



Funded from the  
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# Planning Barriers for Prefabricated Housing

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Toni Kennerley, Planalytics

[toni@planalytics.co.nz](mailto:toni@planalytics.co.nz)

# Problem definition

**In 2018 New Zealand had an estimated shortfall of 71,766 new houses**

- The performance of New Zealand's housing market is sub-optimal
- Not enough houses are being built to meet demand, particularly affordable houses in areas of strong population growth
- Prefabricated housing can help meet the growing demand for quality, affordable housing in the locations it is most needed

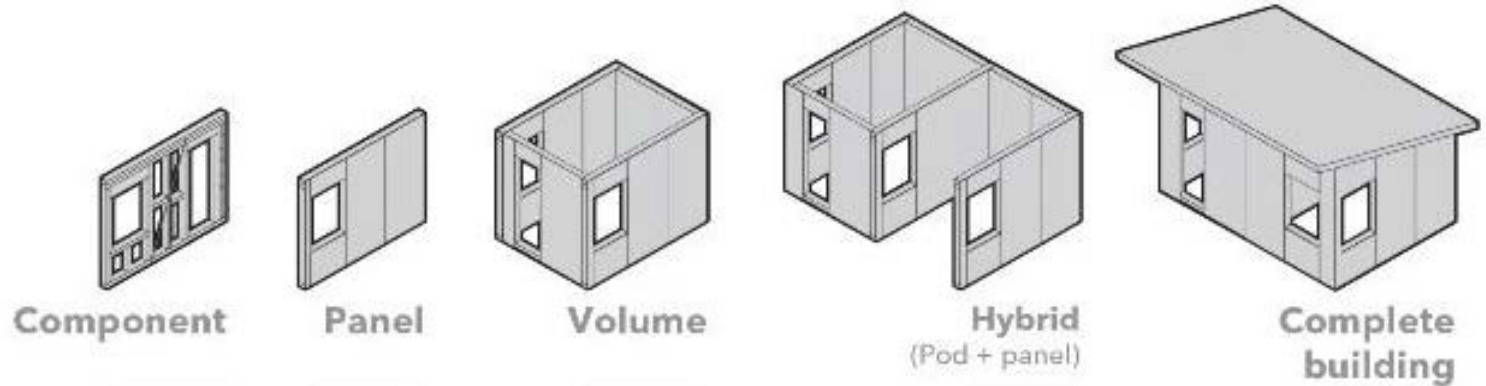


Examination of the regulatory framework, particularly the planning process, is required to enable the efficient delivery of prefabricated housing

# What is prefabrication?


Prefabrication, also known as prefab and/or offsite manufacture, means manufacturing and assembling whole buildings or substantial parts of buildings in controlled conditions prior to installation at their final location.

*PrefabNZ, 2015*







# Research questions




1 Is prefabricated housing treated differently to non-prefabricated housing in district plans across the country?



2 If yes, what are the specific differences or planning barriers?



3 What actions could be taken to overcome any such planning barriers for prefabricated housing?



The need for resource consent was considered to be a 'planning barrier' due to the additional time and cost associated with obtaining such consent

# Methodology



## Desktop review

- 25 district plans of NZ's high and medium growth urban areas (MFE)
- For district-wide & residential zones, reviewed:
  - Objectives
  - Policies
  - Rules
  - Related definitions



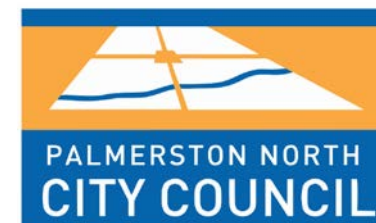
## Interviews with planners

- 25 territorial authorities
- Semi-structured phone interviews
  - Verified desktop review findings
  - Identified other planning barriers
  - Identified actions to overcome planning barriers



