

FREEDOM CAMPING ACT 2011: REVIEW OF TRANSITIONAL PERIOD FOR PRIVATELY OWNED VEHICLES

DISCUSSION DOCUMENT – OCTOBER 2024

Ministry of Business, Innovation and Employment (MBIE) Hīkina Whakatutuki – Lifting to make successful

MBIE develops and delivers policy, services, advice and regulation to support economic growth and the prosperity and wellbeing of New Zealanders.

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Information, examples and answers to your questions about the topics covered here can be found on our website, www.mbie.govt.nz

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How to have your say

You have an opportunity to tell us whether you think there should be an extension to transitional period 4 (for privately owned vehicles) in the Freedom Camping Act. You are welcome to make a submission on some or all of the discussion questions set out in this document and/or raise any other relevant points.

HOW TO COMMENT ON THIS DISCUSSION DOCUMENT

The deadline for providing your feedback is **5PM, 1 November 2024**.

Your submission can be completed using the survey on our website, or you can submit a response in the form of a short letter or document. Where possible, provide relevant facts, figures, data, examples and documents to support your views. You can:

- Complete the survey form online on the MBIE website: www.mbie.govt.nz/have-your-say
- Or email your submission to us at: responsiblecamping@mbie.govt.nz
- Or mail your submission to us at:
Ministry of Business, Innovation & Employment
15 Stout Street
PO Box 1473, Wellington 6140
Attention: Destinations and Regional Economies, LSE

Where possible, we appreciate receiving submissions electronically. If emailing an attachment, we prefer a Word or text-searchable PDF format.

Submissions received after **5PM, 1 November 2024** will not be considered. Extensions to this deadline will only be granted in exceptional circumstances.

MBIE WILL PUBLISH A SUMMARY OF SUBMISSIONS

MBIE will analyse the submissions we receive and publish a summary of them on our website at www.mbie.govt.nz.

MBIE will proactively publish submissions. If you have any objection to the release of any information in your submission, please set it out clearly in your submission for MBIE to consider.

Submissions may be subject to release under the Official Information Act 1982 and requests under the Privacy Act 2020.

OFFICIAL INFORMATION

If you have any objection to the release of any information in your submission under the Official Information Act 1982, please clearly indicate which parts you consider should be withheld, together with the reasons for withholding the information under the Official Information Act 1982. We will take such objections into account and will endeavour to consult with submitters when responding to requests under the Official Information Act 1982.

PERSONAL INFORMATION

The Privacy Act 2020 governs how we manage personal information (e.g., collection, use, holding, disclosure, etc.). Any personal information you supply to us in the process of making a submission for this consultation will only be used for the purpose of assisting in the development of policy advice in relation to this review, to attribute a submission to you or for contacting you about your submission. We may also use personal information you supply in the course of making a submission for other reasons permitted under the Privacy Act 2020 (e.g., with your consent, for a directly related purpose or where the law permits or requires it).

Please clearly indicate if you do not wish for your name or any other personal information to be disclosed in any summary of submissions or external disclosures. You have rights of access to and correction of your personal information that you provided in your submission. If you included the personal information of another individual in your submission, they also have the right to access and/or correct their own information provided in the submission.

OTHER INFORMATION

If there is other information that you would like to submit to MBIE for consideration in this consultation but do not want it publicly disclosed, please clearly set that out in your submission for MBIE to consider.

The issue and why we are consulting

Overview

In 2023, the Government passed a new law for self-contained vehicles to better manage the impacts of freedom camping on our communities and environment. The self-containment requirements for private motor vehicles certified under the old system come into effect in June 2025. However, currently only a small number of the estimated 73,000 self-contained vehicles in New Zealand have been certified under the new system. This paper is consulting on whether the deadline for private self-contained vehicles should be extended to reduce the pressure on Certification Authorities (and their vehicle inspectors), noting that such a delay may have other implications.

A new freedom camping system has been put in place

In 2023, the Self-contained Motor Vehicles Legislation Act 2023 (the Act) came into force. The Act addresses concerns about freedom campers who stay in vehicles that are not self-contained, establishing a new regulatory system for vehicles to become certified as self-contained. The Plumbers, Gasfitters, and Drainlayers Board (PGDB) regulates the self-contained vehicles certification system, namely the Certification Authorities and vehicle inspectors who are certifying vehicles.

