

# Interim Regulatory Impact Statement: National Policy Statement for Infrastructure

<b>Decision sought</b>	<i>Analysis produced for a proposed national policy statement for infrastructure to inform cabinet, with public engagement to follow.</i>
<b>Agency responsible</b>	<i>Ministry for the Environment New Zealand Infrastructure Commission, Te Waihanga</i>
<b>Proposing Ministers</b>	<i>The Minister Responsible for RMA Reform Minister for Infrastructure</i>
<b>Date finalised</b>	<i>7 April 2025</i>

**Note to RIS Panel** – This version removes text that addressed the proposals regarding the Effects Management Hierarchy and direct insertion of policies into plans. This change is in response to the Minister’s decisions on the policy proposals across Phase 2 and Phase 3 of RM Reform. Until the Government releases the specific policy content of the Phase 3 RM Reform, the RIS cannot address this direction on the policy proposals.

## Summary: Problem definition and options

The current resource management system and national direction does not sufficiently recognise the benefits of infrastructure, and the role of infrastructure services in supporting people and communities’ well-being, health and safety now and in the future. This contributes to the inefficiency of New Zealand’s infrastructure expenditure and ultimately, to community needs for infrastructure services going unmet.

In the absence of national direction for infrastructure, decision-makers currently underplay the benefits of infrastructure relative to its local adverse effects and there is inconsistent decision- making across the country. The decisions which flow from the current settings can mean publicly beneficial infrastructure projects are not pursued, or are turned down, or there is considerable uncertainty and delays (including resolving appeals) in achieving consent.

A key contributor to these problems is the lack of national direction in the RMA framework for infrastructure.

Existing national direction relating to infrastructure is limited to specific sectors and does not include all forms of infrastructure provided by central and local government agencies and other providers, or environmental resilience infrastructure. There is no national level policy direction for transport, ports, water, wastewater and stormwater, or telecommunications, nor for health, education, defence or corrections infrastructure. This has resulted in a

fragmented and ad hoc approach and is not aligned with the purpose of the RMA to achieve the integrated management of natural and physical resources.

### **Why Government intervention is required**

Government intervention is required both because this is a matter of national significance and because part of the solution lies in greater national consistency. Nationally consistent policy direction for infrastructure will provide more certainty and better enable the development of new or upgraded infrastructure whilst protecting existing infrastructure activities.

It is necessary for the Government to use its powers under the RMA to direct resource management decision-making to better enable and protect infrastructure in line with the national interest. In doing so the Government would also fill in a gap and address some inconsistencies in the national direction it currently provides to decision-makers.

### **What is the policy objective?**

#### *Intended outcomes*

The National Policy Statement for Infrastructure (NPS-I) policies are intended to address a current policy gap and rebalance the current suite of national direction toward greater enablement and protection of infrastructure. In response to the problem the NPS-I achieves this through:

- an objective setting out a range of infrastructure outcomes the resource management system should facilitate
- general policies to better enable and protect infrastructure while managing effects on various environments
- direction to ensure decision makers recognise and provide for iwi/Māori interests when making planning decisions on infrastructure proposals
- policies on managing the interface between infrastructure and other activities

The NPS-I does not replace existing national direction for infrastructure. It does not apply to renewable electricity generation activities and assets which are managed under the National Policy Statement for Renewable Electricity Generation (NPS-REG) and the electricity transmission network and electricity distribution network activities and assets managed under the National Policy Statement for Electricity Networks (NPS-EN).

#### *Monitoring*

The NPS-I is part of a suite of proposed new and updated national direction. At this time, MfE has not confirmed how it will monitor this national direction.

Consent authorities will have to have regard to the NPS-I policies when determining consent applications and notices of requirement. The effectiveness of these policies could be measured through the monitoring of data held in the national monitoring system which retains data on the processing of resource consents and outline plans. The data held in this system would require further analysis as it does not categorise consent applications based on activity, but rather the type of consent applied for and its activity status.

Additional information could also be obtained through surveys of infrastructure providers (and others), or from monitoring data held by local authorities.

### **What policy options have been considered, including any alternatives to regulation?**

Cabinet agreed in July 2024 that a new National Policy Statement for Infrastructure (NPS-I) will be delivered as part of the national direction phase 2 programme. In February 2025, acting under delegation from Cabinet, the Minister responsible for RMA Reform agreed to refocus the Phase 2 RM Reform work programme, with the more complex national direction transferred to the Phase 3 RM Reform programme (new planning and environmental legislation to replace the RMA). For the NPS-I this means the instrument has been refocused to its enabling policies and objectives for infrastructure. Other policy initiatives including an effects management hierarchy, spatial planning for infrastructure and more will be addressed in Phase 3.

Other regulatory and non-regulatory interventions are therefore not considered within the scope of this Regulatory Impact Statement (RIS). As an alternative to the NPS-I policy proposals officials considered possible non-regulatory methods that would influence regulatory decisions made under the RMA that affect infrastructure. While non-regulatory methods support the objectives of the NPS-I they lack sufficient legal weight to act as a substitute.

This confines the scope of this RIS to a consideration of the status quo as Option One, with the policy options agreed by Ministers being Option Two.

Option Two is the preferred option. The RIS also discusses (but does not fully evaluate) the pros and cons of other policy options that were considered before Ministers' decisions and that may be identified in the discussion document released for statutory consultation.

