include resource consent decisions on out-of-centre commercial activities of 1,000m<sup>2</sup> gross floor area or more, the qualifying matters in B2.5.2(5) are being considered more frequently. However, the overall proportion of RPS B2.5.2(5) matters being referenced for such larger scale commercial activities (39.6%) is still low, particular as this subset includes commercial activities that could have measurable distributional effects on centres and reverse sensitivity effects on existing industrial activities.

This is understandable when considering the scope of the LIZ objectives and policies. Policies H17.3(1) – (3) have a clear focus to enable light industrial activities to locate in the zone, avoid reverse sensitivity effects that may constrain light industrial activities, and to avoid activities that do not support the primary function of the zone. Collectively, these policies emphasise the importance of the industrial land resource for its intended function.

However, the Light Industry zone does not contain broader policies emphasising the imperative to concentrate commercial activities primarily within centres and along identified growth corridors. In



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contrast, the objectives and policies for the commercial zones<sup>66</sup> contain general policies applicable to all centre and other ‘commercial’ business zones relating to the role, function and amenity of higher order centres.<sup>67</sup>

Resource consent decisions assessed typically do not draw from the higher order RPS objectives and policies, instead preferring to refer to the RPS collectively. This is expected for resource consent applications where the overall activity status is restricted discretionary, and therefore the council’s decision-making is restricted to certain matters.

However, whilst decision-making on discretionary and non-complying consent applications more frequently references the B2.5.2(6) matters, the majority of these decisions for these types of consents does not reference the B2.5.2(6) matters. For example, decision making for discretionary and non-complying consent applications for offices in the Light Industry zones reference the effects on the hierarchy and network of centres just 42.9 per cent of the time.

As such, there appears to be a disjunct between the objectives and policies for commercial activities in the industrial zones, and the broader RPS strategic approach to enable commercial growth outside of centres and identified corridors subject to a consideration of distributional effects on the centre hierarchy, investment within centres, and integration between land use and infrastructure.

## 4.4.4.3 Recommendations

### (1) Further monitoring

Further monitoring is undertaken to determine whether amendments to the AUP objectives and policies is required to ensure that decision making on out-of-centre development has sufficient regard to the RPS Policy B2.5.2(6) matters. As of now, the sample size for larger scale out-of-centre commercial activities is low. A larger sample size would inform a more robust evidence-base for amendments to the AUP.

This assessment has been limited to the primary commercial activity subsets, being office and retail not otherwise specified in the zone activity tables. Further monitoring could assess a wider range of commercial activities, such as entertainment facilities in all out-of-centre business zones, and garden centres, motor vehicles sales and marine retail in the industrial zones.

### (2) Amendments to AUP industrial zone provisions

Amendments to the suite of objectives and policies within Chapter H17 Business – Light Industry Zone in particular, but also Chapter H16 Business – Heavy Industry Zone, should be considered in order to create stronger linkages to the RPS Policy B2.5.2(6) matters. In particular, the following RPS B2.5.2(6) matters should be referenced more explicitly:

- B2.5.2(5)(a) adverse effects on the function, role and amenity of the city centre, metropolitan and town centres, beyond those effects ordinarily associated with trade effects on trade competitors;
- B2.5.2(5)(b) adverse effects on the quality compact urban form including the existing and planned location of activities, facilities, infrastructure and public investment;

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<sup>66</sup> H8 Business - City Centre Zone, H9 Business - Metropolitan Centre Zone, H10 Business - Town Centre Zone, H11 Business - Local Centre Zone, H12 Business - Neighbourhood Centre Zone, H13 Business - Mixed Use Zone, H14 Business - General Business Zone

<sup>67</sup> For example Local Centre Zone Objectives H11.2(1), (2), (4) and (5), and Policies

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- B2.5.2(6)(c) the extent to which activities would compromise the hierarchy of locations identified in policies B2.5.2(1) to B.2.5.2(5).

A more robust policy framework in the Light Industry and Heavy Industry zone chapters is expected to provide stronger decision-making on these matters for activities subject to a discretionary or non-complying resource consent. This will primarily capture the following commercial activities within the zones:

- Offices not otherwise provided for in the Light Industry zone and Heavy Industry zone
- Retail not otherwise provided for in the Light Industry zone and Heavy Industry zone<sup>68</sup>
- Entertainment facilities in the Light Industry zone and Heavy Industry zone
- Motor vehicle sales, garden centres, marine retail, commercial services and drive-through restaurants in the Heavy Industry zone.

## 4.5 Indicator 5: A diverse range of activities occurs in centres, with the greatest mix and concentration of activities in the city centre

### 4.5.1 Importance of indicator and RPS Approach

#### **RPS Objectives and Policies**

Objective B2.5.1(2) *Commercial growth and activities are primarily focussed within a hierarchy of centres and identified growth corridors that supports a compact urban form.*

Policy B2.5.2(2)(b) seeks that development that locates in centres contributes to “*a diverse range of activities, with the greatest mix and concentration of activities in the city centre*”

Objective H8.2(7) The city centre is an attractive place to live, learn, work and visit with 24-hour vibrant and vital business, education, entertainment and retail areas.

Policies H8.3(15)-(18)

RPS Policy B2.5.2(b) seeks that development that locates within centres contributes to “*a diverse range of activities, with the greatest mix and concentration of activities in the city centre*”.

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<sup>68</sup> Up to 450m<sup>2</sup>, beyond which is considered a prohibited activity

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The diversity of activities within centres contributes to the functional amenity of centres, in a number of ways:

- a range of commercial retail and service offerings provide for the convenience needs of local communities
- residential and office activities support the viability and commercial success of retail activities by locating residents and employees proximate to convenience and comparison retail
- centres, and particularly the city centre, provide people with an opportunity to live and work within the same centre, thereby achieving efficiencies in the transport network and providing for a higher level of amenity for residents.

## 4.5.1.1 Auckland's City Centre

The AUP's policy direction for Auckland's City Centre is to provide for an internationally significant centre for business and an attractive place for urban living, learning, innovation, entertainment, and culture. This is expressed in the RPS policies and more specifically in Chapter H8 Business – City Centre Zone.

This approach to the City Centre has not fundamentally changed from the prior district plans through the preparation of the AUP, nor has the structure in which this approach has been applied spatially. The former Auckland Council District Plan – Central Area Section implemented a suite of objectives and policies focused on achieving a quality environment, accessibility throughout the city centre, an exciting, appealing and distinctive centre, and a place for opportunities in business, culture, arts, accommodation, education and learning. As such, for the City Centre the AUP represents an evolution of existing approaches rather than a divergent policy direction.

A wide range of activities are permitted within the City Centre zone. The application of sub-precincts and site intensity controls seeks to concentrate the greatest level of intensification towards the core of the city centre which has the greatest access to infrastructure, including transport infrastructure, while enabling growth in all areas of the City Centre zone<sup>69</sup>.

## 4.5.1.2 Employment growth and diversity of activities

RPS B2.5 seeks to focus commercial growth within a hierarchy of centres, including Auckland's city centre. Chapter H8 Business – City Centre Zone provides specific direction for growth and development within the city centre, and seeks that the city centre is an attractive place to live, learn, work and visit with 24-hour vibrant and vital business, education, entertainment and retail areas (Objective H8.2(6)). Policy H8.3(15) seeks that the city centre provides for a wide and diverse mix of activities that enhance the vitality, vibrancy and amenity of the city centre.

## 4.5.2 Measures

- Diversity of growth in centres
- Diversity of jobs or employment in the city centre.
- Increase of residents and students in the city centre

## 4.5.3 Data sources and limitations

The data sources used are:

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<sup>69</sup> Para 1.3, Primary evidence of Nic Roberts to Topic 050 City Centre, Auckland Unitary Plan Independent Hearings Panel

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

- Building consents extracted from the building consent database to determine the distribution of building consents issued in centre zones between 2016 and 2020. This has then been categorised by building/activity type and centre zone to determine the extent and balance of activities in each zone.
- Census of Businesses in Auckland’s City Centre: January 2020 and Changes Since 2017, prepared by Ting Huang, Research and Evaluation Unit, Auckland Council (2020).
- Employment data retrieved from Infometrics<sup>70</sup> for the City Centre, which provides an overview of the employment structure through broad industry categorisation, determined by ANZIC 1-digit industries.

The primary limitations on this data are:

- Other than for the city centre, there is currently no data on the existing profile of activities in centres in Auckland. Therefore, whilst the diversity of new activities subjected to building consents after 2016 can be measured, the effect of such growth on the existing diversity of activities within centres cannot be determined.
- whilst the Infometrics catchment for the ‘Auckland CBD’ broadly aligns with the AUP City Centre zone extent, there are some discrepancies between the two extents<sup>71</sup>. This is shown in Figure 16 below. However, these are minor in spatial extent and do not fundamentally compromise the validity of the findings.

Additional limitations are identified in the overarching monitoring summary report.

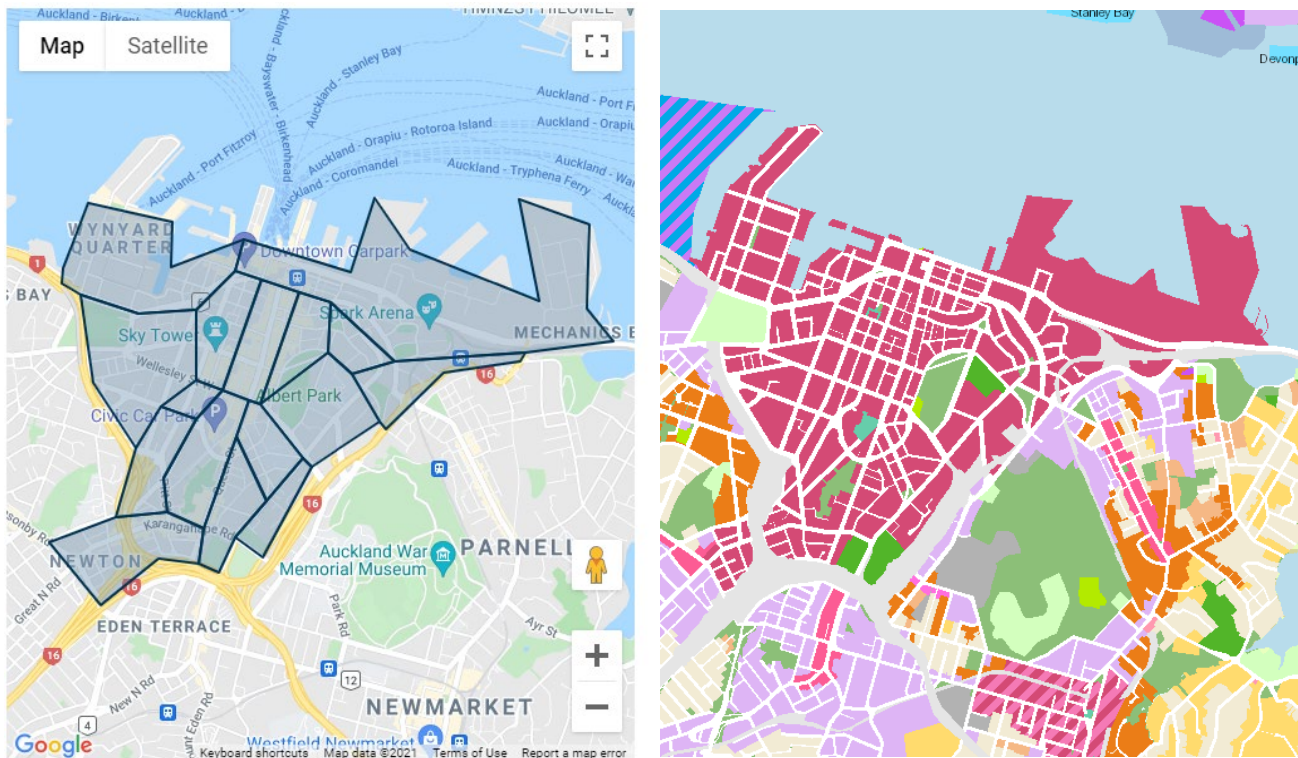


Figure 16 Infometrics ‘Auckland CBD’ catchment compared with the AUP Business – City Centre Zones<sup>72</sup>

