

**Before Independent Hearing Commissioners  
In Ngāruawāhia**

---

Under the Resource Management Act 1991 (the Act)

In the matter of of a submission by Ambury Properties Limited in respect of the proposed Waikato District Plan pursuant to Clause 6 of Schedule 1 of the Act seeking the rezoning of land at Ohinewai

and Ambury Properties Limited (Ambury)  
(Submitter)

and Waikato Regional Council  
(Further Submitter)

---

**Statement of evidence of Melissa Ann Hackell for the Waikato Regional  
Council – Social Science**

13 August 2020

---

## **1 Qualifications and experience**

- 1.1 My full name is Melissa Ann Hackell. I am employed as a Social Scientist at the Waikato Regional Council (**WRC**) for the last 18 months.
- 1.2 I hold a PhD in Public Policy and a Masters in Sociology both from the University of Waikato.
- 1.3 I have over 18 years of experience in social research.
- 1.4 My relevant experience includes the following:
  - a) I have taught social science research methodologies at graduate level including social impact assessment (**SIA**).
  - b) I have published my own social research and have contributed to social and health research projects and research planning for a number of individuals and organisations.
- 1.5 My evidence is given on behalf of WRC in relation to the submission seeking rezoning of land at Ohinewai by Ambury Properties Limited (**Ambury**) in respect of the proposed Waikato District Plan.

## **2 Involvement with the proposal**

- 2.1 I have reviewed the documents provided by Ambury in support of the proposed rezoning, in particular the SIA undertaken by Robert John Quigley. I participated in expert conferencing on social effects held on 19 June 2020 and have reviewed Mr Quigley's and Mr Olliver's evidence in chief.

## **3 Code of conduct**

- 3.1 While I acknowledge that I am an employee of WRC, I have read and am familiar with the Code of Conduct for Expert Witnesses in the current Environment Court Practice Note (2014). I have complied with it in the preparation of this summary statement and during expert witness conferencing. I also confirm that the matters addressed in this statement are within my area of expertise, except where I rely on the opinion or evidence of other witnesses. I have not omitted to consider material facts known to me that might alter or detract from the opinions I express.

## **4 Scope of evidence**

- 4.1 My evidence addresses the following matters:

- a) The SIA authored by Mr Quigley assesses the social effects of the full implementation of the Masterplan rather than the plan change. The assessment of the social effects of the completed Masterplan does not consider reasonably foreseeable alternative scenarios.
- b) Methodological issues with the SIA (raised at conferencing), in particular:
  - The SIA does not represent all the stakeholders.
  - There is insufficient information provided in the SIA to understand the potential effects on existing social values in the area.
- c) Comments on the Council Officer's Section 42A Hearing Report.

4.2 I have read the evidence prepared by Mr Keenan and Mr Vincent Yu-Wen Kuo presenting evidence on behalf of WRC.

## **5 Summary of evidence**

5.1 Mr Quigley's decision to assess the social effects of the Masterplan is based on his view that the Masterplan is the most likely outcome of the proposed rezoning. However, there is no reason to believe that the most likely outcome of the proposed rezoning will be the implementation of the Masterplan, and certainly not in its entirety. There is a range of possible outcomes, of which the full implementation of the Masterplan is only one. The exclusion of reasonably foreseeable alternate scenarios is unjustified and increases the likelihood that adverse effects have not been adequately identified and assessed. Accordingly, the assessment is not balanced because it highlights benefits without including the possibility of failure.

- 5.2 Reasonably foreseeable outcomes in this case include, but are not limited to:
- a) The partial completion of the Masterplan which could include limited development of local amenities and/or important social infrastructure (e.g. walkways, sports fields, community buildings). This could amplify negative social effects such as social exclusion.
  - b) Ohinewai becomes a 'dormitory town', similar to Te Kauwhata.
  - c) The portion of housing offered to employees is small and the unspecified 'rent to own scheme' is not affordable leading to an increase in the portion of properties being sold on the open market.