**What consultation has been undertaken?**

There has been targeted stakeholder consultation, with infrastructure representatives and other organisations to develop our understanding of the problem definition and refine our proposals [refer Appendix A and engagement summary in Appendix B]. Most support a national policy statement that provides direction on better enabling infrastructure in significant environments and better protecting infrastructure from reverse sensitivity.

The proposed NPS-I will be included in a discussion document for public consultation, alongside other proposals included in the national direction work programme.

**Is the preferred option in the Cabinet paper the same as preferred option in the RIS?** This is to be confirmed.

## Summary: Minister's preferred option in the Cabinet paper

### Costs (Core information)

**Outline the key monetised and non-monetised costs, where those costs fall (e.g. what people or organisations, or environments), and the nature of those impacts (e.g. direct or indirect)**

- As new national direction the NPS-I will require local authorities to implement the NPS-I policies when making planning decisions. Infrastructure providers, iwi/Māori, and external parties (including individuals and local communities) may also face additional costs when involved in plan changes, resource consent applications, or notice of requirement processes.
- The distributional impacts of the NPS-I policies are principally on external parties, including local communities.

- The NPS-I will not have an impact on competition. The RMA provisions relating to trade competition will remain in force until the NPS-I is replaced as part of the Phase 3 RM reform programme.

## **Benefits (Core information)**

**Outline the key monetised and non-monetised benefits, where those benefits fall (e.g. what people or organisations, or environments), and the nature of those impacts (e.g. direct or indirect)**

- The additional benefits of the NPS-I over the status quo, include a more enabling regulatory environment for infrastructure proposals that require plan changes, resource consents or a new notice of requirement, and a greater certainty of outcome for infrastructure providers.
- As above, the distributional impacts of the NPS-I policies are principally on external parties, including local communities.
- As above, the NPS-I will not have an impact on competition.

## **Balance of benefits and costs (Core information)**

**Does the RIS indicate that the benefits of the Minister's preferred option are likely to outweigh the costs?**

- There is insufficient quantitative or qualitative evidence to accurately determine the extent to which the proposals will better enable and protect infrastructure. The NPS-I policies will support more efficient consent processes for infrastructure by requiring decision-makers to recognise and provide for the benefits of infrastructure. The policies will also provide consistent principles and tools for decision-makers, including to ensure infrastructure is better protected from reverse sensitivity effects.
- The benefit-cost ratio is expected to change over time, with an increasing benefit as the NPS-I policies are implemented in decision making on plan changes, resource consent applications and notices of requirement.

## **Implementation**

**How will the proposal be implemented, who will implement it, and what are the risks?**

Cabinet is scheduled to consider all national direction proposals in May 2025. The analysis in this RIS will inform these Cabinet decisions.

Following Cabinet approval, a discussion document will be released for public consultation. Upon receiving public feedback, the proposals in this RIS will be refined for policy decisions by Ministers. Implementation will then follow.

Implementation will be through decisions made by local authorities (and other bodies with decision making powers under the RMA) on regional policy statements, plans and plan changes, resource consent applications and notices of requirement. When the NPS-I comes into force decision-makers will be required to have regard to its policies when determining resource consents or notices of requirements. Local authorities will also have to give effect to the NPS-I provisions when undertaking a relevant plan change or change to a regionally policy statement.

Under Phase 3 of the Government's RM reform programme new planning and environmental legislation to replace the RMA is proposed for introduction to the House by the end of 2025. To reduce the burden on local authorities the proposed NPS-I does not include requirements for local authorities to change their existing regional policy statements or plans by a set date.

With this approach there is a risk of misalignment between the NPS-I policy direction and local authority plan documents. This may result in uncertainty or inconsistency with implementation, as decision makers may be required to reconcile differing policies between the NPS-I and local plan documents when considering a resource consent application or notice of requirement.

## **Limitations and Constraints on Analysis**

### *Further consultation*

Further consultation on the proposals is needed to fully understand the costs, benefits and implementation challenges. The proposals will be released for public consultation in mid-2025.

### *The proposal is intended to align with other national direction proposals relating to infrastructure.*

Our work to date has focussed on ensuring integration with the accompanying National Policy Statements for Renewable Energy Generation and Electricity Networks (NPS-REG and NPS-EN) to ensure alignment with the NPS-I. At this stage officials have not considered how the policy proposals for infrastructure will be aligned across the full suite of national direction. Analysis pertaining to the broader changes across all national direction will be included in separate analysis by MfE.

### *Treaty of Waitangi considerations*

There has so far been limited engagement with Treaty partners to inform the proposed policy directions in this briefing. A webinar was held with representatives of some Post-Settlement Governance Entities (PSGEs), who expressed considerable interest in the NPS-I and support for a specific policy on iwi/Māori rights and interests and asked questions about definitions and policies on sites of significance to iwi/Māori.

### *Cost-benefit analysis*

The RIS provides a qualitative cost benefit analysis of the options. This is informed by evidence about current problems provided by infrastructure sectors, in case law and in some quantitative investigations; and stakeholder feedback on the options.

**I have read the Regulatory Impact Statement and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the preferred option.**

**Responsible Manager signature:**



**Michael Tucker**  
**Manager Infrastructure Policy**  
**24 March 2025**

## **Quality Assurance Statement**

<b>Reviewing Agencies: MfE, MHUD, MBIE</b>	<b>QA rating:</b> partially meets
<b>Panel Comment:</b> A quality assurance panel with members from the Ministry for the Environment, the Ministry of Housing and Urban Development and the Ministry of Business, Innovation and Employment have reviewed the interim Regulatory Impact Statement (RIS) for the above regulatory proposal. The panel considers that it <b>partially meets</b> the Quality Assurance criteria. The interim RIS clearly sets out the context for the proposed changes, noting that it has been limited by the Government's direction. There are gaps in several key areas including consultation, implementation and monitoring of the proposal. We consider that there is sufficient information and analysis to undertake meaningful consultation at this stage. Further analysis on the policy design, implementation and monitoring should be included in the RIS for final policy decisions.	