<sup>70</sup> Infometrics (2020) [https://ecoprofile.infometrics.co.nz/Auckland\\_per\\_cent20CBD](https://ecoprofile.infometrics.co.nz/Auckland_per_cent20CBD)

<sup>71</sup> Such as the Infometrics catchment not covering the wharves, and extending beyond the AUP City Centre zoning near the intersection of Karangahape and Ponsonby Roads

<sup>72</sup> Infometrics (2020) [https://ecoprofile.infometrics.co.nz/Auckland\\_per\\_cent20CBD](https://ecoprofile.infometrics.co.nz/Auckland_per_cent20CBD)

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

## 4.5.4 Findings

### 4.5.4.1 What does the data say?

#### 4.5.4.1.1 Diversity of growth by floor area added, 2016-2020

Figure 17 below provides a comparison of total gross floor area within centres between 2016 and 2020, categorised by broad building consent activity type. Figure 18 provides further insight into the balance of activities within each centre.

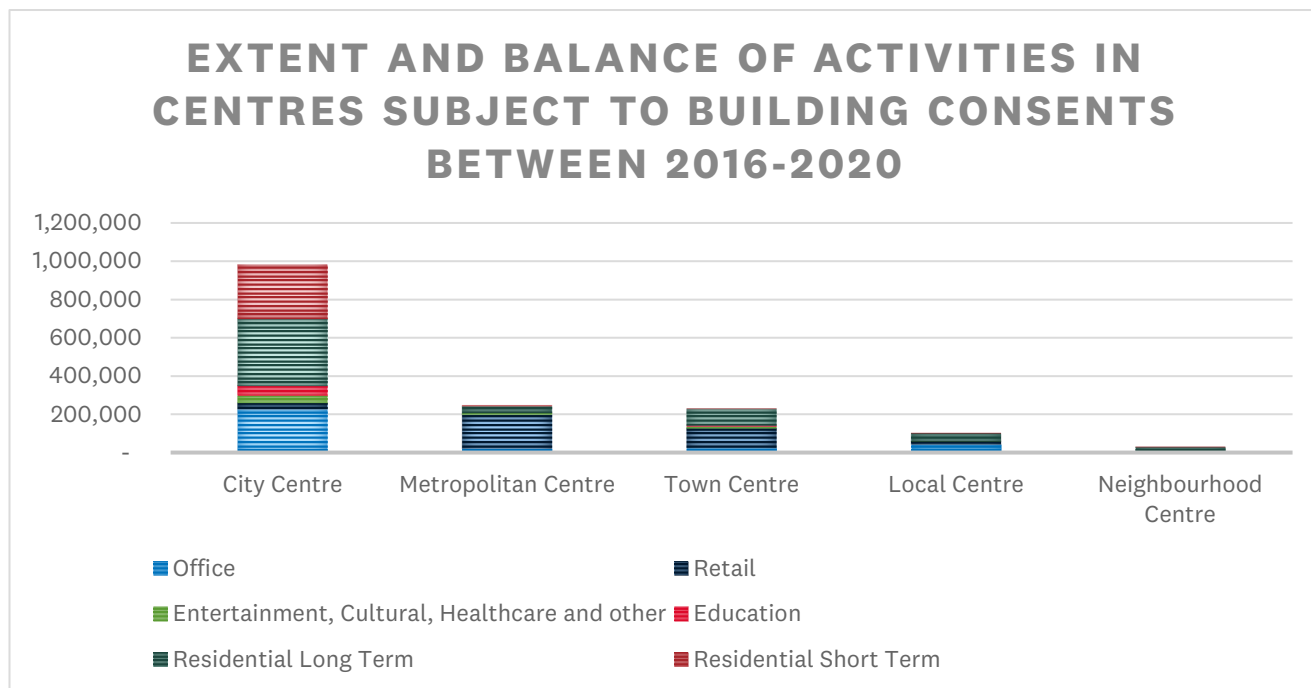


Figure 17 Extent and balance of activities in centres subject to building consents between 2016-2020<sup>73</sup>

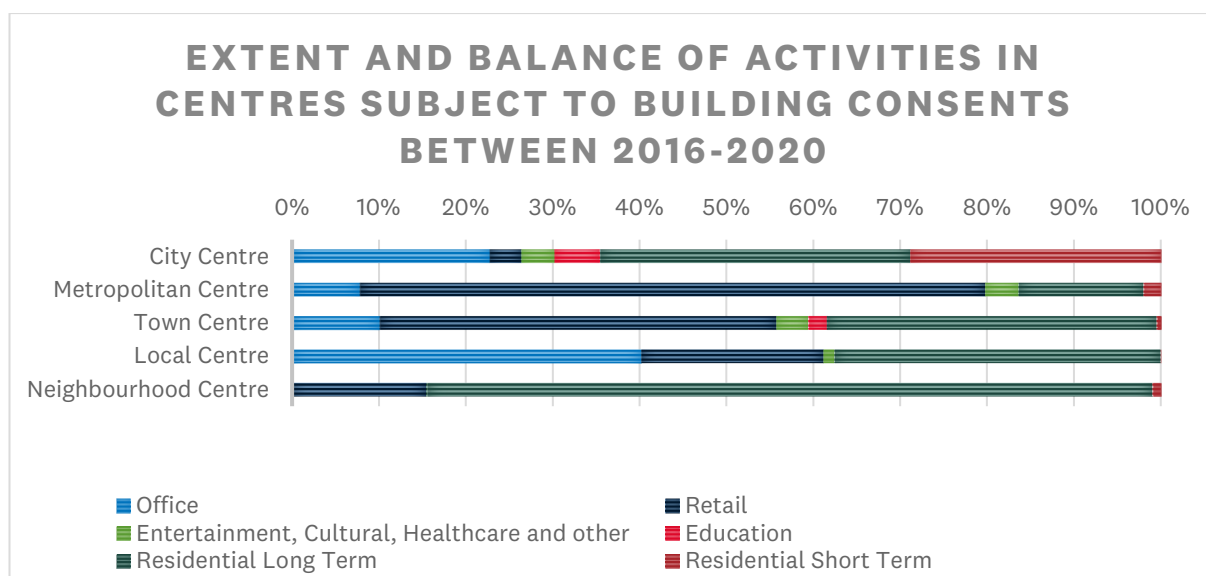


Figure 18 Extent and balance of activities in centres subject to building consents between 2016-2020<sup>74</sup>

<sup>73</sup> Building consents database

<sup>74</sup> Building consents database

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

## City Centre

The data shows that the City Centre has the most diverse growth of activities by broad sector, with the exception of retail activity which is not prevalent. Between 2016 and 2020, 23 per cent of gross floor area consented in the City Centre was office, 36 per cent long stay residential, and 29 per cent short stay residential.

Other sectors such as education (5 per cent) and other entertainment, cultural, healthcare and other activities (4 per cent) are represented in the City Centre growth at perceptible levels. The proliferation of education activity growth includes schools and ‘tertiary and other education buildings’, which is expected given the function of the city centre for tertiary education activities. No other centre zones except for the Town Centre zone (4,954m<sup>2</sup>) have seen growth in education activities between 2016 and 2020.

Similarly, other entertainment, cultural, healthcare and other activities are occurring in the Metropolitan Centre (9,486m<sup>2</sup>) and Town Centre (8,530m<sup>2</sup>) zones but only at smaller scales.

## Metropolitan Centres

Growth in the Metropolitan Centre zone from 2016 to 2020 has been highly dominated by retail activity, which represents 72 per cent of new gross floor area added during this period. However, as discussed in Section 4.2.4.4 of this report, a high proportion of this growth (64 per cent) is attributable to one development.

Figure 19 below shows the diversity of growth in specific metropolitan centres across Auckland from 2016 to 2020.

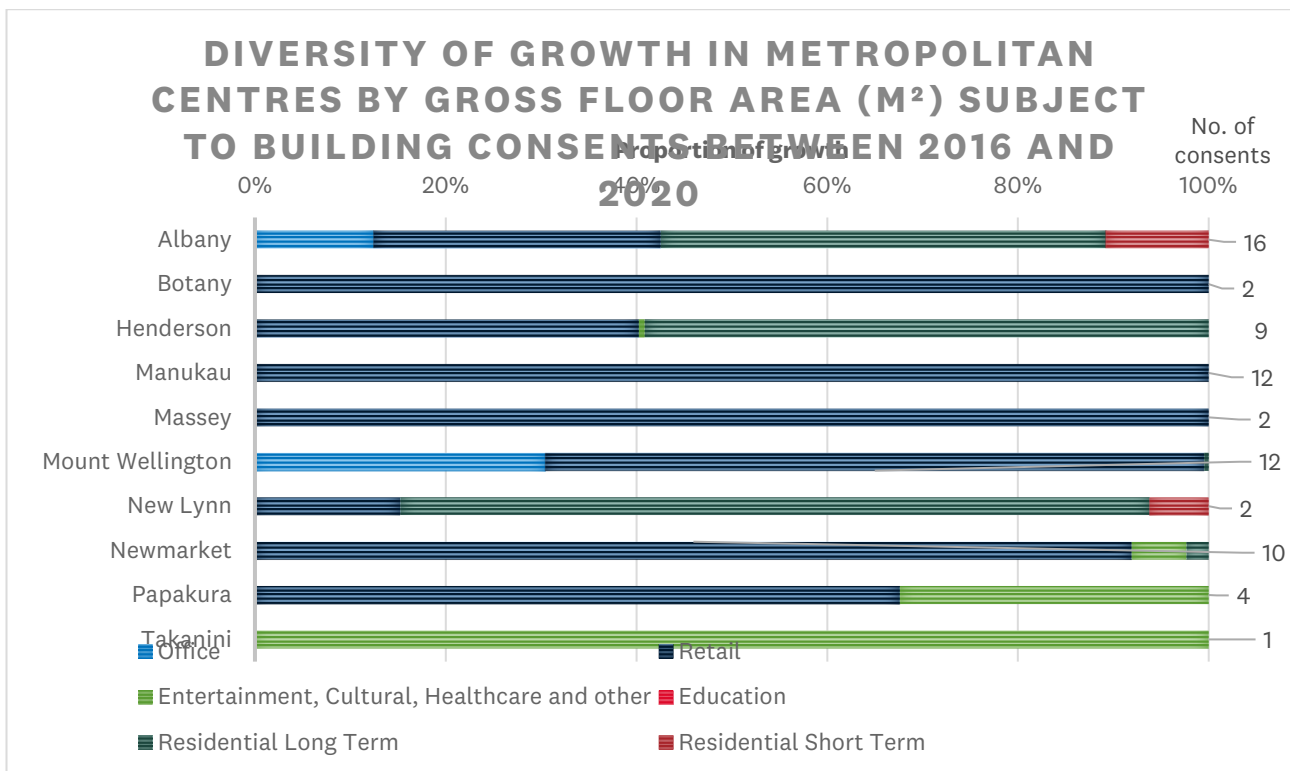


Figure 19 Diversity of growth in metropolitan centres by gross floor area (m<sup>2</sup>) subject to building consents between 2016 and 2020<sup>75</sup>