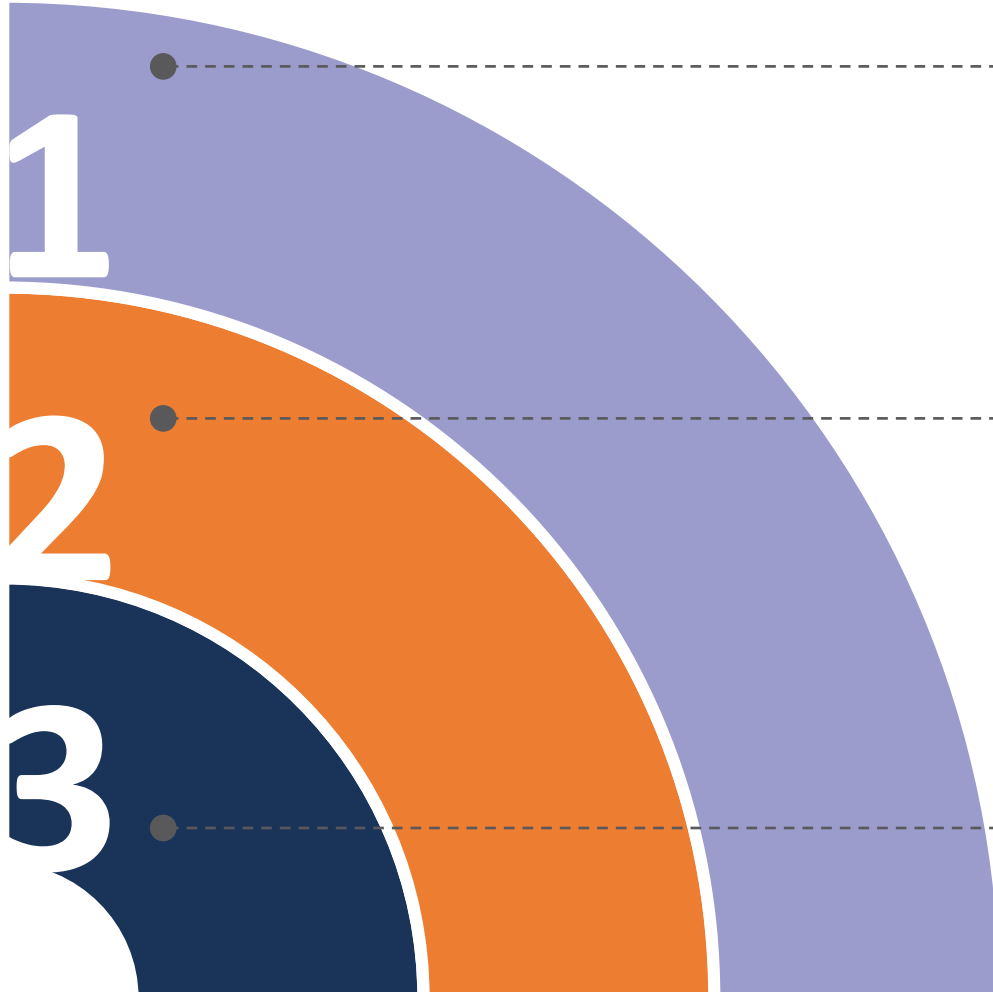
## Case study

- Palmerston North City Council (PNCC)





# Audience



## Primary audience

- Land use planners
- Industry bodies:
  - New Zealand Planning Institute
  - Resource Management Law Association

## Secondary audience

- Ministry for the Environment
- Ministry for Business, Innovation and Employment
- Ministry of Housing and Urban Development
- Local Government New Zealand

## Tertiary audience

- Prefabricated building industry
- PrefabNZ
- New Zealand Green Building Council

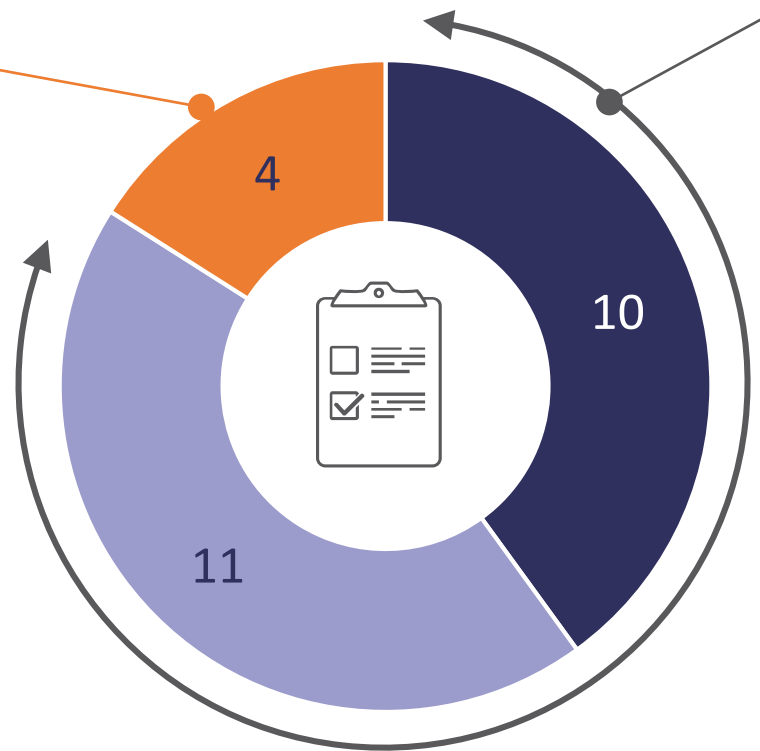


# Research findings

# Of the 25 district plans reviewed:

16%

Contained planning barriers for prefabricated housing (required resource consent)



