



COVERSHEET

Minister	Hon Matt Doocey	Portfolio	Tourism and Hospitality
Title of Cabinet paper	Policy proposals for amending the Plumbers, Gasfitters, and Drainlayers (Self-Contained Vehicles) Regulations 2023	Date to be published	4 September 2024

List of documents that have been proactively released

Date	Title	Author
May 2024	Policy proposals for amending the Plumbers, Gasfitters, and Drainlayers (Self-Contained Vehicles) Regulations 2023	<i>Office of Minister of Tourism and Hospitality</i>
29 May 2024	Plumbers, Gasfitters, and Drainlayers (Self-Contained Vehicles) Regulations 2023: Proposed Amendments <i>ECO-24-MIN-0090 Minute</i>	<i>Cabinet Office</i>

Information redacted

YES / NO (please select)

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[In Confidence]

Office of the Minister for Tourism and Hospitality

Cabinet Economic Committee

Policy proposals for amending the Plumbers, Gasfitters, and Drainlayers (Self-Contained Vehicles) Regulations 2023

Proposal

- 1 This paper seeks Cabinet’s agreement to amend regulations in the *Plumbers, Gasfitters, and Drainlayers (Self-Contained Vehicles) Regulations 2023* (the Regulations) following a period of targeted consultation. The amendments would address known issues relating to freedom camping.

Relation to government priorities

- 2 This proposal supports the Government’s commitment to cut red tape and improve the quality of existing regulation that is adding costs to New Zealanders.

Background

- 3 The Self-contained Motor Vehicles Legislation Act 2023 (the Act) was introduced by the previous Government¹. The Act and its associated Regulations seek to improve the management of vehicle-based freedom camping by creating a robust regulatory system that central and local government can rely on to reduce the negative effects of freedom camping on communities and the environment. The Act came into force in June 2023, with the new self-contained motor vehicle requirements being gradually implemented over a 24-month period.
- 4 Since becoming the Minister for Tourism and Hospitality, I have heard from many people about the freedom camping system. Most are supportive of the intent of the new Act but have raised concerns about some of the associated operational and regulatory details. This paper is an opportunity to address these issues.
- 5 In April 2024, Cabinet agreed to release the *Proposed amendments to the Plumbers, Gasfitters, and Drainlayers (Self-Contained Vehicles) Regulations discussion document* for targeted consultation [ECO-24-MIN-0054]. The discussion document focused on changes to two specific areas of the Regulations.
 - a) The requirement for all wastewater tanks in certified self-contained vehicles to be directly vented to the exterior of the vehicle.
 - b) The administrative and time-consuming process for refunding levies. For example, if a vehicle fails its inspection.
- 6 The Ministry of Business, Innovation and Employment (MBIE) recently completed a targeted consultation of 26 stakeholders. This consultation meets the requirement in the Plumbers, Gasfitters, and Drainlayers Act 2006 (s 172C) that the Minister consult with affected persons before recommending the making of Regulations. A total of 24

¹ This Act amended the Plumbers, Gasfitters, and Drainlayers Act 2006 and the Freedom Camping Act 2011.

completed submissions were received from membership organisations, rental vehicle businesses, certification authorities, other businesses and individuals who had provided feedback on the Regulations. I am confident that the targeted consultation reached those who would be most impacted by these potential changes, through consultation of those who represent hundreds of thousands of campers. A summary of submissions can be found at Appendix One.

- 7 I am now proposing policy changes to the Regulations based on the feedback from the targeted consultation. I seek Cabinet approval to issue drafting instructions to the Parliamentary Counsel Office to give effect to the recommendations in this Cabinet paper.

Proposals

- 8 I recently consulted on amending the Regulations to address two specific issues:
- a) The requirement for all wastewater tanks in certified self-contained vehicles to be directly vented to the exterior of the vehicle, and
 - b) The administrative and time-consuming process for refunding levies. For example, if a vehicle fails its inspection.