- d) The positive social effects associated with local employment are not realised as locals do not benefit from the employment opportunities to the extent estimated and/or much of the employment is low waged and precarious.
  - e) The extent and quality of new jobs do not eventuate - a proportion of the employment is transferred from other locations, new employees travel from other locations and/or job opportunities are mixed with only a relatively small portion being permanent positions above the minimum wage.
- 5.3 The SIA does not represent the perspectives of current and potential future residents of Ohinewai appropriately. The exclusion of key stakeholders, both current and potential new residents of Ohinewai, is unjustified and removes an important source of information about social effects from consideration. This exclusion results in a failure of the SIA to establish social licence for the development.
- 5.4 The assessment focuses narrowly on the employment benefits and does not adequately assess the current social values existing in the area and the impact of the development on those values:
- a) The approximately 300 current employees of Sleepyhead (and their families) expected to relocate to Ohinewai were not included in the assessment. The exclusion of the perspective of this affected group from the assessment leaves the likely uptake of the live, work and play community concept a matter of conjecture.
  - b) Mr Quigley states that Ohinewai currently has a population of 159. The SIA includes the results of interviews with 13 adult members of the community out of 107 interviews in total. The proportion of residents to non-residents interviewed for the assessment is unbalanced.
  - c) Parents of children currently attending Ohinewai School are not represented.
- 5.5 The proposal seeks to establish a community that does not yet exist, populated by households who mostly have no previous association with each other. Despite this, the SIA does not provide an account of both potential (Sleepyhead workers expected to relocate at Ohinewai) and existing residents' perspectives on their community values and aspirations. Relatedly, the SIA does not consider how the proposal can support social connections through provision and staging of social infrastructure necessary for the development of the community and associated social capital needed for the wellbeing of the population.

## **6 Response to evidence of Mr Quigley on behalf of Ambury Properties Limited**

### ***Issue 1 – Dormitory town, affordability of homes, distribution of affordable homes***

- 6.1 Dormitory towns or ‘bedroom communities’<sup>1</sup> are suburban forms that function only as city bedrooms. They are generally characterised by low population density, poor quality of life with respect to retail and entertainment, and private car dependence. For these reasons they tend towards a lack of vitality and low levels of social cohesion. The experience at Te Kauwhata with residents working and living away from the area has led to Te Kauwhata being described as a dormitory town. In turn, this has led to a lack of social cohesion and undermined the development of local business in Te Kauwhata. Mr Quigley notes in his evidence that in addition to Te Kauwhata “township recently moving towards becoming a dormitory suburb”,<sup>2</sup> locals are beginning to describe Huntly as a dormitory town<sup>3</sup>. Given these experiences are both relatively recent and local it is a reasonably foreseeable risk for a residential development at the remote location of Ohinewai.
- 6.2 According to Mr Quigley’s evidence, “Up to three-quarters of the new Te Kauwhata developments are being sold to workers/families who commute, mainly to Auckland”<sup>4</sup>. It is clear in Mr Olliver’s evidence that the majority of the homes are intended to be sold in the open market<sup>5</sup>. Considering relevant recent and local experience in Te Kauwhata and Huntly these homes would likely be sold to Auckland residents who would still presumably work in Auckland taking advantage of transport links. Since the majority of the housing will be for sale on the open market this housing would likely be beyond the reach of local employees of Sleepyhead (or employees of other light industrial operations located at Ohinewai) without assistance. It is therefore a possibility that the majority of dwellings built at Ohinewai will be purchased by people who live and work in Auckland or Hamilton. Despite all of the above, the risk that the proposed development at Ohinewai could become a dormitory town is not seriously considered in the SIA.

---

<sup>1</sup> A bedroom community is “a neighborhood, village or town that is not officially within the jurisdiction of an urban centre, but where half or more of its residents regularly commute to an urban centre for personal social and employment reasons” In Preston, 2013, ‘Community involvement in school: Social relationships in a bedroom community’, Canadian Journal of Education, Vol 36, Issue 3.

<sup>2</sup> Paragraph 15.11 of Mr Quigley’s evidence.

<sup>3</sup> Paragraph 15.7 of Mr Quigley’s evidence.

<sup>4</sup> Paragraph 8.2 of Mr Quigley’s evidence.

<sup>5</sup> Paragraph 3.8 of Mr Olliver’s evidence.

- 6.3 The opportunity for employees of Sleepyhead to purchase affordable housing, live and work in Ohinewai is considered in the SIA to be a positive social effect. Since these workers are very unlikely to be in a position to afford housing sold on the open market, Sleepyhead intends to offer a 'rent to own' scheme for Sleepyhead workers who relocate. However, the portion of homes that will be offered under a rent to own scheme is unspecified, making it difficult to assess the extent to which they might be considered 'affordable' and hence the likely uptake. This in turn affects the extent of the positive social benefit. There is a lack of detail about the rent to own offer. This is compounded by the SIA excluding the perspectives of current Sleepyhead employees expected to relocate, about whether they would be supportive of such a scheme.
- 6.4 It is therefore not possible to assess the extent to which the rent to own offer will mitigate the risk that Ohinewai becomes a dormitory town and given the majority of the homes will be sold on the open market, I consider the risk is high.