## Section 1: Diagnosing the policy problem

### What is the context behind the policy problem and how is the status quo expected to develop?

#### *The scope of what constitutes infrastructure*

1. The term 'infrastructure' has multiple definitions across legislation and is in common usage, leading to variances in interpretation and application.
2. Infrastructure is defined here to include the telecommunications, energy<sup>1</sup>, three waters and transport networks and assets listed in the definition of infrastructure in the RMA, plus social infrastructure (hospitals, emergency services, educational, defence and corrections facilities), parks, and 'green' infrastructure that delivers flood management services<sup>2</sup>.

*Note that a late decision was made to include "district or regional resource recovery or waste disposal facilities" in the definition of infrastructure. This wording comes from the now repealed Natural and built Environments Act 2023. The late inclusion means that this has not been assessed in the interim RIS.*

#### *Key features and objectives of the regulatory system currently in place*

3. The RMA promotes the sustainable management of natural and physical resources and sets rules and requirements to manage the effects of activities on the environment. Infrastructure contributes to the purpose of the RMA by enabling current and future generations to provide for their wellbeing<sup>3</sup>. However, the RMA does not list infrastructure amongst the matters of national importance in section 6. The RMA includes provisions specific to infrastructure, including requirements on local authorities to plan for infrastructure, designations, consent duration and links to land acquisition powers under the Public Works Act 1981.
4. Decisions made under the RMA are usually the responsibility of local authorities, through regional policy statements, regional and district plans, and resource consents. Plans and

<sup>1</sup> The proposed National Policy Statement for Infrastructure would not apply to renewable electricity generation or electricity networks which are covered by separate national direction.

<sup>2</sup> For example, overland flow paths, watercourses and streams: with infrastructure activities including regeneration and restoration.

<sup>3</sup> Royal Forest and Bird Protection society of New Zealand Inc v New Zealand Transport Agency [2024] NZSC 26 [Royal Forest and Bird Protection Society of New Zealand Inc v New Zealand Transport Agency | Cases | New Zealand | Westlaw \(thomsonreuters.com\)](#)

decision-making approaches with respect to infrastructure vary from council to council. Infrastructure providers who are also requiring authorities also have a decision-making role in the RM system via the designation process. While local authorities in high growth areas undertake spatial planning to integrate future infrastructure and land use, this does not have sufficient legal weight to direct RMA decisions<sup>4</sup>, which are made project by project.

5. No national policy statement has been established under the RMA to encourage infrastructure as a whole or its ancillary and supporting activities<sup>5</sup>. Much of the existing national direction is focused on protecting natural environmental values, and policies affecting infrastructure differ from instrument to instrument. In many instances it is unclear which instrument should take precedence and when.

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<sup>4</sup> The NPS-Urban Development requires high growth councils to prepare and have regard to Future Development Strategies.

<sup>5</sup> There is a National Policy Statement for Renewable Energy Generation, a National Policy Statement for Electricity Transmission, and National Environmental Standard for Electricity Transmission Activities and a National Environmental Standard for Telecommunications Facilities. Amendments are proposed for all of them as part of the 2024/25 national direction programme.

*How is the status quo expected to develop if no action is taken?*

6. New Zealand faces pressure to undertake significant infrastructure activity in the short to medium term to provide for increased population demands, greater resilience to natural hazard risks and higher environmental standards. The Government has targeted a significant increase in renewable energy to help meet its climate targets. Additional transport and waters capacity is required to enable more affordable housing development. Approximately 70 percent of our wastewater treatment discharges need to be re-consented in the next 10 years.
7. Consenting uncertainty, costs and delays for infrastructure projects have increased over the last decade and further increases are projected as the volume of infrastructure approvals grow. In 2021 infrastructure providers collectively spent \$1.29 billion each year getting their projects consented – in council fees, expert and legal costs, and internal staffing costs. Projects incur additional costs associated with the time taken to consent and in meeting conditions of consent<sup>6</sup>.
8. The Government has a wide range of reforms underway to facilitate the infrastructure investments required. For the purpose of this RIS, officials have included the following as part of the status quo:
  - the RMA with amendments being made this year as part of Phase 2, but no further changes
  - Taumata Arowai standards setting for wastewater discharge consents
  - the current Public Works Act
  - excepting Phase 2 content, no further RMA national direction or amendments to national direction.
9. The range of legislative reforms underway will have benefits for infrastructure but will not address the problems that are the focus of this national direction proposal.

