



IPI PROPERTIES LTD

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12 February 2026

Invercargill City Council
Private Bag 90104
INVERCARGILL 9840

Dear Sir/Madam

RE. PUBLIC NOTICE OF THE PROPOSED HOUSING AND CODE OF PRACTICE PLAN CHANGE (PLAN CHANGE 2)

On behalf of IPI Properties Ltd and associated companies, IPI Residential Ltd., IPI Commercial Ltd and Directors and Shareholders, Russell Warren Ibbotson and Ian Alexander Rutherford, I wish to make a submission in relation to the above Plan Change.

In being strongly in support of the proposed Plan Change, the above entities would congratulate the Council on the steps being taken to implement the review of the current District Plan, which is restrictive in terms of allowing much needed logical inner city type development.

In strongly supporting the proposed Plan Change, it is considered particularly relevant and important that the following advantages would apply:-

1. The availability of much needed additional housing in the close proximity to the city centre as opposed to outlying new greenfield sites.
2. The resulting benefit of the Plan Change, in that it would allow more much needed affordable accommodation, particularly when considered in conjunction with the new Government 'granny flat' proposal.
3. Space efficient development in utilising existing Council infrastructure services which has major cost benefit to ratepayers as opposed to having to create expensive new infrastructure that applies with urban sprawl new Greenfields site development.
4. The better utilisation of large sections within the Residential 1 and 1A zones that are currently, in many instances, creating adverse environmental effects.
5. In highlighting the adverse environmental concerns reference can be made to the number of large 1,000 sq.m. sections or similar, particularly when they are subject to rental accommodation.
6. In many cases tenants of these properties, despite their obligations under any tenancy arrangements, are not interested and refuse to take any pride or care in maintaining their substantial surplus area of the section. There is ample evidence to show the ongoing problems caused through untidy larger section areas which in turn results in a bad visual impact on the city and additional cost to ratepayers in Council compliance issues. The better utilisation of such land would make logical sense and would meet good planning procedures.



NEW 'GRANNY FLAT' LEGISLATION:

It is pleasing to note that the Council is being pro-active in facilitating this legislation and resulting benefits applying with streamlining procedures and compliance costs etc.

There are similarities between the proposed Council Plan Change 2 and the new Granny Flat Legislation that will be in the best interests of ratepayers and the city itself. These benefits would include:-

1. Better utilisation of inner city land and existing infrastructure services.
2. To combat the high level of new building costs, smaller homes up to 70 sq.m., as now provided for, can provide a much more favourable entry point in terms of total cost.
3. The 'affordability factor' would have major benefits to the increasing housing requirements of the retiring aging population as well as providing an opportunity for first home buyers and others to be able to get a "step on the property ladder" with their own house, as opposed to never otherwise having the opportunity to do so.
4. It is well recognised that there is a housing shortage in New Zealand and the Council's proposed new legislation would be advantageous in assisting to meet growing demand, particularly in cases where cost of housing and debt servicing is a major issue and can be very concerning for the increasing percentage of the retired population together with first home buyers etc.

IMPORTANT ENHANCEMENT TO PROPOSED PLAN CHANGE AND GRANNY FLAT LEGISLATION:

IPI Properties Ltd., currently own a very substantial number of properties within the Residential 1 and 1A zone predominantly based in the south Invercargill area. To-date the company has spent in the vicinity of \$20M as a capital investment in upgrading mainly South Invercargill properties, particularly in relation to improving the standard and upgrading the quality of many older dwellings. Based on existing property holdings and the area of large sections applying with existing properties, but also with vacant sections, there is considerable potential if the Council can create the right environment to develop these sections with affordable housing.

Because of the cost of building new housing in Invercargill is the same if not higher than elsewhere but with the resulting property values in Invercargill, along with rental values being substantially below other major cities in New Zealand, it is important to try and create an incentive and make the financial feasibility of new housing development more attractive.

It is considered that the new Granny Flat Legislation and certainly the Council's proposed Plan Change 2 will help to facilitate this matter. It does seem, however, that there is one major anomaly that is necessary to achieve the full benefit and resulting advantages that could be created for the benefit of the city. This can be further highlighted by the following:-

1. Interests associated with IPI Properties are also involved in high quality, energy efficient modular homes, which while assembled in New Zealand, have an important price advantage due to certain components being imported from China.

2. In order to achieve the full or maximum benefit in creating affordable housing of a high standard, it is necessary to consider the financial benefit in utilising surplus land having full regard to the infrastructure establishment costs that will still apply, e.g. water and sewerage etc.
3. Because of the impact of these fixed costs, to get the full advantage it is necessary for them to be recovered over a higher site density.
4. To achieve this and, particularly taking into account that the housing affordability factor is governed by size, there needs to be an appropriate acceptance of the density and number of units that can be established on a particular site.
5. At the moment, the situation is governed under the current Council plan generally being one separate house for every 450 sq.m of land. This can be a negative off-putting factor in terms of financial viability and incentive to proceed with affordable accommodation.
6. It is accepted that it is important to have 'open space' provisions as currently applies with 40% of total site building coverage being the standard maximum space allowable.
7. It is strongly suggested that to achieve the full benefit of the proposed Plan Change that it would make sense and, should be permissible, to have the 450 sq.m., land requirement per house reviewed to allow additional units to be built provided the same 40% building coverage is achieved as maximum density.
8. The situation can be highlighted by the fact that on say a 600 sq.m. section, it would be possible to build a large house of almost 250 sq.m. within the 40% coverage. As opposed to this, it is not currently possible to establish on a site for example 4x54 sq.m., modular homes where the building coverage is say only 36% of the total site area.
9. In terms of sound social and environmental planning it must be a better option where possible to encourage single level developments rather than high rise housing which can create adverse social issues.