### ***Issue 2 – Social infrastructure and dormitory towns***

- 6.5 Much of the social infrastructure needed to service the people who will be living in Ohinewai is located in Huntly or further afield. While Mr Olliver considers that services will be accessed in Huntly due to its proximity,<sup>6</sup> it is also a reasonable possibility that residents will access services in Auckland or Hamilton.
- 6.6 New residential developments located in rural areas can be isolated and disconnected from the existing urban fabric. Without enhanced links to social infrastructure in Huntly and Te Kauwhata there is a risk that residents of Ohinewai could suffer social isolation as well as issues with the ease and cost of access to services. The SIA states "The Masterplan is proposing a cycleway down the old highway to connect Huntly, along with a bus station to support potential bus services"<sup>7</sup>. Public transport is essential to provide minimal levels of accessibility to services and employment opportunities for residents. According to Mr Kuo's evidence, the proposal does not support ease of access to facilities and services by public transport, walking or cycling<sup>8</sup>. Dormitory towns are associated with car dependence and increased GHG emissions because residents must travel to access services and employment (if not employed by

---

<sup>6</sup> Paragraph 2.8 of Mr Olliver's evidence.

<sup>7</sup> Paragraph 1.2.7, SIA.

<sup>8</sup> Paragraph 7.7, Mr Kuo's evidence.

Sleepyhead). Research suggests that residents experience social isolation, financial stress and decreased health due to car dependent lifestyles.<sup>9</sup>

**7 The outstanding issues raised at conferencing are as follows:**

***Issue 3 – The SIA does not consider reasonably foreseeable outcomes outside of a best case scenario.***

7.1 I disagree with the approach taken by Mr Quigley to assess only the “most likely development to be implemented” that being, in his opinion, the full implementation of the Masterplan<sup>10</sup>. Mr Quigley’s rationale for this decision is that “any other approach, such as assessing many other counter-factual scenario, or scenarios where less of the Masterplan is implemented, would simply dilute the effects identified in this assessment (bringing them closer to neutral), or be based off assumptions which are not actively being pursued”<sup>11</sup>.

7.2 Contrary to this view, best practice considers reasonably foreseeable outcomes. A number of reasonably foreseeable outcomes including the partial completion of the Masterplan should be considered in order to mitigate any potential adverse social effects associated with these possibilities. In paragraph 17.8 of his evidence, Mr Quigley states that “data would need to be collected on each scenario and so the demand on stakeholders would be substantial” (p.44). I do not agree that assessing alternative scenarios or risks requires exhaustive collection and analysis of data. Rather it involves a comparison with recent and local experiences and the use of reasoned thinking. This approach allows for the consideration of questions such as: how can the dormitory town experiences of Te Kauwhata and Huntly inform risk analysis for the planned Ohinewai development?

7.3 The best case scenario approach taken also fails to consider the full range of social effects relevant to a master planned community that does not yet exist. Social networks are particularly relevant for the development of community and associated social capital, necessary for the wellbeing of populations<sup>12</sup>. The New Zealand Treasury Living Standards Framework considers social connections to be one of the 12 most important indicators of wellbeing<sup>13</sup> yet social connections are not considered in the assessment beyond the expectation that the

---

<sup>9</sup> Nicholls, Maller and Phelan, 2017, Planning for community: Understanding diversity in resident experiences of social connections in a new urban fringe housing estate, Australia, *Community, Work and Family*, Vol 20, No 4, p.406.

<sup>10</sup> Paragraph 2.3 of Mr Quigley’s evidence.

<sup>11</sup> Paragraph 2.3 of Mr Quigley’s evidence.

<sup>12</sup> Putman, 1998, Social capital: Its importance to housing and community development – foreword, *Housing Policy debate*, 9, 5-8.

<sup>13</sup> <https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/measuring-wellbeing-lsf-dashboard>.

Sleepyhead estate will be placed within the social context of Huntly and Te Kauwhata<sup>14</sup>.