<sup>75</sup> Building consent database



# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

The data shows that most growth in metropolitan centres has been retail activity. The Albany, Henderson and New Lynn metropolitan centres are supporting greater extents of residential activity. However, the number of building consents issued in the Metropolitan Centre zone is low<sup>76</sup> and therefore the data for particular metropolitan centres provides only limited insight into the diversity of growth occurring in these centres.

## Town Centres

Growth in the Town Centre zone from 2016 to 2020 has been evenly split between commercial and residential activity. This growth is predominately composed of retail (46 per cent) and long term residential (38 per cent) activity. The total amount of floorspace approved within the zone (230,327m<sup>2</sup>) is similar to that approved in the Metropolitan Centre zone.

## Local Centres

The Local Centre zone has seen a lower level of growth from 2016 to 2020 compared with the higher order zones. However, a relatively significant level of growth has occurred in the office sector (40,572m<sup>2</sup> or 40 per cent of all growth in the Local Centre zone). This is balanced by long term residential (37,864m<sup>2</sup> or 37.5 per cent) and retail (21,157m<sup>2</sup> or 21 per cent) activity.

## Neighbourhood Centre

The Neighbourhood Centre has seen the lowest level of growth in floor area from 2016 to 2020 out of the centre zones. The overwhelming majority of growth in floorspace in the zone has been residential activity, comprising 25,046m<sup>2</sup> or 83 per cent of growth in the zone.

### 4.5.4.1.2 Diversity of employment in the city centre

Figure 20 below depicts the diversity of employment in the city centre compared with Auckland as a whole in 2020. This focusses on the most prevalent industries in the city centre, using the Australian and New Zealand Standard Industrial Classification ('ANZSIC') broad industry categorisations.

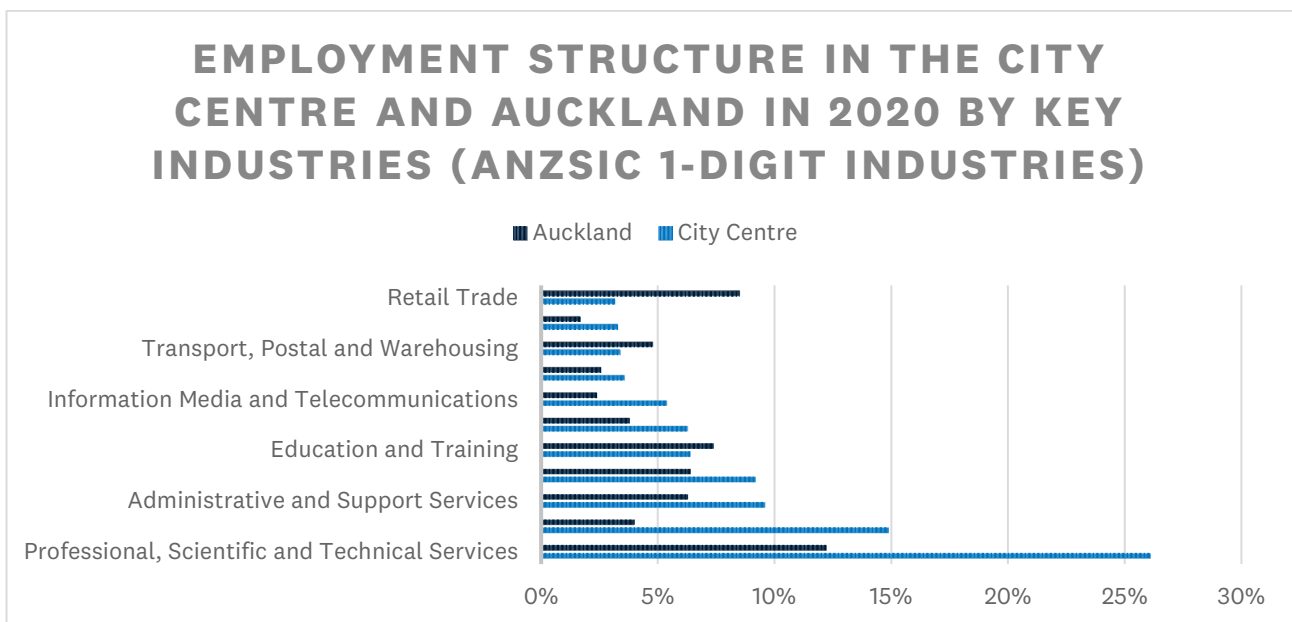


Figure 20: Employment structure in the city centre and Auckland in 2020 by key industries (ANZSIC 1-digit industries)

<sup>76</sup> 70 building consents issued between 2016 - 2020



# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

The data shows that the vast majority of employment in the City Centre is in service industries. The four most prevalent industries are all service-based, and cumulatively represent 59.8 per cent of all employment in the City Centre. In comparison, these four industries represent 29.8 per cent of employment across Auckland as a whole. Other sectors reasonably well-represented in the City Centre include education and learning (6.4 per cent), public administration and safety (6.3 per cent) and arts and recreational services (3.3 per cent).

In relation to educational activities, the proportion of employment in the City Centre given over to education (6.4 per cent) is lower than the proportion for Auckland as a whole (7.4 per cent). This may represent the low amount of primary and secondary schools located within the City Centre. It also reflects the presence of large-scale campuses outside of the City Centre, such as Unitec Institute of Technology (Mount Albert), Massey University (Albany), and the University of Auckland’s Grafton and Epsom campuses.

In relation to arts and cultural activities, makeup of employment in the City Centre (3.3 per cent) is comfortably more than Auckland as a whole. Of the total amount of employees within this sector in Auckland as a whole (15,888), 4,757 employees or 29.9 per cent of the total are located in the City Centre.

## 4.5.4.1.3 Change in employment diversity, 2016-2020

Table 19 and Figure 21 depict how sectors within the City Centre have grown or reduced between 2016 and 2020. The largest growth in employment can be observed in the four most prevalent sectors<sup>77</sup>, whilst small decreases can be observed in the Information Media and Telecommunications and Health Care and Social Assistance sectors.

Table 19 Employment Structure in the City Centre 2016 vs 2020 by ANZSIC 1-digit industries<sup>78</sup>

Industry	2016		2020	
	Level	Share of total	Level	Share of total*
Professional, Scientific and Technical Services	32,450	25.50%	37,557	26.10%
Financial and Insurance Services	18,619	14.60%	21,422	14.90%
Administrative and Support Services	11,187	8.80%	13,771	9.60%
Accommodation and Food Services	11,014	8.70%	13,181	9.20%
Education and Training	8,390	6.60%	9,154	6.40%
Public Administration and Safety	8,202	6.40%	9,082	6.30%
Information Media and Telecommunications	8,146	6.40%	7,748	5.40%
Rental, Hiring and Real Estate Services	4,573	3.60%	5,225	3.60%
Transport, Postal and Warehousing	4,566	3.60%	4,890	3.40%
Arts and Recreation Services	4,533	3.60%	4,757	3.30%
Retail Trade	3,945	3.10%	4,601	3.20%
Health Care and Social Assistance	3,492	2.70%	3,112	2.20%
Other Services	2,958	2.30%	2,723	1.90%
Wholesale Trade	2,226	1.70%	2,694	1.90%

<sup>77</sup> Professional, Scientific and Technical Services, Financial and Insurance Services, Administrative and Support Services, Accommodation and Food Services

<sup>78</sup> Infometrics (2020) [https://ecoprofile.infometrics.co.nz/Auckland\\_per\\_cent20CBD](https://ecoprofile.infometrics.co.nz/Auckland_per_cent20CBD)

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

Construction	1,666	1.30%	2,650	1.80%
Manufacturing	1,136	0.90%	999	0.70%

\*Green cells represent an increase in sector share between 2016 and 2020, red cells represent a decrease in sector share between 2016 and 2020

