



BRIEFING

Freedom Camping – Transitional Period for Private Vehicles

Date:	7 November 2024	Priority:	Medium
Security classification:	In Confidence	Tracking number:	REQ-0005375

Action sought		
	Action sought	Deadline
Hon Matt Doocey Minister for Tourism and Hospitality	Agree to an option for the transitional period for private vehicles.	11 November 2024

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
Dale Elvy	Manager, Destinations and Regional Economies	Privacy of natural persons		✓
Kate Mitcalfe	Senior Policy Advisor, Destinations and Regional Economies			

The following departments/agencies have been consulted
Treasury on the content related to a new appropriation.

Minister's office to complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

Comments



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Purpose

This briefing provides you with information about the freedom camping transitional period for private self-contained vehicles, and what submitters said in our recent public consultation on whether to extend the transitional period.

Supporting annexes are:

- a summary of submissions
- a draft Cabinet paper.

Recommendations

- a **Note** that the Freedom Camping Act 2011 (the Act) provides a two-year transitional period to 7 June 2025 for the certification of vehicles that are not owned by a rental company (private vehicles). *Noted*
- b **Note** that you may recommend that the transitional period for private vehicles be extended by up to 2 years by regulations made by Order in Council to ensure there is sufficient time for people to get their vehicles certified. *Noted*
- c **Note** that while rates of vehicle certification have recently increased, it is possible that at least 30,000 people will not have certified their vehicles before the current deadline. *Noted*
- d **Note** that we undertook public consultation on extending the deadline for private vehicles:
- a. A majority of submitters (63 per cent), including many individual freedom campers, support a two-year extension.
 - b. Some submitters (19 per cent), including the largest member organisations and vehicle certifiers, support a one-year extension.
 - c. A minority of submitters (13 per cent), including four local authorities and the Plumbers, Gasfitters and Drainlayers Board (system regulator), support no deadline extension. *Noted*
- e **Note** that, based on current data, we believe that a one-year extension would allow sufficient time to process the certification of the remaining vehicles, while not unduly delaying system commencement. *Noted*

- f **Agree** to an option for the transitional period for private vehicles:

EITHER

- a. Retain the original deadline of 7 June 2025.

Agree / Disagree

OR

- b. Recommend an extension to the deadline for **one** additional year to 7 June 2026.
[MBIE Recommends]

Agree / Disagree

OR

- c. Recommend an extension to the deadline for **two** additional years to 7 June 2027.

Agree / Disagree

- g **Note** that if you agree to recommend an extension to the deadline, we recommend that you begin Ministerial consultation on the attached draft Cabinet paper with the aim of discussing this at the meeting of the Cabinet Economic Policy Committee on 4 December 2024.

Noted

- h **Note** that the Cabinet paper includes a routine section seeking Cabinet's agreement to establish an appropriation to enable the transfer of levy income from MBIE to the Regulator for their operating costs.

Noted

- i **Note** that there remains significant uncertainty about the total number of people who will seek self-contained certification and some freedom campers remain opposed to the new freedom camping system.

Noted

- j **Agree** to proactively release the Summary of Submissions once Cabinet have considered your Cabinet paper, or as soon as practicable.

Agree / Disagree

Privacy of natural persons

Dale Elvy
Manager, Destinations and Regional Economies
Labour, Science and Enterprise, MBIE

..... / /

Hon Matt Doocey
Minister for Tourism and Hospitality

..... / /

Background

1. We have previously recommended that, due to the low number of certified self-contained vehicles and certification authorities, you review the duration of the transitional period for private vehicles [Briefing 2324-3420 refers]. As part of your consideration of the transitional period, the legislation requires you to consider the following factors (if relevant):
 - a. the number of people appointed as certification authorities;
 - b. the number of motor vehicle inspectors;
 - c. the number of vehicles issued a certificate of self-containment;
 - d. any other matters you consider relevant.¹
2. Under the Act, you can recommend a change to the transitional period **only** if you think it is necessary or desirable to allow sufficient time for people to apply to get their vehicles certified and certification authorities to carry out their functions.²

Self-contained freedom camping system

3. The regulator of the freedom camping system, the Plumbers, Gasfitters and Drainlayers Board (PGDB), has provided the information in the table below:

Progress of self-contained vehicle certification – 5 November 2024	
Certification authorities	15
Motor vehicle inspectors	636
Vehicles issued with a certificate of self-containment	8,635

Based on current certification rates, it is unlikely that full certification will be achieved before the current deadline

4. The current rate of certification has increased significantly in recent months to the point where approximately 1,000 vehicles are being certified each week. While it is unlikely that such a high rate will be maintained over the holiday period, it is possible that as many as 35,000 additional vehicles could be certified before the current deadline of 7 June 2025. Under this scenario, a total of 43,000 vehicles (or 60 per cent) of the estimated total number of vehicles seeking self-containment certification could be certified before the deadline.

We have sought public feedback on whether to extend the transitional period

5. Before deciding whether to extend the transitional period, you are required to consult any people or groups that would assist you to decide whether to recommend an extension of the transitional period for private vehicles.³ Following a discussion with the Department of Prime Minister and Cabinet about the technical and limited scope of changes to the transitional

¹ Freedom Camping Act 2011, sch 1AA cl 4(1)(a)

² Freedom Camping Act 2011, sch 1AA cl 4(2)

³ Freedom Camping Act 2011, sch 1AA cl 4(1)(b)

period, you agreed to proceed with public consultation without first seeking Cabinet approval [Briefing 2425-0802 refers].

6. MBIE conducted public consultation between 8 October and 1 November 2024 on three options:
 - a. Maintaining the status quo (no extension to the transition).
 - b. Extending the transition by one year.
 - c. Extending the transition by two years.
7. We received 462 submissions. These include:
 - a. 426 submissions from individuals.
 - b. 25 submissions from member organisations and industry groups.
 - c. 6 submissions from local authorities.