The freedom camping legislation has a transitional period

For most self-contained vehicle owners, the obligation to use a vehicle certified as self-contained when staying on certain types of land is being phased in over a two-year transitional period (starting from the commencement of the Act on 7 June 2023). The change is being operationalised by moving from the old 'blue warrant' system to a new 'green warrant' system. For vehicles owned by a rental company, a slightly shorter period of 18 months was set. An overview of the default transitional period is shown in **Annex One**. The key dates are:

- **7 December 2024** - all motor vehicles owned by a rental company (approximately 5,000 vehicles) must be certified as self-contained under the new system.
- **7 June 2025** - all privately owned vehicles¹ (approximately 68,000 vehicles) must be certified as self-contained under the new system. This is referred to as transitional period 4.

Transitional period 4 can be extended by up to two years

The Act includes four transitional periods.² We are only consulting on potential changes to period 4. Period 4 starts on 7 December 2024 and ends on 7 June 2025. During this period, a privately owned motor vehicle is deemed to be self-contained through the blue warrant system if it has been certified:

¹ For the purpose of this document, the term 'privately owned vehicle' is used, rather than 'the vehicle is not owned by a rental vehicle company' as within Freedom Camping Act 2011 sch 1AA cl 6(2)(d).

² Under the Freedom Camping Act 2011 sch 1AA cl 2, transitional periods 1, 2 and 3 covered periods for when vehicles were determined to be self-contained. Periods 1 and 2 have ended, and period 3 ends on 7 December 2024. Transitional periods 1-3 are set in primary legislation and, as a result, are out of scope of this consultation.

- before 7 June 2023 under the standard at that time, or
- between 7 June 2023 and 7 June 2024 under the modified standard³.

There is the ability to extend the end date of period 4 for privately owned vehicles by up to two years (the maximum length permitted under the Freedom Camping Act 2011) by an Order in Council, which is the focus of this consultation.

The scope of this discussion document

The Government is interested in hearing your views on the following aspects of the transitional period:

- **Whether you think the transitional period for privately owned vehicles should be extended?**
- And, if you support an extension, **your views on the length of the extension** (up to the maximum two years allowed under the legislation).

We also want to know what you think are the costs and benefits of changing the transitional period.

Key considerations

We have identified several things that should be considered when deciding whether to extend the transitional period.

Impact on local authorities, communities and the environment

The Act is intended to increase public trust in the self-contained vehicle system and reduce the environmental impacts of vehicle-based freedom camping.

Local authorities and communities deal with the consequences of environmental harm and clean-up costs from freedom camping, particularly in regions with high levels of freedom camping. If period 4 is extended, then the benefits of the Act for these communities will be delayed.

Impact on vehicle owners

Vehicle owners may be impacted by a change to the transitional period or by not changing it. Under the status quo transitional period, there is likely to be an increased impact on vehicle owners with greater demand on Certification Authorities and a potential flow-on effect for vehicle inspection fees. Unlike the vehicle levy, these fees are not paid to the government but to the Certification Authority to cover the work involved with an inspection. Extending the transitional period may alleviate this impact. There is also the potential for the vehicle levy to be increased when the levy rate is formally reviewed because of changes to the transitional period, which would be passed on to individual vehicle owners (see specific section on this below).

³ After June 2024, all vehicles requiring certification were required to have this completed under the new requirements (green warrant system).

Certification capacity

A self-contained motor vehicle must be inspected by a vehicle inspector⁴ who works on behalf of a Certification Authority in order to be certified as self-contained under the Act. To increase the capacity of the system during the transitional period, certifying plumbers were automatically deemed to be Certification Authorities until 6 June 2025.⁵ We have previously estimated that 73,000 vehicles will need to be inspected, of which approximately 5,000 are rental vehicles.

As of 1 October 2024:

- 13 Certification Authorities have been appointed by the PGDB.
- 46 certified plumbers have been given access to and are actively certifying vehicles in the PGDB's self-contained motor vehicle register.
- 508 vehicle inspectors have been given access to the PGDB's self-contained motor vehicle register.
- 3,592 vehicles have been issued with a new green certificate of self-containment (2,115 rental and 1,477 private).

A range of factors are likely to have caused this low uptake. This includes people deciding not to transfer from their blue warrants until closer to the end of the transitional period, the relatively small number of Certification Authorities being operational during this period, and the sector waiting for greater certainty about other changes to the Regulations (changes to the Regulations in relation to direct venting came into force on 29 August 2024).