Amending the direct venting requirement

- 9 The Regulations currently require all wastewater tanks in certified self-contained vehicles to be directly vented to the exterior of the vehicle. This is to ensure that foul air and gases do not accumulate inside the tanks. This requirement was included to align with the requirements in the voluntary Standard Self containment of motor caravans and caravans (*NZS 5465:2001, sub-section 7.8*).
- 10 However, the sector has since raised that this requirement is not appropriate for all types of fixed toilets, such as fixed cassette-style toilets with removable wastewater tanks, and that issuing authorities had long dismissed fixed cassette toilets from this requirement in *NZS 5465:2001*.
- 11 The Regulations require that all self-containment facilities are fit-for-purpose and installed in a sound and appropriate manner. In the case of fixed cassette-style toilets, this may mean the use of chemicals or biological treatments as appropriate. Therefore, the correct installation and proper use of these styles of toilets minimises the extent to which foul air and gases enter vehicles without separate ventilation, making the direct ventilation requirement redundant. I understand there are many vehicle owners who will have to make costly modifications to their toilets to be certified if this regulation remains.
- 12 I received Cabinet agreement to consult on three proposed options for addressing the direct venting requirement.
- a) Option 1: Maintain the status quo – all wastewater storage tanks are required to be directly ventilated to the exterior of the motor vehicle.

- b) Option 2: Only fixed wastewater storage tanks are required to be directly ventilated to the exterior of the motor vehicle.
 - c) Option 3: Fixed wastewater storage tanks and removable blackwater holding tanks used for waterless toilets are required to be directly ventilated to the exterior of the motor vehicle.
- 13 Ninety-six percent of those who sent in submissions provided a response to the question on addressing the direct ventilation requirement.
- 14 Of those who responded to the questions on the direct venting, 74 percent supported Option 2. The most common reasons cited by those who supported Option 2 were costs and/or that the status quo was unnecessary. 'Better health outcomes' was the third most common reason cited for supporting Option 2.
- 15 As a result, I recommend that the Regulations be amended so that it is only permanently fixed wastewater storage tanks that require direct ventilation to the exterior of the vehicle (Option 2). This would mean that removable wastewater tanks (for example, a cassette-type toilet with a removeable cassette) that are already fit for purpose would be able to be installed without any costly modifications.

Amending the process for levy refunds

- 16 Currently, vehicle owners must pay a levy to certification authorities² when they apply for a certificate of self-containment. Certification authorities must then on-pay the levy to the Regulator. If the vehicle fails its inspection, then the Regulator may refund the levy. To do so, the Regulator must assess and process each individual refund application once it is satisfied the levy was unreasonable/unfair to recover³.
- 17 In the instance where a vehicle owner has paid the levy for self-containment certification, but the vehicle fails its inspection, the system only allows for waivers and refunds to be granted on a case-by-case basis by the Regulator. This system creates an administrative burden for the Regulator and extends the time it takes for motor vehicle owners to receive their refund.
- 18 I received Cabinet agreement to consult on three proposed options for addressing the levy refund process.
- a) Option 1: Maintain the status quo – only the Plumbers, Gasfitters, and Drainlayers Board has the power to assess and process individual refunds.
 - b) Option 2: Delegate power to self-containment certification authorities to assess and process individual refunds.

² Certification authorities are responsible for certifying vehicles under the regulated certification system. They employ their own vehicle inspectors, who test a vehicle's compliance with the self-contained vehicle technical requirements, which are set out in Regulations.

³ The Regulator can refund or waive the levy if it is satisfied that it is unreasonable or unfair in the circumstances to recover, in whole or part, the fee or levy. The Regulations do not explicitly mention refunds in relation to failed vehicle inspections.

- c) Option 3: Add an express waiver/refund for vehicles that fail their inspection, which still requires the Plumbers, Gasfitters and Drainlayers Board to individually process each refund.
- 19 Fifty percent of those who sent in submissions provided a response to the levy refund process question. This issue primarily impacts Certification Authorities rather than freedom campers, which is why there was a lower response rate.
 - 20 Of those who responded to the questions on the levy process, 75 percent supported Option 2. The reasons stated included an ease of the administrative burden for processing refunds and increased efficiency of the system as a whole.
 - 21 On this basis I recommend that the Regulations be amended to authorise self-containment certification authorities to refund levy payments to individuals whose vehicles fail their inspection (Option 2).

Implementation

- 22 I am seeking agreement to policy proposals now so that any changes to Regulations can be made as soon as practicable to provide greater certainty to the freedom camping sector. Resolving the issues will be achieved by amending Regulations and will be subject to standard Cabinet timelines. Any changes would have minor implementation consequences for the Plumbers, Gasfitters, and Drainlayers Board, who would be required to update their guidance/notice. An indicative timeline is included below.

Stage	Timeframe
Cabinet agreement to policy proposals and issuing drafting instructions	4 June 2024
PCO drafting	4 – 8 weeks
Cabinet agreement to new Regulations	Late-July 2024
New Regulations in force	Late-August 2024
Implementation activities (PGDB Notice and guidance)	August–September 2024

Cost-of-living Implications

- 23 The removal of the direct venting requirement for removable blackwater holding tanks for cassette-style toilets and waterless toilets will reduce costs for motor vehicle owners who have these particular fixed toilet systems in their vehicles. This is because they will not have to pay for an external ventilation system to gain self-containment certification.