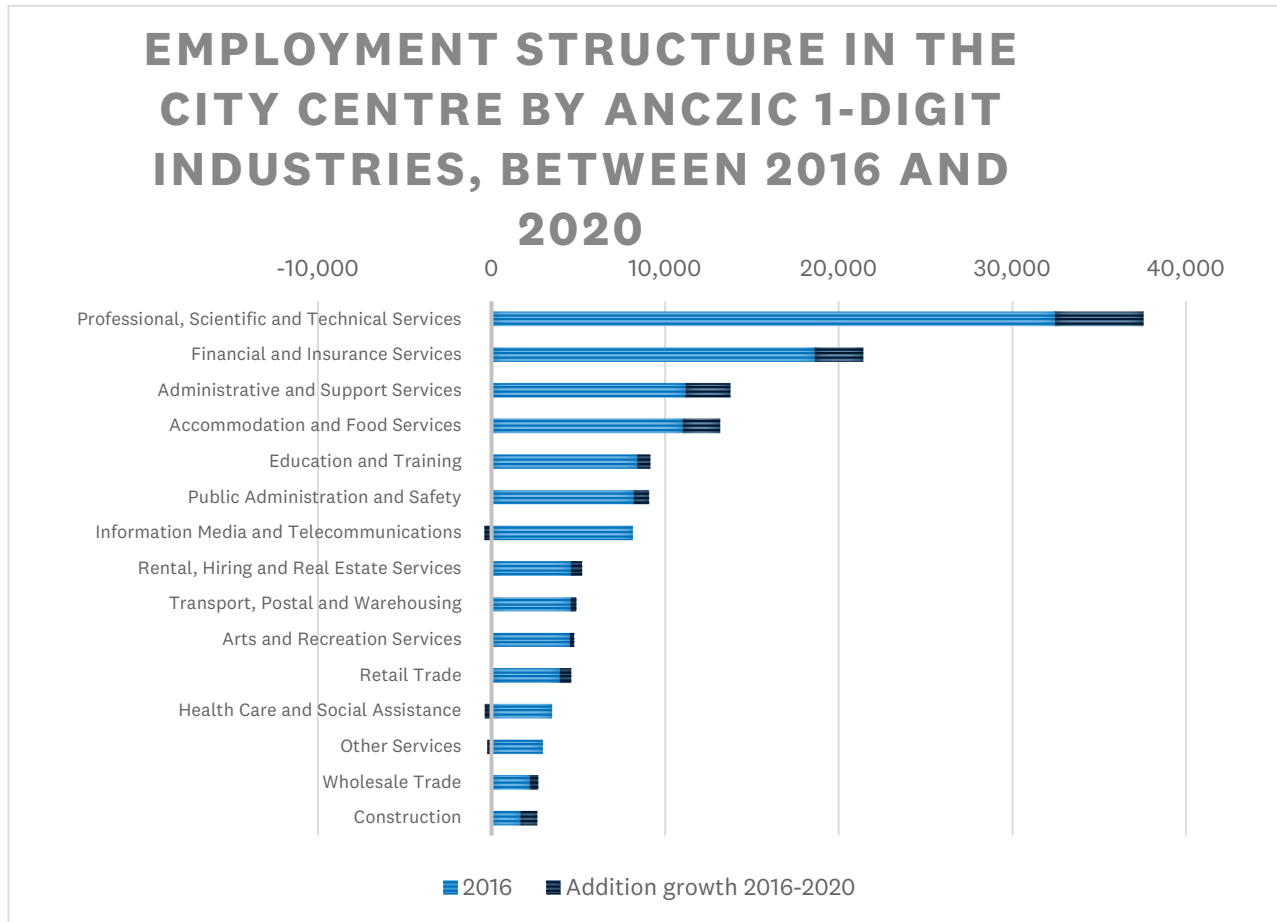


Figure 21 Employment structure in the City Centre by ANZIC 1-digit industries, between 2016 and 2020<sup>79</sup>

As a whole, the data shows that:

- Employment in service industries occurs at a much higher rate in the City Centre compared with Auckland as a whole, and this sector has experienced the greatest amount of growth from 2016-2020. This is to be expected given the City Centre is the focal point for office activity in Auckland.
- Retail Trade, Health Care and Social Assistance, Education and Training occur at much lower rates in the City Centre compared with Auckland as a whole.
- Wholesale Trade, Construction and Manufacturing employment occur at much lower rates in the City Centre compared with Auckland as a whole. This is to be expected given that these sectors comprise activities typically located in industrial zones.

<sup>79</sup> Infometrics (2020) [https://ecoprofile.infometrics.co.nz/Auckland\\_per\\_cent20CBD](https://ecoprofile.infometrics.co.nz/Auckland_per_cent20CBD)

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

## 4.5.4.2 Effectiveness and efficiency of the plan

The City Centre is accommodating the greatest mix and concentration of activities out of the AUP centre zones. In terms of the concentration of activities, the City Centre:

- Has a significant share of all floor space consented between 2016 and 2020 (979,076m<sup>2</sup>).
- Is primarily comprised of office, long-term residential and short-term residential activity, with retailing relatively limited in extent compared with other centre zones. This is perhaps to be expected, given that the City Centre is spatially smaller than both the Metropolitan Centre and Town Centre zones across Auckland<sup>80</sup>, with limited tenancies for retailing which typically occurs on the ground floor.
- Has the largest share of growth in short-stay residential activities. This is expected given the function of City Centre in providing hotel accommodation in close proximity to a range of amenities including commercial offices, retail and commercial services, public transport networks, entertainment facilities and public spaces.
- Has experienced a noticeable growth in activities classed as education or ‘entertainment, cultural, healthcare or other’, which reflects its role in providing ‘arts, entertainment, events, civic and community functions’<sup>81</sup> and learning, ‘teaching and research activities’.

The other centres have seen a mix of primarily office, retail and long-term residential activities. Growth in the Metropolitan Centre zone has been significantly concentrated in retail activity, although much of the floor area added between 2016 and 2020 is attributable to the Westfield development at 277-305 and 309 Broadway, Newmarket. The Town Centre and Local Centre zones have seen relatively evenly distributed growth between office, retail and residential activity.

## 4.5.5 Recommendations

### (1) Further monitoring

Further monitoring is undertaken to provide a more accurate picture of the diversity of activities occurring within centres. The building consent database of 2016-2020 includes activities subject to resource consents prior to the AUP being made operative. Ongoing monitoring of building consent data will provide a clearer understanding of the distribution of activities within centres subject to resource consents under the AUP.

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80 The City Centre is approx. 258ha, Metropolitan Centre is approx. 380ha and Town Centre is approx. 443ha

81 H8.3(15)(b)

## 4.6 Indicator 6: Expansion of metropolitan and town centres is enabled and is consistent with centre hierarchy

### 4.6.1 Importance of indicator and RPS Approach

The RPS provides for expansions of metropolitan and town centres, as a means of meeting current and future demands. Policy B2.5.2(3) seeks to enable the expansion of metropolitan and town centres, having regard to whether it will achieve a number of outcomes expressed in B2.5.2(3)(a)-(g), including:

- improve access to a range of facilities, goods and services in a convenient and efficient manner;
- maintain or enhance a compact mixed-use environment in the centre;
- retain or enhance the existing centre's function, role and amenity;
- support the existing network of centres, and manage adverse effects on the function, role and amenity of the city centre, and other metropolitan and town centres
- avoid, remedy or mitigate the effects of commercial activity on adjoining land uses;
- support medium to high intensity residential development; and
- support a safe and efficient transport system which is integrated with the centre.

Policy B2.5.2(3) does not specify the mechanism through which expansions of metropolitan and town centres should be facilitated. This section explores the two primary avenues provided for in the RMA, being:

- Private plan change requests to rezone land on the **periphery of metropolitan and town centres;**  
**and**
- Resource consent applications for larger scale commercial office or retail activities on the periphery of metropolitan and town centres.

Due to its spatial distribution around metropolitan and town centres, the Mixed Use zone can be seen as the natural expansion zone for these centres as they grow and adapt to future growth pressures<sup>82</sup>. Commercial activities in the Mixed Use zone proximate to centres, and in particular retailing activities can support such centres by generating additional patronage which can then cross-shop with commercial activities within the centres. This expansion of centre-type activities into the Mixed Use zone can also generate additional agglomeration opportunities arising from the concentrated location of businesses and people<sup>83</sup>.

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82 Primary evidence of Michael Akehurst to Topics 051-054 of the Auckland Unitary Plan Independent Hearings Panel

83 *ibid*

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

## 4.6.2 Measures

The measures adopted are:

- Private plan change requests to rezone land adjacent to a Metropolitan Centre or Town Centre zone; and
- Commercial activities occurring in the Mixed Use zone within a 800m walk of a Metropolitan Centre or Town Centre zone.

As outlined in Section 4.6.1 above, the Mixed Use zone is anticipated to be the natural zone for expansions to the higher order centres. One of the key reasons why this is desirable is that commercial activity in these locations can generate additional patronage from in-centre activities due to their proximity. Walkable catchments vary depending on the role and function of the centre or public transport stop they are focussed on.

A walkable catchment of 800m equates generally to a 10-minute walk, and is suggested by the Ministry for the Environment as a basis to determine walkable catchments from metropolitan centres for the purposes of applying Policy 3(c) of the NPSUD<sup>84</sup>. The guidance prepared by the Ministry for the Environment to accompany the NPSUD<sup>85</sup> advises that “*the general rule used by many organisations, including by the Ministry for the Environment’s Urban Design Toolkit (Third Edition)*”<sup>86</sup>, is that a walkable catchment is often around 800m”<sup>87</sup>. The guidance also notes that walkable catchments require contextual considerations, as certain amenities will influence how far people are willing to walk to access them.

For the purpose of this indicator, in relation to what constitutes an expansion of metropolitan centre or town centre zones, an 800m walkable catchment is considered appropriate it reflects:

- The willingness of patrons in the centre to walk to the commercial activity in the Mixed Use zone
- The extent to which activities in the Mixed Use zone support in-centre public transport, thereby supporting a safe and efficient transport system, the efficient use of infrastructure and a compact urban form;
- The ease in which businesses and people can interact, thereby leading to agglomeration benefits.

## 4.6.3 Data sources and limitations

Building consents have been extracted from the building consents database, and filtered by activity and zone to find commercial activities within the Mixed Use zone. The resultant data has been assessed in terms of geographic location and walkable distance to higher order centres.

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<sup>84</sup> Which requires Tier 1 councils to enable building heights of at least 6 storeys in walkable catchments of the edge of metropolitan centres

<sup>85</sup> *Understanding and implementing intensification provisions for the National Policy Statement on Urban Development*, prepared by the Ministry for the Environment (2020), <https://environment.govt.nz/assets/Publications/Files/Understanding-and-implementing-intensification-provisions-for-NPS-UD.pdf>

<sup>86</sup> *Urban Design Toolkit (Third Edition)*, prepared by the Ministry for the Environment (2009), <https://environment.govt.nz/assets/Publications/Files/urban-design-toolkit-third-edition.pdf>

<sup>87</sup> Section 5.5.2 (p.23) *Understanding and implementing intensification provisions for the National Policy Statement on Urban Development*

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

## 4.6.4 Findings

### 4.6.4.1 What does the data say?

#### 4.6.4.1.1 Enablement through private plan change requests

Since the AUP was made operative in part in 2016, no private plan changes have been requested to rezone land adjacent to metropolitan or town centres.

One plan change initiated by the council – Plan Change 1 – rezoned a small strip of land from Open Space zone to Town Centre zone adjacent to existing Glen Innes Town Centre. However, this was an administrative change to reflect council’s divesting of the land, rather than a substantive rezoning to enable commercial activities.

#### 4.6.4.1.2 Enablement through building consents

Table 20 below outlines the number of commercial developments and extent of commercial growth occurring between 2016 and 2020 within a walkable catchment of the City Centre zone, Metropolitan Centre zone or Town Centre zone. Table 21 below shows which types of higher order centres are seeing the most expansions (by number of approved developments and floor area) into the Mixed Use zone.