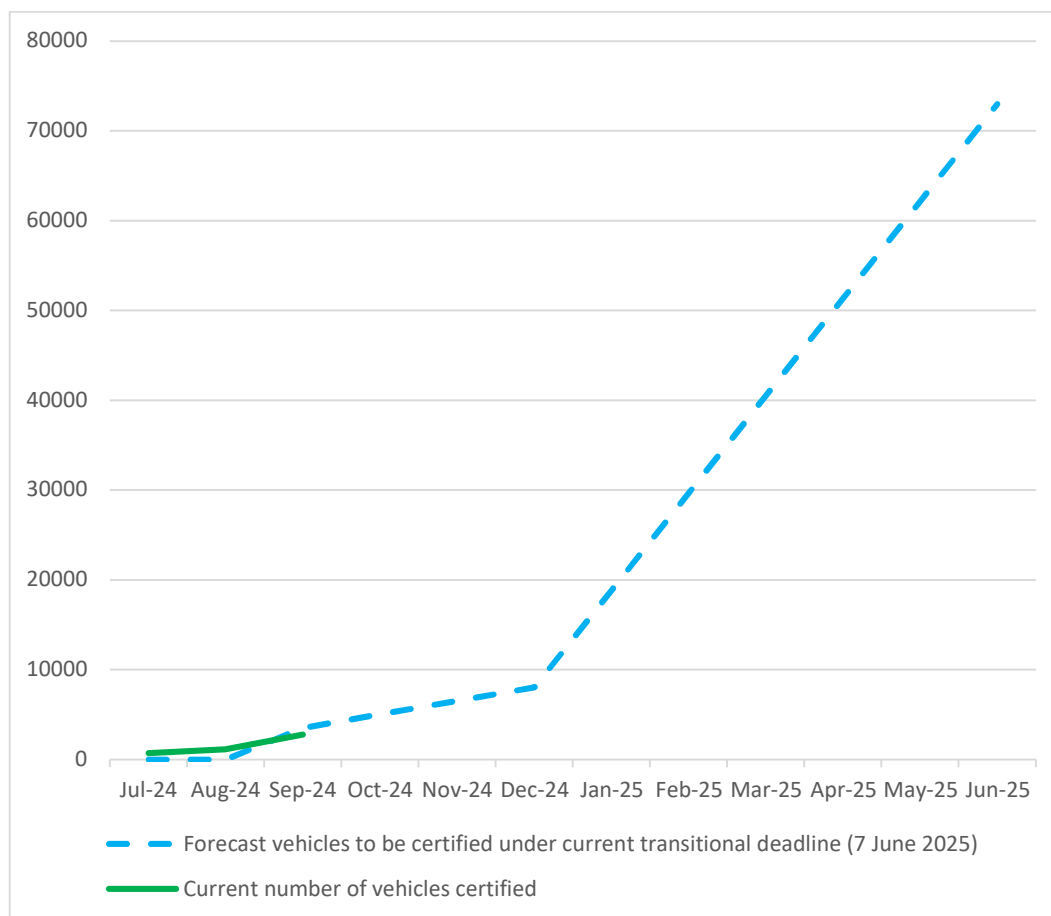
From January 2025, approximately 11,000 vehicles per month will need to be certified

Graph 1 shows the number of currently certified vehicles against the number forecast to be required to be certified within the current transitional period. This forecast assumes that the estimated 5,000 self-contained rental motor vehicles will be the focus of Certification Authorities ahead of the deadline on 7 December 2024. From January 2025 onwards, 10,827 vehicles will need to be certified per month (68,000 total) to certify the full national fleet. This is shown below (an even distribution has been assumed within each month of the current transitional period).

⁴ Means a person appointed as a motor vehicle inspector in accordance with section 87T of the Plumbers, Gasfitters, and Drainlayers Act 2006.

⁵ The status of certifying plumbers as deemed Certification Authorities will end on 6 June 2025 regardless of whether or not the transitional period for privately owned vehicles is extended.

Graph 1: Forecasted rate of vehicle certification under the current transitional period



Funding of the Plumbers, Gasfitters, and Drainlayers Board

The self-contained vehicle system is designed to be self-funded with the cost of the PGDB being fully covered by levies paid by vehicle owners getting their vehicles certified self-contained. The initial operations of the PGDB have been funded by the Government, until sufficient levies are generated. There is an expectation that this funding will then be repaid. Currently, the levy revenue is forecast to generate slightly more revenue over a four-year period (roughly \$25,000) than the PGDB's forecasted operating costs.