### **What is the policy problem or opportunity?**

*The nature, scope and scale of the problem*

10. New Zealand needs to carry out significantly more infrastructure activities to support new housing development, energy efficiency, improved resilience, and environmental outcomes<sup>7</sup>, and to do so more efficiently.
11. At present, resource management decisions about infrastructure:
  - are not guided by long term strategic decision making but rather made reactively, project by project, according to the different rules of each local authority
  - undervalue community needs for, and the public benefits of infrastructure, relative to its adverse local effects, and don't allow those benefits to be weighed against environmental effects
  - fail to recognise the interconnectedness of infrastructure, its need to locate in particular places and limits to avoiding effects

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<sup>6</sup> New Zealand Infrastructure Commission (2021), The cost of consenting infrastructure projects in New Zealand

<sup>7</sup> New Zealand Infrastructure Commission (2021), New Zealand's infrastructure challenge: Quantifying the gap and path to close it



- rely on high-cost bespoke consenting processes even for routine operations and maintenance, that are requiring increasing amounts of information, the need to procure external experts and time delays<sup>8</sup>
  - often involve high legal costs and uncertainty, leading to publicly beneficial projects being declined, or delayed, or sub-optimally designed, or never applied for, or approved with increasingly onerous conditions
  - don't sufficiently protect existing and planned infrastructure from reverse sensitivity and direct effects of nearby development.
12. The causes are well understood and have been highlighted by previous reform processes. Numerous reform attempts and advisory reports have indicated the causes that result in the problems identified, which include:
- resource management decision-making mostly being devolved to local authorities using bespoke approaches focused on local effects; and separate to infrastructure investment decision-making and other legislation.
  - a lack of legally recognised long term spatial planning in the resource management system, to provide integrated strategic direction on infrastructure, land use and environmental priorities. This results in ad-hoc planning decisions with sub-optimal outcomes for both infrastructure and the environment.
  - an RMA purpose that does not explicitly recognise infrastructure and its benefits, while elevating values such as historic heritage and amenity. Case law relating to this purpose has created environmental bottom lines for some values and reduced the ability to weigh benefits against costs.
  - incomplete and inconsistent national direction to local decision-makers, which emphasises protection of some environmental values but not enablement or protection of infrastructure. There is no national direction for infrastructure collectively.
13. Accordingly, it is difficult for infrastructure providers to efficiently and effectively get the consents and renewals they require in order to address New Zealand's infrastructure shortfall. The NPS-I policies will provide direction to decision-makers on plan changes, consent applications and notices of requirement on recognising and providing for infrastructure and ensuring infrastructure is better protected from reverse sensitivity effects.
14. This proposal is to develop new policy-level national direction for infrastructure and to amend existing national direction, to address the problems identified in paragraphs 11-13 above.

#### *The evidence base*

15. The primary sources of evidence of the problem are listed in Appendix A and include:
- investigations undertaken by the NZ Infrastructure Commission

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<sup>8</sup> On average, consenting processes cost about 5.5 percent of the total cost of infrastructure projects (but about 16 percent of small projects of less than \$200,000). The time taken to approve infrastructure consents increased by 150% from 2014/15. Delays are projected to grow, increasing the cost of projects and reducing the attractiveness of investment. If not addressed one outcome is that New Zealand is on track to miss between around 30 per cent of the emission reductions required from the energy and transport sectors by 2050. As a result, NZ would incur an emissions liability of between \$13 billion and \$16 billion by 2050.

- case law
- information provided by infrastructure agencies during engagements on resource management reform and national direction in the last three years (Refer Appendix B Engagement summary).

*Who is affected by the problems?*

Who	How
<b>Regulated Groups</b>	
infrastructure providers including requiring authorities	<ul style="list-style-type: none"> <li>• Increased costs associated with infrastructure projects</li> <li>• Time and resources required to tailor projects and provide expert reports to multiple council on the same matter</li> <li>• Engaging in numerous planning processes, repeating and restating evidence</li> <li>• Responding to growth rather than planning and enabling it</li> </ul>
<b>Regulators</b>	
Consent authorities	<ul style="list-style-type: none"> <li>• Re-assess the effects and benefits of individual applications, rather than considering the effects and benefits of infrastructure services and activities across their district and in relevant zoning areas.</li> <li>• Being party to ongoing challenges and litigation of planning decisions</li> <li>• Resolving conflict and inconsistencies between national direction instruments</li> <li>• Time consuming and complex consenting processes even for applications with known effects</li> </ul>
<b>Others</b>	
Housing providers and the development sector	<ul style="list-style-type: none"> <li>• Highly dependent on the timely provision of infrastructure, especially for greenfield development areas which are contingent on infrastructure provision</li> <li>• Significantly impacted by regulatory costs and delays to the provision of infrastructure</li> <li>• May be a direct provider of local infrastructure or contribute to funding via development contributions</li> </ul>
Communities	<ul style="list-style-type: none"> <li>• Uncertainties around what infrastructure services may or may not be provided</li> <li>• Engaging in numerous planning processes, repeating and restating evidence</li> <li>• Customers of infrastructure services</li> </ul>
Private property owners	<ul style="list-style-type: none"> <li>• Uncertainties around what infrastructure services may or may not be provided</li> <li>• Engaging in numerous planning processes, repeating and restating evidence</li> <li>• Private property rights may be curtailed by infrastructure</li> </ul>

Iwi/Māori	<ul style="list-style-type: none"> <li>• Uncertainties around what infrastructure services may or may not be provided</li> <li>• Engaging in numerous planning processes, repeating and restating evidence</li> </ul>
Future generations	<ul style="list-style-type: none"> <li>• Individual consent decisions may lead to ad hoc decisions that don't adequately consider cumulative effects or the integrated nature of infrastructure networks.</li> </ul>

### **What objectives are sought in relation to the policy problem?**

16. The Government has committed to developing national direction to unlock development and investment in infrastructure and primary industries while safeguarding the environment.
17. To implement the government's direction and to address the policy problem identified in Section 1, officials propose an objective that identifies desired infrastructure outcomes, including that infrastructure:
  - supports the well-being of people and communities and their health and safety
  - supports the development of urban and rural environments to meet the diverse and changing needs of present and future generations
  - provides national, regional or local benefits
  - is well-functioning and resilient
  - provides value for money and is delivered in a timely, efficient, and ongoing manner while managing adverse effects on the environment
  - is protected from the adverse effects of other activities.