- 7.4 The possibility that the Masterplan is only partially implemented with limited development of local amenities (sports fields, parks, cycle and pedestrian paths, community buildings, shops etc) needed for recreation and the development of social networks at Ohinewai is not considered by Mr Quigley. Research on the social impacts of housing development emphasises the contribution of social infrastructure to social life and the health and development of communities. The staging of infrastructure is also important because community values tend to develop in the early stages of growth. The physical connectivity and provision of community facilities such as community centres and parks aid the progression of community values supporting social cohesion and community pride, making residents feel connected to place and community.<sup>15</sup> Given the long lasting impacts of the type, and timing, of social infrastructure for a community that does not yet exist the partial implementation, would result in significant negative social effects. It would not, as Mr Quigley suggests, “simply dilute the effects identified in this assessment (bringing them closer to neutral)”.<sup>16</sup>
- 7.5 The social and recreational infrastructure planned is considered by Mr Quigley to be an “appropriate level of infrastructure for a settlement of that size” and the settlement at Ohinewai “is not designed to be self-contained”<sup>17</sup>. Instead Mr Quigley considers “the Sleepyhead Estate is placed within the social context of Huntly and Te Kauwhata”<sup>18</sup>.
- 7.6 Given the Ohinewai settlement is not designed to be self-contained and the lot sizes are relatively small, both the full implementation of the planned social infrastructure and the links with Huntly and Te Kauwhata are crucial to avoid adverse social effects. Planned public spaces and amenities would be essential to achieving a vibrant community. Without the full implementation of the planned social infrastructure residents may experience restricted opportunities to develop social ties with their community leading to social isolation, poor mental and physical health, and a lack of social cohesion.
- 7.7 Ohinewai is relatively isolated making access to services and the provision of public transport important especially for residents not employed by Sleepyhead,

---

<sup>14</sup> Paragraph 17.22 of Mr Quigley's evidence.

<sup>15</sup> Cooper, Fone and Chiaradia, 2014, 'Measuring the impact of spatial network layout on community social cohesion: A cross sectional study', International Journal of Health Geographics, Vol 13, Issue 11; Pepper, Sense and Spear, 2016, 'Systems pluralism in infrastructure decision-making for socially connected greenfield communities', Systems Practice Action Research, 29: 129-148.

<sup>16</sup> Paragraph 2.3 of Mr Quigley's evidence.

<sup>17</sup> Paragraph 17.1 of Mr Quigley's evidence.

<sup>18</sup> Paragraph 17.22 of Mr Quigley's evidence.



children and older people. Because Ohinewai is not self-contained it imposes accessibility costs on residents that will impact their cost of living and quality of life.

- 7.8 The housing development is described as 'employment led' and the positive social effects are largely associated with that employment. It was agreed at the expert conferencing that the potential social benefits of the projected employment opportunities identified in the SIA are ostensibly positive<sup>19</sup>. According to Mr Quigley "Overall, the jobs potentially provided by the Masterplan are assessed to have a 'major' positive effect on 'many' people. The likelihood of the effect occurring is assessed to be 'almost certain'"<sup>20</sup>. I consider the assessment of likelihood of the employment-based effects occurring as "almost certain" unjustified. Employment estimates are made on the basis of the best-case scenario and there are no proposed district plan provisions to require their realisation. Further to this point, the SIA does not consider the risk that the proportion of employment for local people will be less than estimated. This would substantially reduce the positive social effects associated with employment in a deprived location and could undermine the important social connections between Ohinewai and the "social context of Huntly and Te Kauwhata"<sup>21</sup> important for a settlement that is not self-contained.
- 7.9 In his evidence Mr Quigley points out that "an average factory worker at NZ Comfort Group earns approximately \$41,700. This is twenty-seven percent higher than the minimum wage salary of \$32,760 (40 hour week, 52 weeks)<sup>22</sup>. The use of averages obscures the distribution of incomes and can be misleading. It is not clear what proportion of the employment will be permanent positions paid above the minimum wage. If the proportion of permanent positions paid above the minimum wage is small and the rest of the employment is precarious and low-waged then the social benefits will be substantially less than those estimated in the SIA.
- 7.10 I note also that given the applicant intends to remove the DFO commercial component, the employment opportunities estimated in the SIA will need to be recalculated if there is a substantial difference in the employment rates.

---

<sup>19</sup> Paragraph 2(i) of the JWS.

<sup>20</sup> Paragraph 7.9 of Mr Quigley's evidence.

<sup>21</sup> Paragraph 17.22.

<sup>22</sup> Paragraph 7.8 of Mr Quigley's evidence.

***Issue 2 – The social license of the Masterplan has not been established in the SIA due to the exclusion of key stakeholders from the assessment***