One possible consequence of any extension to the transitional period is that vehicle owners delay getting their vehicles certified until close to the new deadline. This could mean that current levy revenue is not sufficient to meet the costs of the PGDB for a longer period, requiring further Government funding. As a consequence, it is possible that:

- the self-contained vehicle levy may need to be increased, which becomes more likely under a longer transitional period, and/or
- the PGDB's operating budget will need to be reduced, which may impact its ability to support Certification Authorities, carry out compliance monitoring activities, and carry out stakeholder engagement and awareness raising activities.

There is uncertainty about when and how many vehicles will become certified and when Government funding will be repaid; therefore, we are unable to provide more detailed information at this time. Any future increase to the self-contained vehicle levy would follow a process similar to this consultation.

Other examples of extending transitional periods

To help better understand the impact of extending the transitional period for private vehicles, we considered other regulatory timeframes that have been extended to see if there were any examples that would help shape the options.

We were unable to find New Zealand examples in similar vehicle permitting/warranting processes; however, we found some useful examples from other areas of the law (**Annex Two**).

In other examples, extending the deadline for compliance delayed compliance until just before the new deadline

In all the examples we looked at, stakeholders had conflicting views over whether an extension was necessary or appropriate. In all cases, a longer transitional period provided responsible agencies with more opportunities to improve their understanding of the new system. It also offered participants in the system more time to make necessary changes and get any approvals or licences.

An extended transitional period did not appear to streamline the phasing of compliance. In these examples, an extension to the transitional date deferred compliance rather than resulting in compliance activity being spread more evenly over a longer period. Compliance remained low until the end of the statutory period. There was evidence of issues being deferred until closer to the new transitional date rather than being resolved earlier because of the longer timeframe.

Options to extend the transitional period

We are consulting on two options for an extension to the transitional period.

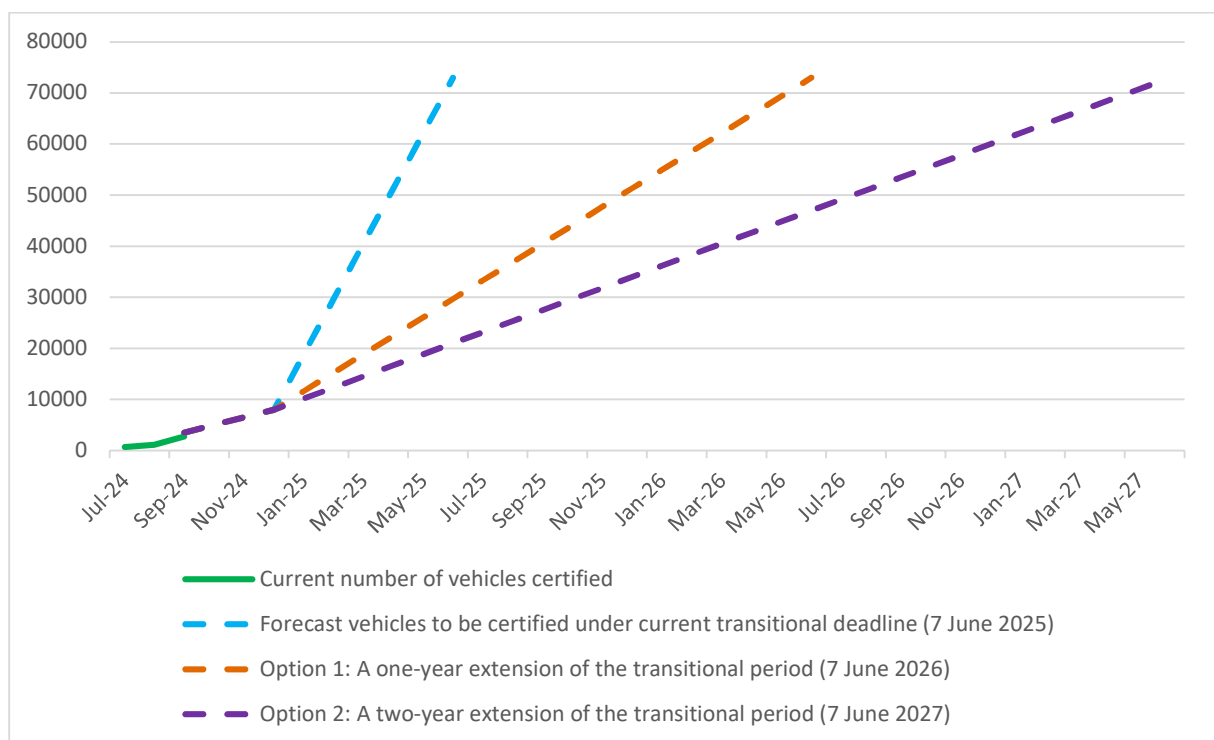
Under the status quo the transitional period ends on 7 June 2025. We have identified two options within the two-year maximum extension allowed in the Freedom Camping Act 2011:

- Option 1: A one-year extension of the transitional period (7 June 2026).
- Option 2: A two-year extension of the transitional period (7 June 2027).

How these options impact the self-contained vehicles system

Graph 2 shows how Options 1 and 2 impact the forecasted rate of vehicle certification by the end of each transitional period option (assuming that the certification rate is evenly distributed). As per Graph 1, it assumes that 5,000 rental vehicles will be issued with a certificate of self-containment by the deadline for motor vehicles owned by a rental company (7 December 2024).

Graph 2: Forecasted rate of vehicle certification of the current transitional period, one year and two options



- The status quo requires an average of 10,827 vehicles to be certified each month from January 2025 to 7 June 2025.
- Option 1 (a one-year extension) requires an average of 3,609 vehicles to be certified per month from January 2025 to 7 June 2026.

- Option 2 (a two-year extension) requires an average of 2,165 vehicles to be certified per month from January 2025 to 7 June 2027.

Assessment of options

This section uses the criteria below to assess the costs and benefits of each option and, where possible, the scale of the cost/benefit.

Costs - the potential costs to participants in the freedom camping system.

Benefits - the potential benefits to participants in the freedom camping system.

These are assessed against the status quo of the transitional period ending on 7 June 2025.

Option	Costs	Benefits
<p>Status Quo: Transitional period ends 7 June 2025</p>	<p><u>Certification Authorities</u> High level of demand on the certification system. Requires approximately 11,000 vehicles per month to be certified from January 2025.</p> <p><u>Vehicle Owners</u> Increased demand for certification may result in Certification Authorities charging more for inspection fees (unlike the Levy, these fees are not paid to the government but to the Certification Authority to cover the work involved with an inspection).</p>	<p><u>Communities/Local Authorities</u> Brings in the full benefits of the new self-contained vehicle laws nationally for local authorities and communities.</p>
<p>Option 1: One year extension to the transitional period to June 2026</p>	<p><u>Communities/Local Authorities</u> A greater number of vehicles certified under the old system (and without a fixed toilet) continue to freedom camp, which delays the full benefits of the new self-contained vehicle laws for local authorities/communities.</p> <p>This may negatively impact freedom camping's social licence.</p> <p>The environmental costs (clean-up/management) of freedom camping continue to fall on Local Authorities and communities in the interim.</p> <p><u>Vehicle Owners</u> Disadvantages approximately 1,500 vehicle owners who got their vehicle certified with a green warrant in the original time period.</p>	<p><u>Certification Authorities</u> Eases demand on Certification Authorities, as the number of vehicles needing to be certified is reduced from 11,000 per month to 3,609 per month from January 2025. However, it is possible that an extension to the transitional period means vehicle owners delay getting their vehicles certified until close to the new deadline.</p> <p><u>Vehicle Owners</u> Advantages up to 40,000 current blue warrant holders to continue to freedom camp to 7 June 2026 or when their current blue warrant expires (whichever is earlier).</p>

	<p>May impact the levy rate in the next levy rate review.</p>	
<p>Option 2: Two-year extension to the transitional period to June 2027</p>	<p><u>Communities/Local Authorities</u> A greater number of vehicles certified under the old system (and without a fixed toilet) continue to freedom camp, which delays the full benefits of the new self-contained vehicle laws for local authorities/communities.</p> <p>This may negatively impact freedom camping's social licence.</p> <p>The environmental costs (clean-up/management) of freedom camping continue to fall on Local Authorities and communities in the interim.</p> <p><u>Vehicle Owners</u> Disadvantages approximately 1,500 vehicle owners who got their vehicle certified with a green warrant in the original time period.</p> <p>May impact the levy rate in the next levy rate review.</p>	<p><u>Certification Authorities</u> Eases demand on Certification Authorities, as the number of vehicles needing to be certified is reduced from 11,000 per month to 2,165 per month after January 2025. However, it is possible that an extension to the transitional period means vehicle owners delay getting their vehicles certified until close to the new deadline.</p> <p><u>Vehicle Owners</u> Advantages up to 25,000 current blue warrant holders to continue to freedom camp to 7 June 2027 or when their blue warrant expires (whichever is earlier).</p>