*How does the suggested objective address the problems identified?*

18. The objective would:
  - encourage better integrated spatial planning that supports well-functioning and resilient infrastructure and community wellbeing
  - ensure the public benefits of infrastructure is consistently recognised across planning instruments and decision-making
  - ensure a consistent approach to infrastructure planning that reduces consent barriers for infrastructure projects.
19. While the proposed NPS-I cannot, under the RMA, require local authorities to develop integrated spatial plans for the integrated and strategic planning of infrastructure, the proposed objective will ensure the locational requirements for infrastructure are considered in resource management decisions. This can be achieved through working closely with infrastructure providers to identify infrastructure needs and requirements, and to develop supporting spatial planning tools such as buffers, overlays and zoning.
20. Under the RMA both positive and adverse effects should be considered when making planning decisions. By providing direction for how positive effects or benefits of infrastructure must be recognised in planning decisions, the NPS-I seeks to address the problem of insufficient recognition of infrastructure benefits.

21. By providing direction to better enable infrastructure the NPS-I can reduce the uncertainties associated with consenting under the current system.

### **What consultation has been undertaken?**

22. MfE and the NZ Infrastructure Commission consulted with a wide range of infrastructure stakeholders during August and September 2024 to test policy options for the NPS-I. In August 2024 MfE and the NZ Infrastructure Commission engaged with approximately 100 representatives across all infrastructure sectors, as well as local government practitioners, New Zealand Planning Institute, Resource Management Law Association and the Resource Management Reform Group to test our understanding of the problem, and options for solution in a new NPS-I.
23. For a more comprehensive outline of engagement undertaken, refer Appendix B.

## **Section 2: Assessing options to address the policy problem**

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### **What criteria will be used to compare options to the status quo?**

24. Officials have used the following criteria to compare the different options. The criteria apply to the national direction programme as a whole and are equally weighted.

<b>Criteria</b>	<b>Questions to guide application of criteria</b>
Effectiveness	<i>Does the option achieve the objectives?</i> <i>Does the option provide a solution to the identified problem?</i> <i>Have trade-offs between the objectives been factored into the assessment of the proposal's overall effectiveness?</i>
Efficiency	<i>To what extent does the proposal achieve the intended outcomes/objectives at the least cost to applicants, the regulator and, where appropriate, the courts.</i> <i>Is the regulatory burden (cost) proportionate to the anticipated benefits?</i> <i>Is the option cost-effective?</i>
System alignment	<i>Does the option integrate well with other proposals and the wider statutory framework?</i> <i>What is the impact on existing objectives in current national direction instruments?</i> <i>Does the option reduce complexity and provide clarity for local government to address tensions/conflicts between national direction instruments?</i>
Implementation complexity	<i>Is the option clear about what is required for implementation by local government, and can it be easily implemented?</i> <i>Does the option provide enough flexibility to allow local circumstances to be adequately taken into account / addressed at the local level?</i> <i>To what extent does the proposal present implementation risks that are low or within acceptable parameters (e.g. Is the proposal a new or novel solution or is it a tried and tested approach that has been successfully applied elsewhere?).</i>

Criteria	Questions to guide application of criteria
	<p><i>To what extent can the proposal be successfully implemented within reasonable timeframes?</i></p> <p><i>Do regulated parties have the flexibility to adopt efficient and innovative approaches to meeting their regulatory obligations?</i> (NB: A regulatory system is flexible if the underlying regulatory approach is principles or performance based).</p> <p><i>To what extent does the proposal ensure regulated parties have certainty about their legal obligations, and does the regulatory system provides predictability over time?</i></p> <p><i>Are legislative requirements clear and able to be applied consistently and fairly by regulators?</i></p> <p><i>Do all participants in the regulatory system understand their roles, responsibilities and legal obligations?</i></p>
Te Tiriti o Waitangi outcomes	<p><i>Does the option take into account the principles of Te Tiriti o Waitangi and Māori rights and interests?</i></p> <p><i>Does the option align with the Treaty Impact Analysis (TIA)?</i></p>

### What scope will options be considered within?

25. The Government has made the following decisions, which direct the scope of this work:
- In June 2024, Cabinet agreed that a new national policy statement for infrastructure (NPS-I) will be delivered as part of the national direction Phase 2 RM Reform programme
  - The Government has decided to address major infrastructure development interactions with natural environment features such as outstanding natural landscapes, freshwater and indigenous biodiversity in its Phase 3 RM Reform replacement of the RMA
  - This means that in the meantime other national direction will continue to apply so other national direction such as the New Zealand Coastal Policy Statement (NZCPS), National Policy Statement for Freshwater management (NPS-FM), and the National Policy Statement for Indigenous biodiversity (NPS-IB), will be read alongside NPS-I to manage effects on those values articulated in section 6 of the RMA. This approach is consistent with proposals for the NPS-REG and NPS-EN
26. Accordingly, this RIS focuses on the regulatory impacts of retaining the status quo (as Option 1) or introducing the NPS-I to achieve the government's objectives for infrastructure, rather than other regulatory interventions such as amending the primary legislation or non-statutory guidance.
27. This confines the scope of this RIS to a consideration of the status quo as the first option, with the policy options agreed by Ministers forming the second option. The second option is then split into policy sub-topics which are described below.
28. To avoid duplication, officials have not included policy options that will be included in other national direction:
- Enabling objectives and policies from the NPS-REG and NPS-EN

- Enabling objectives and policies from the NZCPS
  - Quarrying and mining consistency policy changes across the NPS-FM, NPS-IB and NPS - Highly Productive Land
  - High level policy direction on managing risk in the proposed national policy statement for Natural Hazards
29. The NPS-I will only provide direction on matters under the RMA. How infrastructure interacts with other legislation (eg. Conservation Act) is outside the scope of the NPS-I.