- 7.11 The current employees of the Sleepyhead factory (and their families) were not included as stakeholders in the assessment. Ambury appears to anticipate that around 300 existing employees of Sleepyhead will relocate to Ohinewai. The relocation of these employees and their families, the restoration and enhancement of their way of life should be a central consideration in the assessment. The exclusion of this affected group of 300 workers and their families is a significant gap in the SIA and avoids consideration of both the adverse impacts of resettlement on families and the likely uptake of the proposal. Furthermore, without a clear picture of these impacts the adverse social effects cannot be avoided, remedied or mitigated.
- 7.12 Mr Quigley states that Ohinewai has a population of 159. The SIA was based on interviews with 13 adult members of this community out of 107 interviews in total completed for the assessment (Paragraph 2.5 of the SIA). This seems proportionally weighted to the perspectives of non-residents. My concern is that 13 interviews is inadequate to properly understand, and give due consideration to, current residents' community values and way of life. The values of a community of 159 people are largely unexplored making it impossible to assess how the planned development can be integrated with existing community values. Existing and prospective residents of Ohinewai are under-represented in the assessment.
- 7.13 Further to this, a public meeting was held and is mentioned in the SIA but no account of the level of community acceptance of the plan by locally impacted communities is provided. Agreement to provide the notes from this meeting is noted in the Joint Witness Statement<sup>23</sup>. An email was provided very late on the 12<sup>th</sup> of August and contained a list of issues raised at the meeting. That list included, among others, the "lack of internet, security and the potential of a slum".<sup>24</sup> These community concerns were established at the meeting and should have been considered in the SIA.
- 7.14 Mr Quigley maintains that the Masterplan would have potential minor positive effects on Ohinewai School based on families gaining employment and the positive impact of new residents who move into the area. However, the SIA does not consider the shift in character of the current small rural school and does not

---

<sup>23</sup> Joint Witness Statement, p.6.

<sup>24</sup> The email also records the following comments: "No great concerns, the local primary school is at capacity but has room for growth"; "Clip on pedestrian access across the motorway & then cycle to Huntly"; "Lack of public amenities"; and "Emergency services....Petrol...Rubbish".

interview any parents of currently attending school children to assess their values around the character of the school and how their values might be impacted or incorporated into the plan.

## **8 Response to the Council Officer's report**

- 8.1 I agree with the issues raised in the report at appendix 11 of the Section 42A Hearing Report, "Ohinewai Rezoning and Structure Plan Submissions - Social Impact Review". In particular, I agree with the following statements:
- a) "the delivery of the Masterplan outcomes is not assured, therefore the findings of the SIA have limitations" (p.43).
  - b) "more consideration was needed in the SIA of the alternative outcomes enabled by the zoning and other planning provisions. Additionally, many of the positive outcomes should be reframed, for example as 'potential positives' (p.43).
- 8.2 I agree with the recommendation in the Council Officer's Section 42A Hearing Report that a number of additional scenarios should be considered, including the potential impacts of major businesses withdrawing from the development in the future, the social consequences of direct competition with Huntly services, business relocation to Ohinewai from other surrounding areas, and creation of a community in a rural area without existing services and amenities.<sup>25</sup>
- 8.3 I agree that there is a lack of information on existing social values of current Ohinewai residents identified in the peer review. At page 43 the report says that "although the SIA considers the way of life and aspirations of the future residents, it largely remains silent on the sense of place for the existing residents in the area".
- 8.4 I would go further and say that the SIA excludes consideration of the way of life and aspirations of future residents given it excludes the perspectives of approximately 300 existing employees of Sleepyhead expected to be the first to settle in Ohinewai.

## **9 Concluding comments**

- 9.1 I consider the scope of the SIA to be unreasonably restrictive resulting in a less than full picture of the potential social effects of the development at Ohinewai.

---

<sup>25</sup> 257. Section 42A Hearing Report.

- 9.2 The district plan change sought is not the same as the implementation of the Masterplan. There is no certainty that the plan change will result in the full implementation of the Masterplan.
- 9.3 The risk of Ohinewai becoming a dormitory settlement is a reasonably foreseeable outcome with significant social harms associated with it. It is therefore necessary to provide a wider consideration of the actual and potential adverse social effects of this reasonably foreseeable alternative outcome.
- 9.4 The SIA considers the social effects of the best-case scenario associated with the full implementation of the Masterplan. Within the terms of this restrictive scope there is uncertainty about the quantity, quality and distribution of the employment upon which the positive social effects are dependent. There is also a high degree of uncertainty about both the portion and affordability of housing that will be offered to Sleepyhead workers.
- 9.5 The proposal seeks to establish a community that does not yet exist populated by households who mostly have no previous association with each other. Despite this, the SIA does not provide an account of both potential (Sleepyhead workers expected to relocate at Ohinewai) and existing residents' perspectives on their community values and aspirations. Relatedly, the SIA does not consider how the proposal can support social connections through provision and staging of social infrastructure necessary for the development of the community and associated social capital needed for the wellbeing of the population. The long-lasting negative wellbeing impacts associated with a lack of social connection and social capital warrant their inclusion in the assessment.
- 9.6 For these reasons, the assessment both overstates the potential benefits of the proposal and under-represents the risks of poor outcomes.

**Melissa Ann Hackell**

13 August 2020