*Table 20 Commercial growth occurring in the Mixed Use zone (approved building consents) within a walkable catchment of higher order centres, 2016-2020<sup>88</sup>*

	<b>Number of commercial developments approved 2016 – 2020 in the Mixed Use zone</b>	<b>Extent of commercial floor space approved 2016 – 2020 in the Mixed Use zone</b>
Within a 1200m to city centre or 800m walk to metropolitan or town centres	29 (63.0 per cent)	75,419m <sup>2</sup> (88.0 per cent)
Beyond a walkable catchment	17 (37.0 per cent)	10,285m <sup>2</sup> (12.0%)
<b>Total</b>	<b>46</b>	<b>85,704m<sup>2</sup></b>

*Table 21 Commercial growth occurring in the Mixed Use zone (approved building consents) within a walkable catchment, by higher order centres, 2016 – 2020<sup>89</sup>*

<b>Higher Order Centre</b>	<b>Commercial activities approved within a walkable catchment</b>		<b>Comments</b>
	<b>No. of consents</b>	<b>Floor area</b>	
Metropolitan Centre	9	24,459m <sup>2</sup>	Largely comprises the Mercury Energy offices on Broadway, Newmarket.
Town Centre	20	50,960m <sup>2</sup>	A range of town centres are represented, particularly Ponsonby, Ellerslie, Onehunga, Parnell and Whangaparāoa
<b>Total</b>	<b>51</b>	<b>75,419m<sup>2</sup></b>	

The data shows a significant proportion of commercial activity in the Mixed Use zone is occurring within a walkable catchment of the Metropolitan Centre or Town Centre zones.

<sup>88</sup> Building consents database

<sup>89</sup> Building consents database

# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

## 4.6.4.1.3 Enablement through resource consent applications

Between 2016 and 2020, 21 resource consent applications were made for infringements to the gross floor area standards for office and retail activity in the Mixed Use zone. Of these applications, six were located on sites within a walkable catchment of a Metropolitan Centre or Town Centre zone. All six of these resource consents were approved.

## 4.6.4.1.4 Regard had to qualifying matters under B2.5.2(3)

Decision-making on resource consents for commercial activities in the Mixed Use zone within a walkable catchment of the Metropolitan Centre or Town Centre zone has not consistently had regard to the B2.5.2(3) matters. The matters that were referenced more frequently in decision-making were:

- B2.5.2(3)(e) Manage adverse effects on the function, role and amenity of higher order centres, given regard to in four of six resource consent decisions;
- B2.5.2(3)(f) Avoid, remedy or mitigate the effects of commercial activity on adjoining land uses, given regard to in three of six resource consent decisions; and
- B2.5.2(3)(c) Retain or enhance the existing centre's function, role and amenity, given regard to in two of six resource consent decisions;

Other matters, such as improving access to facilities, goods and services (B2.5.2(3)(a)) and maintaining or enhancing a compact mixed-use environment in the centre (B2.5.2(3)(b)) were not considered in any of the six resource consent decisions assessed.

Notably, the resource consent decisions that did reference these matters either did so:

- Indirectly and in a broad manner through the assessment of adverse effects on the environment. For example resource consent decisions referencing matter B2.5.2(3)(f) did so in a generalised assessment of how the activity integrated with its surrounds, rather than specifically considering the nature of the commercial activity and its effect on surrounding land uses; and
- By referencing RPS provisions other than those in B2.5.2(3). Three resource consent decisions instead looked to other policies in B2.5.2, notably policies (1), (2) and (6).

## 4.6.4.2 Effectiveness and efficiency of the plan

No plan changes have been sought to expand existing metropolitan or town centres. This is not considered to be unexpected, given that:

- The number of plan changes to the AUP to date is relatively modest. 69 plan changes have been requested or completed at the time of preparing this report. Of these, 40 are private plan change requests
- Spatially, sites adjacent to existing metropolitan and town centres are rare given the limited application of such centre zones. Taken alongside the limited likelihood that commercial landowners seek to develop such sites beyond the intent of the current zoning (and thus requiring a plan change to accomplish), there are limited circumstances in which private plan changes are likely to be sought to rezone sites adjacent to the Metropolitan Centre or Town Centre zones.

In one instance, a plan change has been sought to rezone a site from Town Centre to Mixed Use zone, as the latter is considered by the requestor to be more favourable for residential development<sup>90</sup>.

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<sup>90</sup> Plan Change 64 (Private): 953 New North Road, Mount Albert



# Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

As such, no conclusions can be drawn on whether expansions of metropolitan or town centres are being enabled through the plan change mechanism.

In respect of applications for individual developments occurring through building consents and resource consents, the expansion of metropolitan and town centres is being enabled by the AUP. This is demonstrated by the extent of commercial activity occurring in the Mixed Use zone within a walkable catchment of higher order centres, both in terms of the number of approved developments and the extent of commercial floor space approved. In particular, a high proportion of commercial floor space (88.0%) is occurring within a walkable catchment of higher order centres.

The enablement of centre expansions in the Mixed Use zone is also reflected, to an extent, in resource consent data. Seven resource consents were approved in the Mixed Use zone within a walkable catchment between 2016 and 2020, with no resource consents refused by the council during this time. However, this is a small sample size. In addition, resource consent data does not capture the wide range of permitted activities in the Mixed Use zone that do not required resource consent, and would contribute to the natural expansion of the adjacent higher order centre.

Resource consent decisions for commercial activities that constitute expansions of metropolitan and town centres are not consistently having regard to the matters in B2.5.2(3). In particular, it appears that it is not apparent to decision-makers that the matters in B2.5.2(3) are relevant for commercial activities proximate to these centres. Three resource consent decisions referenced B2.5.2 matters, but made an assessment against policies other than B2.5.2(3). It could be observed that the wording of B2.5.2(3) is unclear, as it is not immediately obvious what kind of planning decisions this applies to. The language used, particularly to 'enable the expansion of metropolitan and town centres' might suggest that this supports plan changes to expand to rezone land adjacent to such centres<sup>91</sup>. However, it is difficult to draw conclusions from this data given the sample size is very small.

## 4.6.4.3 Recommendations

### (1) Further monitoring

Further monitoring is undertaken to provide a more accurate picture of whether the expansion of metropolitan and town centres are being enabled through plan changes and resource consent, and whether planning decisions are appropriately having regard to the matters in B2.5.2(3). The further monitoring should specifically assess whether plan change and resource consent decisions are explicitly referencing B2.5.2(3) matters, in conjunction with other RPS B2.5.2 provisions.

### (2) Clearer policy direction

The RPS Policy B2.5.2(3) is clarified to identify the planning mechanism(s) through which expansions to metropolitan and town centres are expected to occur. If these are envisaged to occur solely through plan changes to rezone land, this should be expressed in a similar manner to RPS Policy B2.5.2(4), which identifies structure planning and plan changes as the planning mechanisms through which new metropolitan, town and local centres should be accommodated.

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<sup>91</sup> However, Policy B2.5.2(3) does not explicitly direct expansions of centres through a plan change process, in contrast to unlike B2.5.2(4), which does reference this process for new metropolitan, town and local centres.

## 4.7 Indicator 7: New metropolitan, town and local centres are enabled, subject to structure planning and plan changes, and are consistent with the centres hierarchy

### 4.7.1 Importance of indicator and RPS Approach

#### **RPS Objectives and Policies**

Objective B2.5.1(2) *Commercial growth and activities are primarily focussed within a hierarchy of centres and identified growth corridors that supports a compact urban form.*

Policy B2.5.2(4) Enable new metropolitan, town and local centres following a structure planning process and plan change process in accordance with Appendix 1 Structure plan guidelines, having regard to all of the following.

The RPS provides for the enablement of new metropolitan centres, town centres and local centres in accordance with structure planning and plan change processes, subject to a number of matters having had regard to. The primary considerations for new centres under RPS Policy B2.5.2(4) are:

- proximity to existing or planned high or medium intensity residential development
- effects on the network of centres, including the role, function and amenity of the higher order centres
- adverse effects on existing and planned infrastructure
- integration with a safe and efficient transport system
- any significant adverse effects on the environment or natural or physical resources scheduled in the AUP.

The RPS makes specific reference to applications for new centres following a structure planning and plan change process in accordance with Appendix 1 structure plan guidelines to the AUP. Appendix 1 requires consideration of a broad range of matters, including:

- contribution to a compact form and the efficient use of land, including mix and distribution of land uses;
- whether the centre complements the hierarchy and network of existing centres, and whether it is located and designed to maximise access by walking, cycling and public transport;
- a desirable urban form at the neighbourhood scale in terms of layout and connectivity, diversity of site sizes, provision of open space and an integrated stormwater approach;
- integration of land use and development with the local and strategic transport networks; and

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- the location, scale and capacity of existing and new infrastructure.

## 4.7.2 Measures

The measures have been adopted to understand:

- the number of approved plan changes to rezone land for new metropolitan, town or local centres, and how many have been supported by structure planning in accordance with Appendix 1 to the AUP.
- the matters in RPS Policy B2.5.2(4) that plan change decision-making for new metropolitan, town or local centres references.

### What can the indicator and measures tell us?

The number of approved plan changes to rezone land for centres tells us the extent to which new centres are being enabled, subject to structure planning processes. The matters in RPS Policy B2.5.2(4) that decision-making references directly measures whether decision-making is having regard to these matters.

## 4.7.3 Data sources and limitations

Plan changes to the AUP have been extracted and assessed manually from the AUP modifications page<sup>92</sup>. This methodology reflects the relatively small amount of plan changes to the AUP, compared with assessing building consent or resource consent data. Plan changes have then been filtered by those proposing a new metropolitan, town or local centre.

Whilst there are no particular limitations to the data, a key limitation to the analysis is that it relies on existing assessments and peer reviews (primarily economic and transport) undertaken by the plan change applicant and the council. No further specialist assessment has been sought to determine whether the activities and development enabled by the plan changes have achieved the outcomes expressed in Policy B2.5.2(4).

## 4.7.4 Findings

### 4.7.4.1 What does the data say?

#### 4.7.4.1.1 Plan changes and structure plans

This section provides quantitative analysis of the amount of land rezoned to the Metropolitan Centre, Town Centre or Local Centre zones through plan changes to the AUP. It then assesses the extent to which these rezonings were supported by structure planning, undertaken either by the plan change applicant or by the council in its own structure plans.

Since the AUP was made operative in part, the council has prepared five structure plans to guide future urbanisation and development in future urban areas of Auckland. Structure plans are strategic planning documents that are intended to inform and guide subsequent plan change processes, rather than directly enabling development to occur. These are summarised in Table 22 below:

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<sup>92</sup> <https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/unitary-plan/auckland-unitary-plan-modifications/proposed-plan-changes/Pages/default.aspx>

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Table 22 Structure plans prepared by the council<sup>93</sup>

Plan Change	Date prepared	Area	Indicative centre(s)
Drury-Opāheke Structure Plan	2019	Approx. 1,921ha	Two large centres, one in Drury East/ Opāheke and one in Drury West Six smaller centres
Pukekohe-Paerata Structure Plan	2019	Approx. 1,300ha	One local centre
Warkworth Structure Plan	2019	Approx. 1,000ha	One local centre and three neighbourhood centres
Silverdale West Dairy Flat Industrial Area Structure Plan	2020	Approx. 603ha	No indicative centres

In addition, seven private plan changes to the AUP to rezone land to a commercial zone<sup>94</sup> have been requested since the AUP was made operative in part. Of these, two private plan changes have both sought to rezone land to either Metropolitan Centre, Town Centre or Local Centre zone and reached a decision. These are summarised in Table 23 below.