Our preferred option

We need to review the submissions on this discussion document before we identify a preferred option.

QUESTIONS

1. Do you think that the transitional period should be extended?
2. If so, which option (Option 1 or Option 2) do you support and why?
3. Do you support another period within the two-year maximum extension allowed under law?
4. If so, what period do you support and why?
5. Are there any costs or benefits that have not been identified in this discussion document?
6. Are there any other issues related to the transitional period that have not been covered in this discussion document?

Next steps

What happens next?

Any extension to the end date of period 4 would need to be made by the Governor-General by Order in Council on the recommendation of the Minister.⁶

How will the changes be implemented?

If a decision is made to extend the transitional period, local authorities would continue their current freedom camping compliance and enforcement activities.

MBIE would continue to work closely with the PGDB and the wider sector on implementation.

How will the changes be monitored/reviewed?

The Minister for Tourism and Hospitality intends to review the effectiveness of the freedom camping system and the Self-contained Motor Vehicles Legislation Act 2023 after the transitional period for private vehicles ends and there is evidence of how the new system is working.

If the transitional period is extended, this review would likely commence in late 2026 or 2027 depending on the length of the extension.

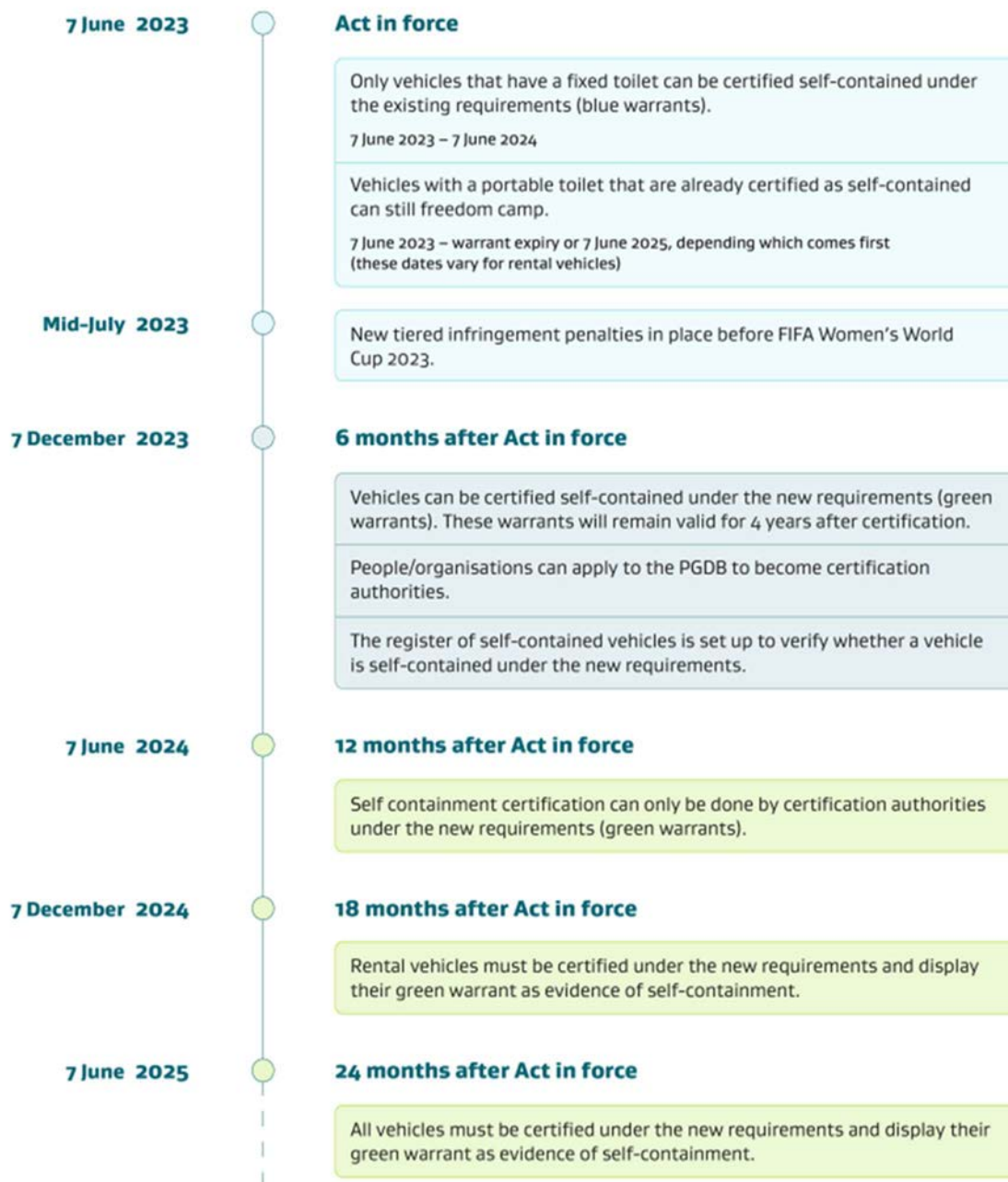
⁶ Freedom Camping Act 2011, sch 1AA cl 3.