## What options are being considered?

### **Overview of policy proposals**

30. The table below provides an overview of the three key issues and recommended options.

<i>Issue</i>	<i>Policy proposal</i>
Lack of national direction to recognise and provide for infrastructure and infrastructure supporting activities	Include policies that direct decision makers to: <ul style="list-style-type: none"> <li>• recognise and provide for the benefits of infrastructure</li> <li>• recognise and provide for the operational or functional needs of infrastructure</li> <li>• consider spatial planning</li> <li>• enable the efficient and timely delivery of infrastructure and infrastructure supporting activities</li> </ul>
Lack of national direction on providing for Māori interests in relation to infrastructure	Include policies that direct decision makers (and applicants as appropriate) to: <ul style="list-style-type: none"> <li>• engage early with tangata whenua</li> <li>• take into account tangata whenua aspirations and engagement</li> <li>• provide opportunities where appropriate for tangata whenua involvement in decision-making</li> <li>• operate in a way that is consistent with legislation that provides for iwi participation</li> </ul>
Lack of national direction for managing the interface between infrastructure and other activities	Include policies that direct decision makers to: <ul style="list-style-type: none"> <li>• protect existing infrastructure from reverse sensitivity and the direct effects of nearby development</li> <li>• use buffers, overlays or setbacks to protect infrastructure while enabling other activities</li> <li>• recognise that not all adverse effects generated by infrastructure can be avoided</li> </ul>

### **How these policy proposals were developed and selected**

31. These policy proposals have been developed over two different resource management reform processes between 2021 and 2024. The initial work produced policies in an Infrastructure chapter in the draft National Planning Framework (which integrated national direction under the Natural and Built Environment Act that replaced the RMA in 2023). After the current government repealed that new legislation, the Minister for RM Reform and Infrastructure agreed that the content in the infrastructure chapter should be reworked into national direction under the RMA.

32. Officials analysed a range of evidence and engaged with government agencies and external stakeholders several times throughout the process, to understand the problems and develop and test the options for addressing these.
33. Officials worked closely with the other agencies responsible for related national direction to develop and refine the proposals. Officials particularly focused on aligning the NPS-I with the proposed amendments to the NPS-REG, NPS-EN, and NPS-UD, and the proposed NPS on Natural Hazards.
34. Officials engaged with representatives of Transpower, KiwiRail, the New Zealand Transport Agency, Auckland Transport, and the airports, ports, renewable electricity generation, electricity and gas distribution, telecommunications, three waters and quarrying sectors; and with local authority planning practitioners, the Resource Management Law Association, New Zealand Planning Institute, and environmental non-governmental organisations (ENGOS).
35. Most of these stakeholders strongly support the development of a new NPS-I. Infrastructure providers see it as the priority step before new national environmental standards. However, some local authorities and ENGOS expressed concerns about the potential loss of protections for the natural environment. Local authority practitioners expressed some concern about the extent of new requirements that councils would have to implement.
36. Stakeholders provided comments about the need for stronger spatial planning and on how to manage the interface between infrastructure and other activities. Appendix B summarises the feedback. Officials refined the proposals taking into account these comments.

#### ***Non-regulatory methods***

37. As an alternative to the NPS-I policy proposals, officials considered possible non-regulatory methods that would influence regulatory decisions made under the RMA that affect infrastructure. These took the form of information and guidance on process, technical standards, spatial information (eg. maps showing where area is constrained by natural hazards) for parties involved in developing and consenting infrastructure. While non-regulatory methods support the objectives of the NPS-I they lack sufficient legal weight to act as a substitute for national direction on infrastructure under the RMA. The non-regulatory methods would not have sufficient legal status to rebalance decision-making that is currently directed by other resource management national direction and in regional policy statements and plans.
38. Where relevant, in the discussion on options below officials have noted any instances where non-regulatory methods could support the options proposed.

### **Policy proposal 1 – Recognising and providing for infrastructure**

#### ***Issue***

39. Existing national direction does not specifically recognise and provide for the benefits of infrastructure. This results in planning decisions that do not fully recognise the requirement for infrastructure, do not have regard to strategic planning for infrastructure, and lead to unnecessarily costly consenting processes and conditions.
40. The time and cost of obtaining resource consents for major projects have substantially increased over the past decade. A report for the NZ Infrastructure Commission on the cost of consenting infrastructure projects in New Zealand found that the costs of

consenting infrastructure projects have increased 70 per cent between 2014 and infrastructure consents cost \$1.3 billion per year, Consent costs equate to 5.5 per cent of total project costs, and international benchmarking has shown this to be at the extreme end of infrastructure approval costs with equivalent costs in the United Kingdom and European Union of between 0.1 and 5 per cent. The time to get a consent decision also increased by 150 per cent from 2010-14 to 2021<sup>9</sup>.