Table 23 Private plan changes to the AUP to rezone land to Metropolitan Centre, Town Centre or Local Centre

Plan Change	Description	Status	Centre zoning (ha)	Decision outcome
PC24 Waiata Shores Local Centre	Private plan change to rezone 1.92 hectares of land at 2 Te Napi Drive, Waiata Shores from Residential – Mixed Housing Urban to Business – Local Centre.	Operative	Local Centre zone: 1.92ha	Approved without modifications to centre zoning
PC25 Warkworth North	Private plan change to rezone approximately 99 hectares of Future Urban zoned land to a mix of business and residential zones	Appeal	Local Centre zone: 2.5ha	Approved with modifications to centre zoning

## 4.7.4.1.2 Relevant B2.5.2(4) matters having had regard to

An assessment of Plan Changes PC24 and PC25 against the RPS B2.5.2(4) matters is provided below.

### Plan Change 24 Waiata Shores Local Centre ('PC24')

PC24 sought to rezone 1.92ha of land to Business – Local Centre. The land subject to the plan change request was not subject a structure plan prepared by the council. The plan change applicant's lodged plan change request assessed the proposal against the B2.5.2(4) matters in an itemised manner.<sup>95</sup> This assessment was referenced in section 42A report preparing by the council's reporting planner. The

<sup>93</sup> Auckland Council (no date) *Ngā mahere hanganga: Structure plans*, <https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/place-based-plans/structure-plans/Pages/default.aspx>

<sup>94</sup> City Centre, Metropolitan Centre, Town Centre, Local Centre, Mixed Use, General Business and Business Park

<sup>95</sup> Appendix D to the private plan change request

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decision concluded that PC24 was consistent with the relevant planning documents, including the RPS<sup>96</sup>. Specific reference to RPS Policy B2.4.2(4) or the relevant sub-clauses was not made in the decision.

The proposal to rezone the land to Business – Local Centre compared with a different zoning was explored in the applicant’s section 32 assessment of alternative options. Whilst this choice of zoning was discussed in the section 42a report, it was not a point of contention between the applicant, submitters or the council and was not discussed in detail in the decision on PC24.

Overall, it is considered that decision-making on PC24 had regard to all of the matters contained under B2.5.2(4).

### Plan Change 25 Warkworth North (‘PC25’)

PC25 sought to comprehensively rezone 99ha of land from Future Urban to a range of urban zones. The land subject to the plan change request was also subject to the Warkworth Structure Plan. When the plan change was requested, the applicant proposed a Neighbourhood Centre zone measuring 3,000m<sup>2</sup>. Upon notification of PC25, the applicant and principal landowner, Turnstone Capital, submitted to instead accommodate a 5.7ha Local Centre in a similar location to the Neighbourhood Centre and its surrounds. The applicant refined this proposal to a 2.5ha Local Centre, which was accepted by the decision-makers on PC25.

Given the plan change request sought a Neighbourhood Centre zone, only a high-level assessment was undertaken by the applicant against Policy B2.5.2(4). However, most of the matters in Policy B2.5.2(4) were assessed in the applicant’s evidence<sup>97</sup>, and were the subject of discussion in the PC25 decision.

The only B2.5.2(4) matters not explicitly considered in decision-making on PC25 were sub-clauses (e) (any significant adverse effects on existing and planned infrastructure) and (g) (effects on scheduled items). However, decision making included a wider consideration of the infrastructure required to support the plan change as a whole. In addition, the absence of scheduled items from the area sought to be zoned Local Centre is evident, and the absence of commentary does represent a deficiency in this decision-making.

Overall, it is considered that decision-making on PC25 had regard to the matters contained under B2.5.2(4).

Note that the plan change is subject to appeal.

#### **4.7.4.2 Effectiveness and efficiency of the plan**

Since it was made operative in part, two private plan changes to accommodate a Metropolitan Centre, Town Centre or Local Centre zone have reached a decision. Both plan change requests were approved, and decision-making for both plan changes are considered to have had regard to the matters in RPS Policy B2.5.2(4).

Therefore, it is considered that the RPS Policy B2.5.2(4) is operating effectively, both in terms of enablement of new centres, in respect of new centres being subject to structure planning and plan change processes, and decision-making for centres having regard to matters in B2.5.2(4)(a) – (g).

However, the sample size for this indicator is evidently small, and therefore further monitoring of plan change decisions for new centres is required to better understand the effectiveness and efficiency of the

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<sup>96</sup> Para 77-78, Decision following the hearing of Proposed Plan Change 24 (Private) “Waiata Shores Local Centre” to the Auckland Unitary Plan under the Resource Management Act 1991

<sup>97</sup> Statements of evidence of Burnette Anne O’Connor (Planning) and Philip James Mcdermott (Economics) on behalf of the applicant for PC25

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plan. In particular, at the time of preparing this report, two private plan change requests for new centres are currently under consideration by the council:

- Plan Change 48 Drury Centre, seeking to rezone land from Future Urban to a range of urban zonings, including Metropolitan Centre; and
- Plan Change 51 Drury West 2, seeking to rezone land from Future Urban to a range of urban zonings, including Town Centre.

### 4.7.4.3 Recommendations

Further monitoring of private plan change requests seeking new metropolitan, town or local centres against the relevant aspects of B2.5.2(4) is recommended. The forward monitoring programme should continue to assess whether:

- new metropolitan, town and local centres are being enabled, provided that they follow a structure planning process and plan change process;
- decision-making on new metropolitan, town and local centres has regard to the matters contained in RPS Policy B2.5.2(4)(a) – (g).

## 4.8 Indicator 8: Efficient transport modes are promoted for improving access to City Centre

### RPS Objectives and Policies

Policy H8.3(11) *The city centre is accessible by a range of transport modes with an increasing percentage of residents, visitors, students and workers choosing walking, cycling and public transport.*

### 4.8.1 Importance of indicator and RPS Approach

Policy H8.3(11) *The city centre is accessible by a range of transport modes with an increasing percentage of residents, visitors, students and workers choosing walking, cycling and public transport.*

#### Measures

- Percentage of public transport including bus and train services being increased
- Number of people commuting to City Centre via public transport, walking and cycling in the past five years
- Kilometres of cycle and pedestrian infrastructure within and around the gateway areas to the city centre

What can the indicator and measures tell us?

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The indicator can tell us the extent to which the City Centre can be accessed by a range of transport modes and in particular, walking, cycling and public transport.

The measures enable us to understand both the capacity of the public and active transport network, and the level of uptake of public and active transport modes used to access the city centre, including any modal shifts achieved over the past five years.

However, the relevance of this indicator to the AUP is limited, as the implementation of transport improvements occurs through processes outside of the Resource Management Act 1991. The funding and delivery of transport infrastructure by the council primarily occurs through the Regional Land Transport Plan and Long-Term Plan, both prepared under the Local Government Act 2002. Similarly, the National Land Transport Plan prepared under the Land Transport Management Act 2003 directs funding and implementation for both local and national (for example the State Highway network) transport infrastructure.

## 4.8.2 Data sources and limitations

All data for this indicator has been obtained from Auckland Transport.

## 4.8.3 Findings

### 4.8.3.1 What does the data say?

#### 4.8.3.1.1 Percentage of public transport including bus and train services being increased

Table 24 below shows the change in public transport capacity for inbound services to the city centre during the morning peak (7am – 9am), from 2016-2021.

Table 24 Change in public transport capacity for services into the city centre from 2016-2021 (morning peak)<sup>98</sup>

Mode	2016		2021		Change 2016 – 2020 (%)	
	Service level (trips)	Capacity	Service level (trips)	Capacity	Service level (trips)	Capacity
Ferry	33	4,708	34	5,246	3.0%	11.4%
Bus	801	46,997	779	64,333	-2.7%	36.9%
Train	75	17,550	111	25,974	48.0%	48.0%

The data shows that the capacity of public transport networks into the city centre has increased significantly from 2016-2021. In relation to the bus network, whilst the number of routes inbound to the city centre have reduced by 2.7 per cent, the overall capacity has increased by 36.9 per cent. This is reflective of the ‘New Network’ for public transport implemented by Auckland Transport between 2016-2019, which sought to consolidate and reduce the number of bus routes, increase public transport frequencies and promote transfers between services.

#### 4.8.3.1.2 Number of people commuting to the city centre via public transport, walking and cycling in the past five years

Figure 22 and Figure 23 below outline the change in travel modes into the city centre from 2016-2021, as measured by the total inbound trips to the city centre during the morning peak (7 – 9am). Figure 22 shows

<sup>98</sup> Unpublished data provided by Auckland Transport



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the change in total trips made by car and public transport and active modes (pedestrians and cycling) between 2016-2021. Figure 23 shows the change in modal share during this timeframe.

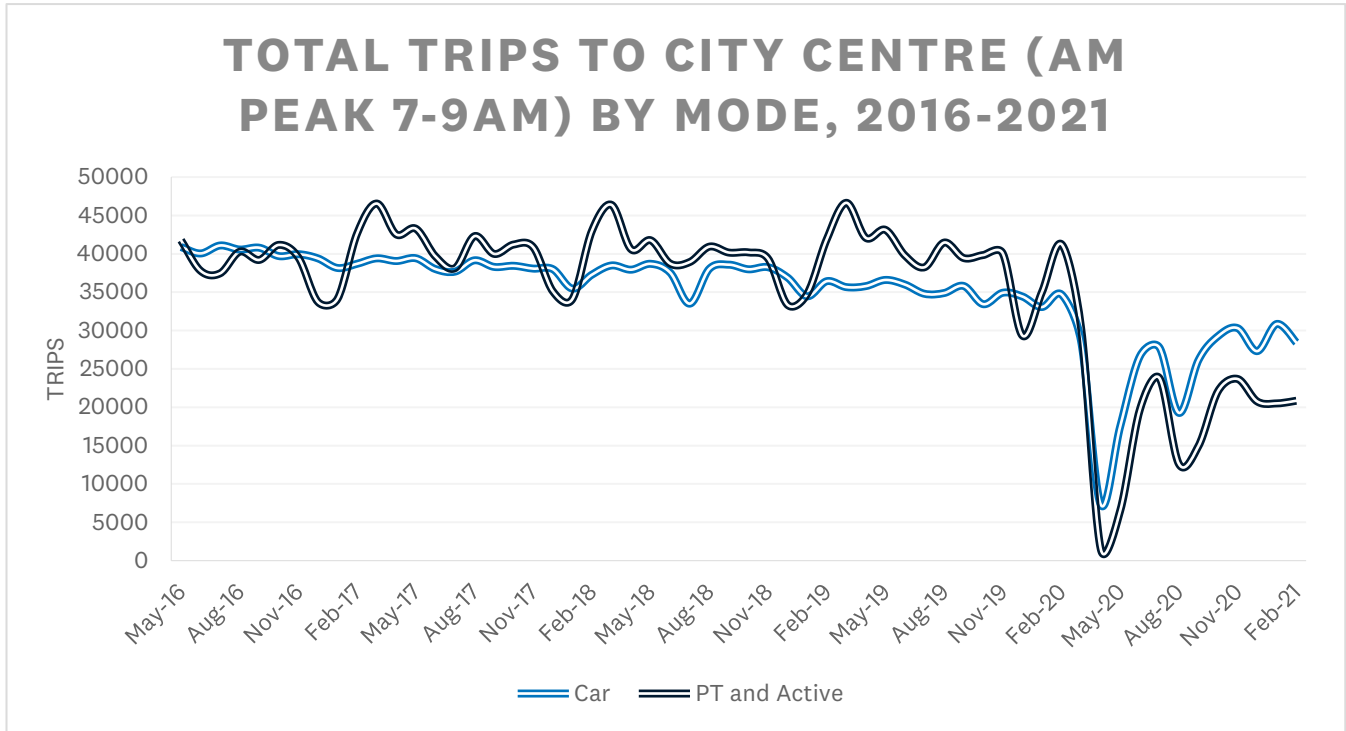


Figure 22 Total trips to city centre (am peak 7-9am) by Mode, 2016-2021<sup>99</sup>