Annex One

Freedom Camping Transition Period



Warrants that can be issued as evidence of self-containment: ● blue blue and green ● green



Annex Two

TABLE 1: SUMMARY OF NEW ZEALAND COMPARISONS

Law	Context
<p>Residential Tenancies (Healthy Homes Standards) Amendment Act 2022</p>	<p>The Healthy Homes Standards became law in 2019. It includes minimum requirements for heating, insulation, ventilation, moisture ingress and drainage, and draught-stopping in rental properties.</p> <p>In 2022, the timeframes were extended to address the impacts of COVID-19 on implementation, specifically the ongoing global supply chain and delivery issues, as well as the limited construction workforce.</p> <p>Private rentals need to comply within 120 days (extended by 30 days) of any new or renewed tenancy on or after 1 July 2021, and must comply by 1 July 2025 (extended by a year).</p> <p>Between 30 May 2022 and 29 May 2023, the Ministry of Business, Innovation and Employment's Tenancy and Compliance Investigations team undertook 921 Healthy Homes Standards compliance checks. Breaches were found in over a third of cases (395), showing landlords were slow to comply.</p> <p>Some landlords have said that they were frustrated by the May 2022 changes to the heating requirements, which resulted in those landlords who complied earlier installing heat pumps that were larger than ultimately required.</p>
<p>Land Transport (Driver Licensing) Rule 1999</p>	<p>In 2014, the Land Transport (Driver Licensing) Rule 1999 was amended to include a 5-year time limit on new learner and restricted car or motorcycle driver licences.</p> <p>Towards the end of the period it became clear that many licence holders did not know that their licence would expire and, therefore, they would unknowingly be in breach of the law. As a result, a further two-year extension was added in 2019 for licences due to expire between 1 December 2019 and 1 December 2021.</p> <p>Despite a public awareness campaign, it became clear there were other barriers preventing licence holders from progressing through the licensing system. In 2021, the time limit was extended to ten years. Waka Kotahi said this extension would have no benefit or impact on road safety; however, it would allow time for initiatives to be put in place to make licensing more accessible. It would also alleviate pressure on the driver licensing system which had a significant backlog on licence renewals due to COVID-19 restrictions that were in place at that time.</p>
<p>Animal Welfare (Care and Procedures) Regulations 2018</p>	<p>In 2012, the government announced a ban on battery cages for layer hens with a 10-year phase-out period to allow the industry time to transition. The phased approach was intended to balance the welfare of layer hens with the time producers needed to move to other systems. It was thought that this longer period would reduce the impact on egg prices, allow for changes in the industry structure and maintain the stability of egg supply. The SPCA strongly opposed the long transitional period given the impact on animal welfare.</p>

	<p>Despite the long 10-year extension, when the ban came into effect at the beginning of January 2023, there was a nationwide shortage of eggs and a sharp price increase. Rather than making the transition, some farmers had left the industry; others had left changes until late in the period (and, in some cases, they experienced a lengthy wait time to get the resource consent they needed to operate under the new standards).</p>
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