In summary, therefore, it would make logical sense to ensure that reasonable density provisions are observed by maintaining the 40% coverage but allowing for an increased number of units to be built on the basis that the open space coverage is within 40% that is currently permissible for a single dwelling.

To summarise this matter, it is strongly urged, therefore, that this important aspect should be incorporated under the Council's Plan Change 2 in that:-

1. It would provide much needed more affordable housing.
2. It would better utilise problematic areas of existing land areas that tenants refuse to maintain and, therefore, become an eyesore with resulting cost in Council compliance issues etc.
3. The smaller modular energy efficient homes would go along way to meeting the needs of retired people, who do not require a large house, and at the same time could provide an opportunity for first home buyers or people wanting to have the opportunity of owning their own house at a greatly affordable cost.

4. Importantly, it would, also, be attractive to developers, such as IPI Properties Ltd., who would then have the incentive in terms of financial viability to look at developing sections for more housing, particularly in the inner city area which must make logical sense when under the existing District Plan there is no incentive to do this.

FINAL SUMMARY:

Again, as stated, the Council is to be congratulated in recognising the need for more housing and greater intensification as is currently set out in the proposed Plan Change 2. In endorsing the position and providing full support for this forward thinking Plan Change with the many advantages it would incorporate, it is hoped that the points made, as above, are given full recognition. This applies particularly in respect of the density provisions, and it seems logical that there needs to be more flexibility under the open space 40% coverage to allow more single dwellings to meet the growing community needs.

In the final analysis, it would seem logical and imperative to acknowledge that in order to achieve the full benefit and intention of Plan Change 2, developers would play an important role. It must follow on, therefore, that the parameters must be attractively viable to developers. To achieve this, as stated above, this would be greatly facilitated by allowing a number of additional stand alone dwellings on a site to be limited or controlled under the current 40% density existing provision, where applicable, rather than being restricted under the current anomaly where the open space provision is over-ruled by the opposing 450 sq.m., single dwelling requirement.



**RW IBBOTSON
DIRECTOR
IPI PROPERTIES LTD**

12 FEBRUARY 2026

Submission on proposed housing and code of practice plan change (Plan Change 2) to the Invercargill City District Plan.

Form 5 under clause 6 of Schedule 1 of the Resource Management Act 1991.

Please note all information provided in this submission will be made publicly available.

Details of submitter

Full name: (Required)	Russell Warren Ibbotson
Organisation:	IPI Properties Ltd
Contact person: (If different from above)	
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Trade competition

I could / I could not (*delete one*) gain an advantage in trade competition through this submission.

If you have selected could, please answer the question below:

I am / I am not (*delete one*) directly affected by an effect of the subject matter that:

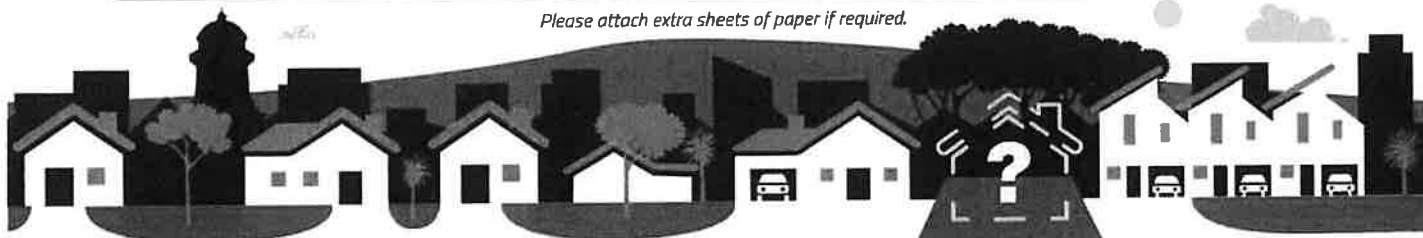
- adversely affect the environment; and
- does not relate to trade competition or the effects of trade competition.

Submission details

The specific provisions of the proposal that my submission relates to are as follows:

AS ATTACHED DETAILED SUBMISSION

Please attach extra sheets of paper if required.



I support/oppose these provisions: *(include whether you support or oppose in full or in part)*

letstalk.icc.govt.nz 

FULLY SUPPORT PROVISIONS

The reason(s) for my submission are: *(state in summary your reasons, and whether you seek any amendments)*

REFER ATTACHED DETAILED SUBMISSION

NR

I WISH TO BE HEARD IN SUPPORT OF THIS SUBMISSION

Please attach extra sheets of paper if required.