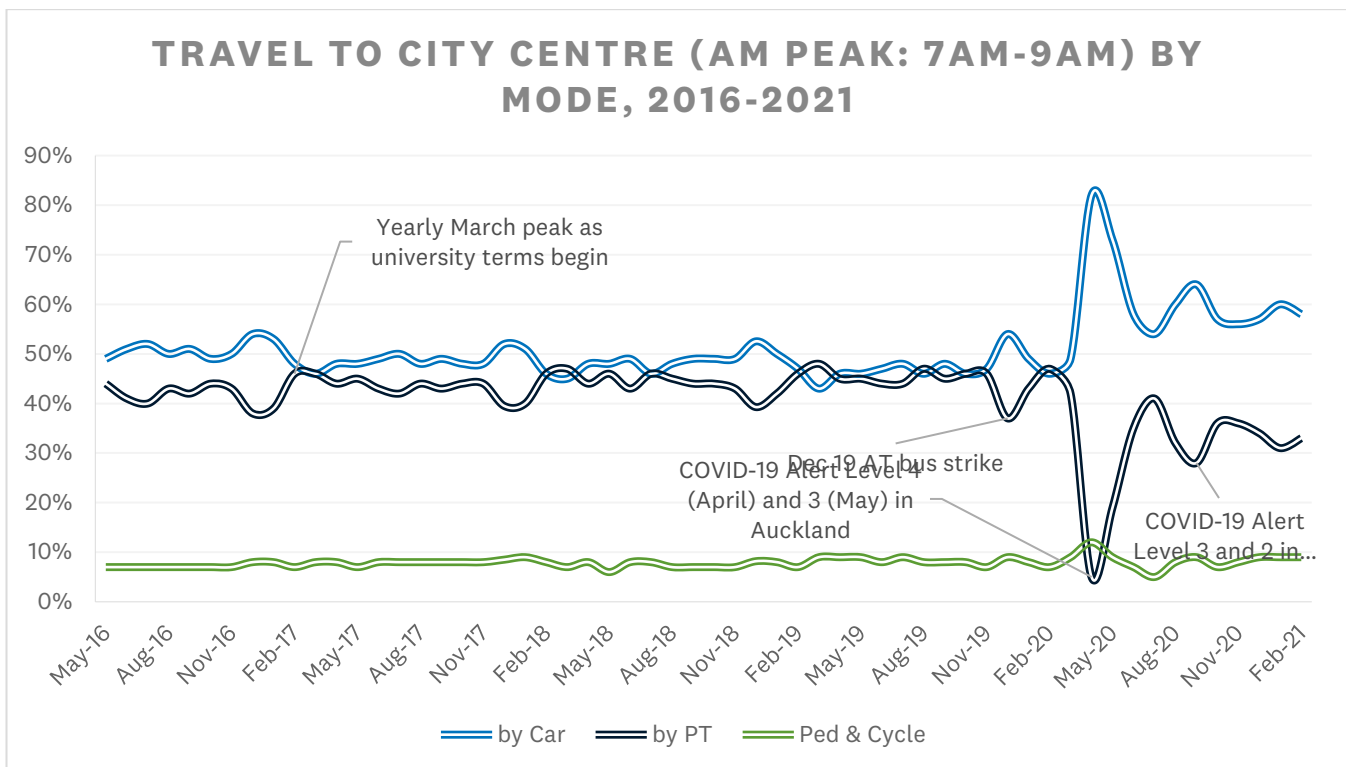


Figure 23 Travel to city centre (am peak: 7am-9am) by Mode, 2016-2021<sup>100</sup>

<sup>99</sup> Unpublished data provided by Auckland Transport

<sup>100</sup> Unpublished data provided by Auckland Transport

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Recent data is heavily influenced by Alert Level changes in Auckland in 2020 brought about by the COVID-19 pandemic that restricted access to workplaces for all but essential services.

Prior to COVID-19, the data shows a steady reduction in vehicle trips into the city centre between 2016 and 2019. The 2016 mean monthly vehicle trips into the city in the morning peak was 40,302, whereas in 2019 this monthly mean vehicle trips had reduced to 35,266. At the same time, the data shows that mean monthly public transport trips (bus, train and ferry services) stayed relatively constant during this period, with 33,168 mean monthly trips in 2016 and 33,461 in 2019. Similarly, the mean monthly active transport (pedestrian and cycling) trips during this period stayed relatively constant albeit with a slight increase from 5,695 monthly trips in 2016 to 6,072 monthly trips in 2019.

The 2019 data is slightly distorted by the bus drivers' strike in December 2019, which resulted in cancellations to services operated by NZ Bus.

As a result of these small changes to monthly trips, the modal share of public transport rose from 41.9 per cent in 2016 to 44.7 per cent in 2019.

Table 25 People movement in the City Centre, 2016 – 2020<sup>101</sup>

People movement into City Centre										
Year	By Car		By Bus		By Train		By Ferry		Pedestrians / Cyclists	
	Trips	%	Trips	%	Trips	%	Trips	%	Trips	%
2016	40,302	50.9	21,332	26.9	7,963	10.1	3,874	4.9	5,695	7.2
2017	38,533	48.7	21,504	27.2	8,367	10.6	4,498	5.7	6,166	7.8
2018	37,389	48.4	21,709	28.1	8,233	10.7	4,083	5.3	5,765	7.5
2019	35,266	47.1	21,023	28.1	8,350	11.2	4,088	5.5	6,072	8.1
2020	25,663	54.9	10,795	23.1	4,059	8.7	2,564	5.5	3,678	7.9

Restrictions brought about by the New Zealand central government's response to COVID-19 saw a substantial drop to all travel modes to this city centre in 2020. The monthly total trips during the morning peak dropped from 74,800 in 2019 to 46,758 in 2020. This is primarily attributable to the Alert Level 4 restrictions during April 2020 allowing only essential services to continue operating from their workplace. However, the second 'lockdown' in Auckland in August - September 2020 also saw a reduction in commuting to the city centre.

Since these two Alert Level changes, public transport trips to the city centre have dropped markedly whilst vehicle trips have experienced a smaller reduction. The most recent data available for February 2021 saw 28,431 morning peak trips made by car, a modal share of 58 per cent. The trend in travel patterns into the city centre since April 2020 towards car trips over public transport trips contrasts with the prior trends from 2016 – 2019, which saw a reduction in monthly vehicle trips and relatively constant level of monthly public transport trips.

<sup>101</sup> Unpublished data provided by Auckland Transport

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## 4.8.3.1.3 Kilometres of cycle and pedestrian infrastructure within and around the gateway areas to the city centre

As outlined in Table 26 below, a total of 11.6km of cycle and pedestrian infrastructure was constructed within gateway areas to the city centre between 2015 and 2021. This has been evenly distributed amongst cycle lanes within the city centre and in city centre fringe areas.

Table 26 Kilometres of cycle and pedestrian infrastructure around gateway areas to the city centre between 2015 and 2021<sup>102</sup>

Project	Km
Westhaven to City cycle route	1.50
Victoria Street Cycleway	0.80
Tamaki Drive cycle route	2.00
Quay Street cycleway extension	1.00
Parnell Cycleway	1.50
Nelson Street Cycleway	2.00
Karangahape Road upgrade	1.00
Ian McKinnon Drive connection	1.00
Franklin Road upgrade	0.80
<b>Total</b>	<b>11.60</b>

## 4.8.3.2 Effectiveness and efficiency of the plan

Limited conclusions can be drawn on the effectiveness and efficiency of the AUP in promoting efficient transport modes for accessing the city centre. Between 2016 and 2021, public transport capacity has increased significantly for bus and train networks, and more modestly for the ferry network. Within a similar timeframe of 2016 – 2019<sup>103</sup>, the modal share for people movement into the city centre during peak hours shifted incrementally from cars towards bus, train and active transport modes. However, the modal share during peak hour as of 2019 was still weighted towards cars. This modal share shifted further towards cars in 2020 due to lockdowns<sup>104</sup> associated with the Covid-19 pandemic and an associated trend toward working from home (once lockdowns eased). This has appeared to result in reduced numbers of people commuting to work, and therefore less traffic congestion and more favourable conditions for driving during peak hour. Between 2015 and 2021, 11.6km of cycle and pedestrian infrastructure was added around gateway areas to the city centre.

As discussed in Section 4.8.1 of this report, the implementation and operation of transport infrastructure occurs under legislation other than the Resource Management Act 1991, and therefore there is little correlation between the AUP provisions and the promotion of efficient access to and from the city centre.

## 4.8.3.3 Recommendations

There are no recommendations associated with this indicator.

<sup>102</sup> Unpublished data provided by Auckland Transport

<sup>103</sup> Using 2019 as a parameter rather than 2020 as lockdowns associated with the Covid-19

<sup>104</sup> Including strict lockdown under Alert Level 4, and softer lockdowns under Alert Levels 2 – 3, imposed by central government

## 5.0 Summary and conclusions

This report has considered how effective and efficient the objectives, policies, rules and other methods of the AUP have been in meeting the outcomes intended by the Regional Policy Statement for commercial growth, contained within Chapter B2 Tāhuhu whakaruruhau ā-taone - Urban growth and form: B2.5 Commercial and industrial growth.

Chapter B2.5 seeks to provide opportunities for commercial and industrial growth to meet current and future demands. This framework seeks to encourage commercial activities within a network and hierarchy of centres, with the city centre, metropolitan centres and town centres identified as being the focus of commercial growth. Outside of these centres, the RPS also enables retail activity on identified growth corridors. Chapter B2.5 also provides for commercial growth more generally in AUP business zones, through the expansion of higher order centres, the provision of new centres, and the other out-of-centre activity, provided that a number of matters are considered through decision-making.