### ***What options are being considered?***

#### ***Option One – Status Quo***

41. Existing regional policy statements and plans often provide for infrastructure in a general sense, rather than actively providing for the variability of circumstances needed to support the range of infrastructure and infrastructure supporting activities required nationally, or in districts or regions.
42. Under Option One, regional policy statements and plans will continue to provide insufficient and inconsistent recognition of the benefits of infrastructure (relative to adverse effects), and in general will not reflect any consideration of spatial planning or infrastructure plans. Decision-making on plan changes, resource consent applications and notices of requirement will continue to be made guided by the objectives and policies in regional policy statements and plans, and other national direction.
43. Infrastructure benefits tend to be downplayed as existing regional policy statements and plans often provide for infrastructure in a general sense, rather than actively providing for the variability of circumstances needed to support the range of infrastructure and infrastructure supporting activities required nationally, or in a region or district.
44. This option would see the use of the RMA definition of Infrastructure without any further additional definitions. This means regional policy statements and plans will continue to apply different definitions for sub-categories of infrastructure and its supporting activities, which are subject to different policy provisions in policy statements and plans.
45. There are other tools in the RM system to ensure consistency across plan documents. Under the national planning standard, regional policy statements and plans must have a chapter relating to energy, infrastructure, and transport. However, the national planning standard does not prescribe the content that must be included in this chapter and the extent to which regional policy statements and plans identify and address the issue above varies.
46. If local authorities have not included specific policies requiring infrastructure to be recognised or provided for (for example by requiring decisionmakers to have regard to spatial plans), then the matter will remain unaddressed. In other cases, the regional policy statements or plans may partially address the issue outlined above, or not in a consistent fashion with the plans or policy statements in adjoining districts or regions. This creates difficulties when applying for consents for infrastructure that is in multiple districts or regions.

#### ***Option Two – New National Policy direction to RMA decisionmakers to recognise and provide for infrastructure***

47. Under Option Two, new national policy direction would apply to decisions about infrastructure made by resource management decision makers on changes to regional policy statement and plans, consent applications and notices of requirement for new or

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<sup>9</sup> New Zealand Infrastructure Commission (2021), The cost of consenting infrastructure projects in New Zealand



amended designations. Officials intend that the policies would apply to all infrastructure (excepting those specifically addressed under other national direction including the NPS-REG and NPS-EN) and would encompass social and green infrastructure.

48. The policies would apply to decisions affecting the operation, maintenance, renewal and upgrade of existing infrastructure, as well as to new infrastructure projects, and direct decision-makers to:
- a) include a set of consistent definitions for infrastructure and related activities. The definitions would also apply to other national direction instruments to ensure consistency of terminology.
  - b) recognise and provide for the public benefits of infrastructure (the NPS-I would list these) and its functional or operational needs to locate in particular environments
  - c) enable more effective use of existing infrastructure, and provide for upgrades in line with technology and to improve levels of service and resilience to hazards
  - d) have regard to spatial plans, including future development strategies and other strategic plans for infrastructure, in protecting and enabling new infrastructure to meet changing community needs
  - e) manage reverse sensitivity, with requirements for decision-makers to plan for compatible activities and to minimise the risk of locating incompatible activities in close proximity to each other
  - f) use efficient and timely processes for consenting and consenting infrastructure, including using information gathered for investment processes and nationally recognised standards in assessing and managing effects
  - g) provide for infrastructure supporting activities, including quarrying, by recognising the operational or functional need for such activities to locate in particular environments and enabling their timely delivery when such activities are necessary for infrastructure activity.
49. These general policies set the frame for more specific policies in the NPS-I (which would address policy issue 3 by providing direction on the interface between infrastructure and other activities).
50. Without these policies the NPS-I would leave a gap in the overall national direction, with a lack of direction focused on the benefits and needs of infrastructure, having regard to spatial planning, general approaches to managing effects on the environment, and efficient and timely consenting.

### **Options not considered**

#### *National Environmental Standards*

51. Officials explored developing National Environmental Standards (NES) instead of, or in addition to the NPS. NES cannot include objectives or policies so would not be able to influence the breadth of the problems or their causes in the way that higher level NPS can. However, NES could be more effective than NPS alone, in addressing the issue of high costs of consenting and conditions. Infrastructure stakeholders and Ministers agreed that NPS level general policies are necessary first and that NES should follow.

#### *A more narrowly scoped National Policy Statement*

52. Officials tested with stakeholders whether the NPS should more narrowly focus on infrastructure as defined under the RMA. Stakeholders argued that a broader focus including direction on social infrastructure and infrastructure supporting activities such as quarrying was necessary to address the system-wide problems.

*More directive policies on the content and process for spatial planning and requiring RM decisions to give effect to this*

53. Most stakeholders consider good spatial planning with legal weight should be the first step to address many of the problems with resource management decisions affecting infrastructure. Officials considered including in this NPS the more directive policies developed for the draft National Planning Framework in 2023. However, these policies were developed in the context of the since-repealed Spatial Planning Act. Such policies would not work in the current RMA context where spatial planning does not have legal weight.