84%

No planning barriers for prefabricated housing (did not require additional resource consent)

40% of those

No differentiation between prefabricated and non-prefabricated housing

44% of those

Tailored provisions to exclude prefabricated housing from resource consent requirements

The majority of district plans reviewed did **NOT** contain planning barriers for prefabricated housing







# By territorial authority

## NO PLANNING BARRIERS

Auckland  
Dunedin  
Hutt City  
Porirua  
Rotorua Lakes  
Tauranga  
Waimakariri  
Wellington City  
Western BOP  
Whangarei

40%

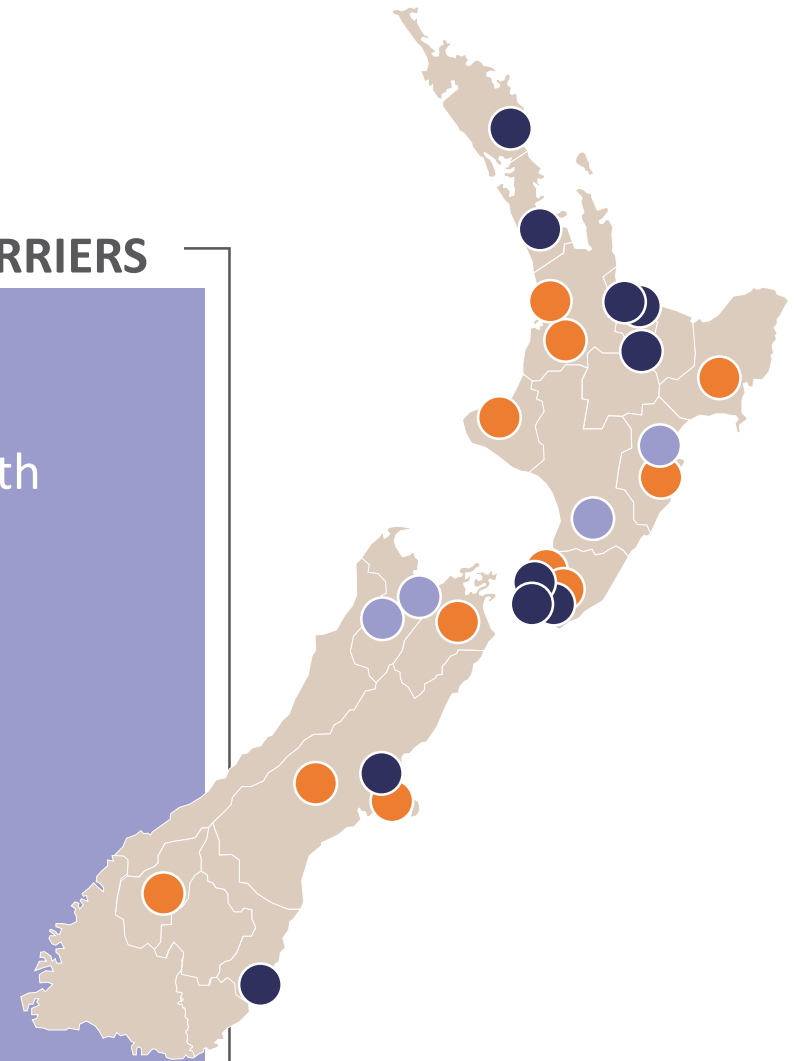
Christchurch  
Gisborne  
Hamilton  
Hastings  
Kāpiti Coast  
Marlborough  
New Plymouth  
Queenstown Lakes  
Selwyn  
Upper Hutt  
Waipa