The data indicates that the AUP is providing sufficient opportunities for commercial and employment growth (Indicator 1). Development capacity data indicates sufficient business capacity in the short and medium term (by 2028) in most areas, and that shortfalls in the long-term (by 2048) will be offset by significant supply provided in future urban areas. Employment growth in business areas in Auckland has remained similar during the lifetime of the AUP. Whilst employment growth rates have reduced for retail and office sectors since the AUP was made operative, this is unlikely to be directly relevant to the AUP approach given commercial development completed from 2016 onwards is likely to have been subject to resource consents granted prior to the AUP being made operative.

Commercial growth from 2016 to 2020 has primarily been focussed within a network of centres (Indicator 2). In particular, retail activity is strongly concentrated in higher order centres. Office activity is more dispersed across the AUP business zones, with somewhat significant amounts of office growth occurring in the Mixed Use, Business Park and Light Industry zone. However, some growth is provided for in these locations, such as small-scale offices in the Mixed Use zone, accessory offices in the Light Industry zone, and more substantial extents of office floor space in the more spatially discrete Business Park zone.

There is insufficient data to determine whether retail activities are being enabled on identified growth corridors, or whether decision-making for activities in these locations is having the proper regard to the RPS provisions (Indicator 3).

Outside of higher order centres and identified growth corridors, commercial activity is being enabled, with only two of 85 resource consent applications assessed being refused consent (Indicator 4). However, decision-making on these resource consents is not frequently having regard to the range of matters specified in the RPS. Most noticeably, significant levels of commercial activity have obtained resource consent in the Light Industry zone between 2016 and 2020 without decision-making explicitly considering fundamental matters such as effects on the role, function, amenity and hierarchy of centres, or the contribution of achieving a compact urban form.

Within centres, a diverse range of activities is occurring (Indicator 5). The City Centre has experienced the largest concentration and mix of activities between 2016 and 2020.

The AUP is, to a degree, enabling the expansion of metropolitan and town centres (Indicator 6). Whilst no plan changes have been sought or approved to rezone land adjacent to metropolitan or town centres, this can reasonably be expected given the volume of plan changes to the AUP and the limited spatial

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application of these centres, and therefore limited opportunities for such expansions. However, expansions are being enabled through commercial development (as recorded by building consents and resource consents) occurring within the Mixed Use zone within a walkable catchment to metropolitan and town centres. However, the matters outlined in Policy B2.5.2(3) are not consistently being had regard to in decision-making. It appears that it is not immediately obvious to decision-makers that Policy B2.5.2(3) is applicable or relevant to resource consent applications for commercial activities adjacent to metropolitan and town centres. This is however based on a very small sample size, and as such, further monitoring is recommended.

New Metropolitan Centres, Town Centres and Local Centres are being enabled, subject to structure planning processes (Indicator 7). Two private plan changes have been approved since the AUP was made operative in part. Decision-making on both plan changes, including the planning evidence prepared in support of these requests, has had regard to the matters outlined in RPS B2.5.2(4).

Limited conclusions can be drawn on whether efficient transport modes are being promoted for improving access to the City Centre (Indicator 8). Public transport capacity for routes inbound and outbound to the city centre during peak has increased significantly between 2016 and 2020, and the modal share for people travelling to and from the city centre by public or active transport has increased between 2016 and 2019. However, the promotion of efficient transport modes occurs primarily through investment in transport networks, which is undertaken through processes other than the Resource Management Act 1991, and therefore there is little correlation between the effectiveness and efficiency of the AUP and this outcome.

Overall, the AUP is effectively and efficiently providing for the outcomes in the Chapter B2.5 of the RPS. This is evidenced by the majority of indicators either being met completely, or being achieved to a certain degree.

Further monitoring is recommended for a number of indicators. This is reflective of limitations to the data, such as the building consent database capturing development resource consented prior to the AUP being made operative, and small sample sizes for data available for particular indicators. Amendments to the AUP are recommended in respect of Indicator 4 to better provide for the RPS B2.5.2(6) matters to be considered in decision-making on resource consents for commercial activity in the Light Industry zone. Amendments to RPS Policy B.5.2(3) are recommended in respect of Indicator 6 to specify the planning mechanism by which expansions of metropolitan and town centres occur.

## 6.0 References

Auckland Council (2017) *National Policy Statement on Urban Development Capacity 2016: Housing and business development capacity assessment for Auckland.*

<https://knowledgeauckland.org.nz/media/1583/nps-udc-housing-and-business-development-capacity-assessment-for-auckland-dec2017.pdf>

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<https://knowledgeauckland.org.nz/media/1802/04april-2020-covid-19-economic-update-2-groups-in-lockdown-employment.pdf>

Auckland Council (2020) *Census of Businesses in Auckland's City Centre: January 2020 and Changes Since 2017.* <https://knowledgeauckland.org.nz/publications/census-of-businesses-in-auckland-s-city-centre-january-2020-and-changes-since-2017/>

Auckland Council (2020) Building consent database for consents issued in Auckland between 2016-2020 [Unpublished raw data]

Auckland Council (2020) Resource consent database for consents issued in Auckland between 2016-2020 [Unpublished raw data]

Infometrics (2020) *Auckland City Centre Economic Profile.*

<https://ecoprofile.infometrics.co.nz/Auckland%20City%20Centre/Employment>

Statistics New Zealand (2020) Employment count by Statistical Area 2, 2000-2020

## **Appendix A Regional Policy Statement: B2.5 Commercial and industrial growth**

### **B2.5. Commercial and industrial growth**

#### **B2.5.1. Objectives**

- (1) Employment and commercial and industrial opportunities meet current and future demands.
- (2) Commercial growth and activities are primarily focussed within a hierarchy of centres and identified growth corridors that supports a compact urban form.
- (3) Industrial growth and activities are enabled in a manner that does all of the following:
  - (a) promotes economic development;
  - (b) promotes the efficient use of buildings, land and infrastructure in industrial zones;
  - (c) manages conflicts between incompatible activities;
  - (d) recognises the particular locational requirements of some industries; and
  - (e) enables the development and use of Mana Whenua’s resources for their economic well-being.

#### **B2.5.2. Policies**

- (1) Encourage commercial growth and development in the city centre, metropolitan and town centres, and enable retail activities on identified growth corridors, to provide the primary focus for Auckland’s commercial growth.
- (2) Support the function, role and amenity of centres by encouraging commercial and residential activities within centres, ensuring development that locates within centres contributes to the following:
  - (a) an attractive and efficient urban environment with a distinctive sense of place and quality public places;
  - (b) a diverse range of activities, with the greatest mix and concentration of activities in the city centre;
  - (c) a distribution of centres that provide for the needs of people and communities;
  - (d) employment and commercial opportunities;
  - (e) a character and form that supports the role of centres as focal points for communities and compact mixed-use environments;
  - (f) the efficient use of land, buildings and infrastructure;



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- (g) (g)high-quality street environments including pedestrian and cycle networks and facilities; and
  - (h) (h)development does not compromise the ability for mixed use developments, or commercial activities to locate and expand within centres.
- (3) Enable the expansion of metropolitan and town centres having regard to whether it will do all of the following:
- (a) improve access to a range of facilities, goods and services in a convenient and efficient manner;
  - (b) maintain or enhance a compact mixed-use environment in the centre;
  - (c) retain or enhance the existing centre’s function, role and amenity;
  - (d) support the existing network of centres and achieve a sustainable distribution of centres that is supported by sufficient population growth;
  - (e) manage adverse effects on the function, role and amenity of the city centre, and other metropolitan and town centres, beyond those effects ordinarily associated with trade effects on trade competitors;
  - (f) avoid, remedy or mitigate the effects of commercial activity on adjoining land uses;
  - (g) support medium to high intensity residential development; and
  - (h) support a safe and efficient transport system which is integrated with the centre.
- (1) Enable new metropolitan, town and local centres following a structure planning process and plan change process in accordance with Appendix 1 Structure plan guidelines, having regard to all of the following:
- (i) the proximity of the new centre to existing or planned medium to high intensity residential development;
  - (j) the existing network of centres and whether there will be sufficient population growth to achieve a sustainable distribution of centres;
  - (k) whether the new centre will avoid or minimise adverse effects on the function, role and amenity of the city centre, metropolitan and town centres, beyond those effects ordinarily associated with trade effects on trade competitors;
  - (l) the form and role of the proposed centre;
  - (m) any significant adverse effects on existing and planned infrastructure;
  - (n) a safe and efficient transport system which is integrated with the centre; and

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- (o) any significant adverse effects on the environment or on natural and physical resources that have been scheduled in the Unitary Plan in relation to natural heritage, Mana Whenua, natural resources, coastal environment, historic heritage or special character.
- (4) Enable retail activities, where appropriate, on identified growth corridors in business zones, having regard to all of the following:
- (a) adverse effects on the function, role and amenity of the city centre, metropolitan and town centres, beyond those effects ordinarily associated with trade effects on trade competitors;
  - (b) adverse effects on the quality compact urban form including the existing and planned location of activities, facilities, infrastructure and public investment;
  - (c) effects on community social and economic wellbeing and accessibility;
  - (d) the efficient use and integration of land and infrastructure;
  - (e) effects on the safe and efficient operation of the transport network;
  - (f) effects of the development on the efficient use of any industrial land, in particular opportunities for land extensive industrial activities and heavy industry;
  - (g) avoiding conflicts between incompatible activities; and
  - (h) the effects on residential activity.
- (5) Enable commercial activities, where appropriate, in business zones in locations other than the city centre, metropolitan and town centres and identified growth corridors, having regard to all of the following:
- (a) the matters listed in Policy B2.5.2(5)(a) to Policy B2.5.2(5)(h) above;
  - (b) the extent to which activities would compromise the achievement of policies B2.5.2(1) and B.2.5.2(2): and
  - (c) the extent to which activities would compromise the hierarchy of locations identified in policies B2.5.2(1) to B.2.5.2(5).
- (6) Enable the supply of land for industrial activities, in particular for land-extensive industrial activities and for heavy industry in areas where the character, scale and intensity of the effects from those activities can be appropriately managed.
- (7) Enable the supply of industrial land which is relatively flat, has efficient access to freight routes, rail or freight hubs, ports and airports, and can be efficiently served by infrastructure.
- (8) Enable the efficient use of industrial land for industrial activities and avoid incompatible activities by all of the following:

## Te Aroturukitanga o te Mahere ā-Wae ki Tāmaki Makaurau

- (a) limiting the scale and type of non-industrial activities on land zoned for light industry;
  - (b) preventing non-industrial activities (other than accessory activities) from establishing on land zoned for heavy industry; and
  - (c) promoting co-location of industrial activities to manage adverse effects and to benefit from agglomeration.
- (9) Manage reverse sensitivity effects on the efficient operation, use and development of existing industrial activities, including by preventing inappropriate sensitive activities locating or intensifying in or adjacent to heavy industrial zones.

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