There were a variety of views about the merits of each option

8. A formal summary of submissions has been attached to this paper as **Annex One**. Overall:
 - The greatest number of submissions (63 per cent) support extending the transitional period for two years. Most of these submissions were from individuals, many of whom are opposed to the new freedom camping system.
 - The one-year option was supported by the second largest number of submissions (19 per cent). This included the New Zealand Motor Caravan Association (NZMCA) who have the largest number of members of any freedom camping organisation and who are the largest single vehicle certifier under the new system.
 - The option to not extend the transitional period received the smallest number of submissions (13 per cent). This included support from four local authorities on behalf of their communities.

We recommend extending the transitional period for one year

9. We have considered the views of stakeholders, possible financial implications, and the latest information on the capacity of the system (number of certification authorities, vehicle inspectors and vehicles certified self-contained). On balance, we recommend a one-year extension to the transitional period. Our analysis of these factors is set out below.

Stakeholder perspectives

10. While the majority of submissions by individual freedom campers support a two-year extension, this seems to be largely based on self-interest in terms of preserving their current certification for as long as possible, rather than a consideration of the current capacity of the system.
11. Only six local authorities made a submission, which represent less than 8 per cent of the total number of New Zealand local authorities. Two thirds support no extension to the transitional period. These submitters are ready to begin enforcement of the new system and would prefer no delay. One third support an extension citing system capacity (one supports one year and one supports two years).
12. The two largest vehicle certification authorities (NZMCA and New Zealand Lifestyle Camping) both support a one-year extension. These submissions are based on an assessment of what is needed for certification and practical experience of certifying the vehicle fleet. As the certification system depends upon their continued work, we believe these submissions should be given significant weight.

Financial implications

13. The self-contained vehicle system is designed to be self-funding with the cost of the PGDB, as regulator, being fully covered by levies from vehicle owners. The initial operations of the PGDB have been funded by the Government, until sufficient levies are generated. Currently, the levy revenue is forecast to generate slightly more revenue over a four-year period (roughly \$25,000) than the regulator's operating costs. There is an expectation that this funding will then be repaid from the levy.
14. Because our financial modelling is based on a significant degree of uncertainty about levy revenue, we will advise you separately on possible repayments, once we understand the actual quantum of revenue generated through levies. However, we note that the longer the extension, the longer it will be until repayments can be made.

System capacity

15. No matter what deadline is set, some people will leave certification to the last minute. However, we consider that the likely number of people (an estimated 35,000) who are unable to get their vehicles certified before the current deadline are of an order of magnitude that it may undermine the current system.
16. We do not consider that a full two-year extension is required. Even if there is a significant decrease in the rate of vehicle certifications over the next few months, a further 12-month period should be sufficient to certify the remaining vehicles based on the current number of certification authorities and vehicle inspectors.

New Appropriation

17. The Cabinet paper includes a routine section where Cabinet agreement is required to establish an appropriation to enable the transfer of levy income from MBIE to the Regulator for their operating costs. The appropriation is fiscally neutral and will not impact the Government's financial position.

Risks and mitigations

18. Our advice is based on an estimate of the total number of private vehicles likely to seek certification, informed by submissions of certification authorities and member organisations. However, until the system is fully operational, there will remain a significant degree of uncertainty about the true number of vehicles in the system. We will continue to provide you with weekly updates of vehicle certification rates. Any significant change to the current system will require a change to primary legislation.
19. Local authorities have also suggested that if the transitional period is extended, they will require further funding to educate their communities and continue freedom camping monitoring and enforcement activities in the interim. We have previously invested \$10 million over two years for local authorities to undertake bylaw development, enforcement, and education. We have a small amount of funding set aside to increase public awareness ahead of the final deadline for private vehicles – local authorities may be a part of this campaign.
20. Our recommended option may be criticised by both individual freedom campers and local authorities, for reasons outlined previously. In addition, the rental vehicles association has made public comments opposing any extension to the transitional period, as this will not apply to rental vehicles. This can be mitigated, to some extent, by communicating the system capacity issues as outlined in this paper. We recommend a press release setting out the rationale for extending the transitional period once Cabinet has made a decision.

Next steps

21. Because of the large number of people who are impacted by this decision, and awareness of the consultation process, it is important to give certainty about the deadline for private vehicles as soon as possible so people, businesses, local authorities and the PGDB can plan accordingly.
22. If you agree to recommend a change to the deadline for private vehicles, we recommend:
 - a. you begin Ministerial consultation on the draft Cabinet paper (attached as **Annex Two**) with the aim of discussing this at the meeting of the Cabinet Economic Policy Committee on 4 December 2024; and
 - b. you seek Cabinet agreement to publicly communicate the decision at the earliest opportunity.
23. Alternatively, if you decide not to change the transitional period, we recommend that you communicate this as soon as possible. In either event, we recommend proactively publishing the Summary of Submissions as soon as practicable as there is a high level of interest in this issue among stakeholders.
24. An indicative timetable of next steps is set out below:

Ministerial and agency consultation	13-25 November
Lodge Cabinet paper for Cabinet Economic Policy Committee	28 November 2024
Cabinet Economic Policy Committee	4 December 2024
Parliamentary Counsel Office draft any possible regulations*	December 2024/January 2025
Cabinet Legislation Committee/Cabinet agree any possible regulations	February 2025
Possible regulations made by Order in Council and come into force	February/March 2025

- *Subject to the priorities of the Parliamentary Counsel Office*

Annexes

Annex One: Summary of Submissions

Annex Two: Draft Cabinet Paper

Annex One: Summary of Submissions

Annex Two: Draft Cabinet Paper