Financial Implications

- 24 This paper does not have any direct financial implications.

Legislative Implications

- 25 Amendments to the Plumbers, Gasfitters, and Drainlayers (Self-Contained Vehicles) Regulations 2023 are required to implement the policy proposals in this paper. Commencement dates for the changes will be finalised at the Cabinet Legislation Committee.

- 26 I propose that, if necessary, I have the ability to conduct targeted consultation on a draft of the regulation changes. This targeted consultation would occur prior to final regulation changes going to the Cabinet Legislation Committee. This would enable drafting to be tested to ensure that it accurately captures the policy intent, that it is sufficiently clear and usable, and that there are no unintended consequences. The decision to undertake an exposure draft would be dependent on the complexity of the drafting of the regulations and the implication this would have on progressing the changes as quickly as possible to provide certainty to the sector.

Impact Analysis

Regulatory Impact Statement

- 27 The MBIE Regulatory Impact Statement Review Panel has reviewed the Regulatory Impact Statement and considers that it partially meets Quality Assurance criteria. It considered the areas that do not meet the Quality Assurance criteria do not substantially undermine its robustness as a support to Ministerial decision making.

Climate Implications of Policy Assessment

- 28 The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that the CIPA requirements do not apply to this proposal, as the threshold for significance is not met.

Population Implications

- 29 The policy decisions in this paper do not have an impact on any specific population groups, other than making it less costly for those who have cassette-style and waterless toilets in their motor vehicles to get certified (as they do not have to pay for any modifications to install an external ventilation system).

Human Rights

- 30 There are no specific human rights implications arising from this paper.

Use of External Resources

- 31 There has been no use of external resource.

Consultation

- 32 MBIE has consulted with the following agencies: Department of Conservation, Department of Internal Affairs, Department of Prime Minister and Cabinet, Kāinga Ora, Land Information New Zealand, Ministry for Primary Industries, Ministry for the Environment, Ministry of Health, Ministry of Housing and Urban Development, Ministry of Justice, Ministry of Social Development, Ministry of Transport, NZ Transport Agency Waka Kotahi, Parliamentary Counsel Office, Te Puni Kōkiri, the Treasury and Whaikaha – Ministry of Disabled People.
- 33 MBIE has also consulted with the Plumbers, Gasfitters, and Drainlayers Board.

Communications and Proactive Release

- 34 This paper and the summary of submissions will be proactively released as soon as practicable with appropriate redactions.

Recommendations

The Minister for Tourism and Hospitality recommends that the Committee:

- 1 **note** that in April 2024, Cabinet agreed to consult on options for amending the Plumbers, Gasfitters, and Drainlayers (Self-Contained Vehicles) Regulations 2023 to address issues relating to the direct venting requirement and levy waiver and refund process [ECO-24-MIN-0054];
- 2 **note** that consultation on amendments to the Regulations has concluded, and 24 submissions were received;

The direct venting requirement

- 3 **agree** to amend the Regulations so that it is only permanently fixed wastewater storage tanks that are required to be directly ventilated to the exterior of the motor vehicle;

The process for levy refunds

- 4 **agree** to amend the Regulations to authorise self-containment certification authorities to refund levy payments to individuals whose vehicles fail their inspection;

Approve drafting of legislation

- 5 **note** that the policy decisions in this paper will amend the Plumbers, Gasfitters, and Drainlayers (Self-Contained Vehicles) Regulations 2023;
- 6 **invite** the Minister for Tourism and Hospitality to issue drafting instructions to Parliamentary Counsel Office giving effect to the policy decisions;
- 7 **note** that the Minister for Tourism and Hospitality will bring final regulations to the Cabinet Legislation Committee
- 8 **authorise** the Minister for Tourism and Hospitality, if I deem it necessary, to release an exposure draft on the draft regulation changes prior to bringing the final regulation changes to the Cabinet Legislation Committee
- 9 **authorise** the Minister for Tourism and Hospitality to make decisions, consistent with the policy decisions in this paper, on any issues that arise during the drafting process.

Authorised for lodgement.

Hon Matt Doocey

Minister for Tourism and Hospitality

Appendices

Appendix One: Summary of submissions

Appendix Two: Regulatory Impact Statement