44%

## PLANNING BARRIERS

Napier  
Nelson  
Palmerston North  
Tasman

16%



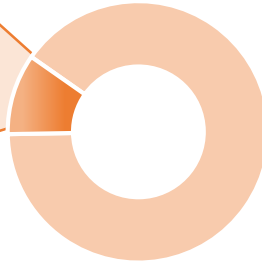
# PNCC Case Study

58

resource consents granted for relocated houses

Issued land use resource consents 2015/16 and 2016/17

3-10%

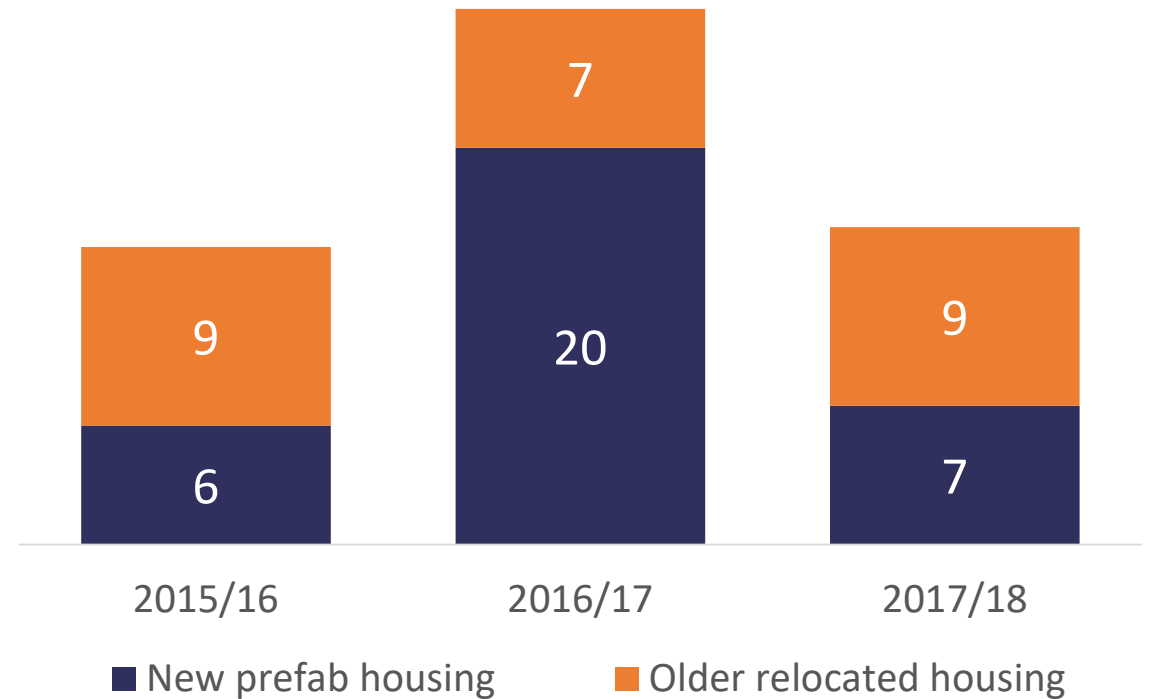


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of these 58 resource consents granted were for **new prefabricated houses**

Although the PNDP includes rules regarding relocated houses, it does not include a definition of relocated houses

## PNCC resource consents granted for relocated houses

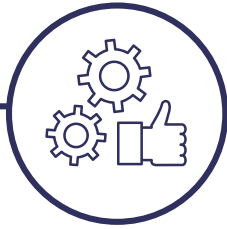


Source: Mori, 2018



# Actions available

A suite of actions are available to overcome planning barriers for prefabricated housing



Streamline resource  
consent processes

SHORT TERM



MFE's National Planning  
Standards to standardise  
district plan definitions  
  
Increase knowledge of  
planners

MEDIUM TERM



Review district plans to  
remove any unintended  
barriers for prefabricated  
housing

MEDIUM-LONG TERM



# What else is creating barriers?

**1**

Private covenants can limit the use of prefabricated housing

**2**

The building consent process for prefab can be problematic

**3**

The current supply of prefabricated housing is limited

**4**

Prevalence of house and land packages in some areas



# Answering the research questions



Is prefabricated housing treated differently to non-prefabricated housing in district plans across the country?

**Yes in 60% of the district plans reviewed; however only 16% of district plans required additional resource consent for prefabricated housing**



If yes, what are the specific differences or planning barriers?

**Rules regarding relocated houses may require resource consent for prefabricated housing**



What actions could be taken to overcome any such planning barriers for prefabricated housing?

**Streamlined resource consent processes; standard definitions in MFE's NPS; upskilling planners; district plan reviews**

**planalytics**