***How have the criteria above been applied in the context of Policy Issue 1?***

<b>Criteria</b>	<b>Application of criteria</b>
Effectiveness	<i>Does the option achieve the objectives?</i>
	<i>Does the option provide a solution to the identified problem?</i>
	Requiring decision-makers to recognise the significance, benefits, and functional or operational requirements of infrastructure achieves the objectives, alongside the other policy proposals under Option Two.
	<i>Have trade-offs between the objectives been factored into the assessment of the proposal's overall effectiveness?</i>
	There are trade-offs required between recognising and providing for infrastructure and protecting matters of national importance. Both contribute to the sustainable management purpose of the RMA and are not always easy to reconcile. For example, it may be impossible for a new section of linear infrastructure to avoid being in an area with high environmental values.  However, the overall impact of these enabling policies on the natural environment (including people's relationship with the environment and economic benefits from the environment) cannot be quantified at this point, as the impacts will vary case-by-case and depend on a range of factors such as project location, or environmental mitigation measures.
Efficiency	<i>To what extent does the proposal achieve the intended outcomes/objectives at the least cost to applicants, the regulator and, where appropriate, the courts.</i>
	The group of policies, in conjunction with the other policy proposals, is intended to support an increase in efficiency of consenting and other regulatory processes under the RMA by reducing uncertainty in the consenting process. For example, decisionmakers will be required to recognise the significant benefits of infrastructure to the functioning of districts, regions and the country when determining a consent application.  It will also encourage the efficient use of existing spatial plan documents when making planning decisions on infrastructure. Spatial plans prepared by local authorities or infrastructure providers often involve extensive public consultation and in-depth analysis which is highly relevant to decision-making under the RMA.
	<i>Is the regulatory burden (cost) proportionate to the anticipated benefits?</i>

Criteria	Application of criteria
	<p>The proposed approach is intended to reduce regulatory costs by providing strengthened direction that overall, leads to a greater enablement of infrastructure activities.</p> <p>However, this must be considered in the context of a potential reduction in the protection of the natural environment values that the RMA identifies as nationally important. This approach seeks to ensure that the regulatory burden (i.e. cost) is proportionate to the anticipated benefits of enabling infrastructure activities.</p>
	<i>Is the option cost-effective?</i>
	<p>Collectively, the policy proposals create greater cost-effectiveness than the status quo by enabling infrastructure and increasing the certainty of outcomes in the consenting process.</p> <p>However, cost-effectiveness would be significantly impacted if the NPS-I required local authorities to changes their plans to give effect to the policies. This is not included in the national direction proposals as new legislation is currently being developed to replace the RMA. The new NPS-I will place additional costs on local authorities, applicants and others to assess and respond to the new NPS-I policies when dealing with consent applications and notices of requirement.</p>
System alignment	<i>Does the option integrate well with other proposals and the wider statutory framework, including existing objectives in current national directions?</i>
	<i>Is it reducing complexity and providing clarity for LG on how to address tensions/conflicts between ND instruments?</i>
	<p>Infrastructure contributes to the purpose of the RMA by enabling current and future generations to provide for their wellbeing. This is not consistently recognised across all regional policy statements and plans, indicating a need for new national direction.</p> <p>The proposed general NPS-I policies are intended to align with the policies in other national direction. The proposal to include new national direction that recognises and provides for infrastructure is aligned with the related national direction for REG and EN. Overall, and over time, the proposed process in the NPS-I is intended to provide greater clarity for local authorities, decision-makers and applicants.</p>
Implementation complexity	<i>Is the option clear about what is required for implementation by local government, and can it be easily implemented?</i>
	<p>With new planning legislation in train to replace the RMA, the NPS-I does not include requirements for local authorities to change their RMA planning documents. The NPS-I will be relevant when local authorities (and other consent authorities determine plan changes (including requests for private plan changes by infrastructure providers), resource consent applications and notices of requirement.</p>
	<i>To what extent does the proposal present implementation risks that are low or within acceptable parameters (e.g. Is the proposal a new or novel solution or is it a tried and tested approach that has been successfully applied elsewhere?).</i>

Criteria	Application of criteria
	<i>To what extent can the proposal be successfully implemented within reasonable timeframes?</i>
	It is likely that there will be some challenges for applicants and decision-makers alike as they will have to have regard to the new NPS-I policies. However, this complexity can be somewhat reduced with effective transitional provisions and implementation guidance
	<i>Does the option provide enough flexibility to allow local circumstances to be adequately taken into account / addressed at the local level?</i>
	The purpose of including these policies in the NPS-I as proposed is to reduce local flexibility while increasing national consistency and certainty. This is necessary to ensure the national, regional or local benefits of infrastructure are not discounted relative to localised adverse effects. National consistency is particularly important for decisions affecting linear infrastructure that traverses several local authority areas and a key trade-off is the corresponding loss of local input. However, these policies will need to be read alongside policies included in regional policy statements and plans that reflect matters of importance to the local community. Where consent applications are publicly notified there will still be opportunities for local input on matters of importance to the local community.
	<i>Do regulated parties have the flexibility to adopt efficient and innovative approaches to meeting their regulatory obligations?</i> (NB: A regulatory system is flexible if the underlying regulatory approach is principles or performance based).
	The purpose of a national policy statement is generally to provide a nationally consistent, mandated approach. There will still some flexibility in terms of implementation approaches, through plan change, consenting or designation processes.
	<i>To what extent does the proposal ensure regulated parties have certainty about their legal obligations, and does the regulatory system provides predictability over time?</i>
	The proposed policy package is intended to increase certainty and predictability about regulatory requirements by providing nationally consistent policies. This consistency should benefit applicants, local authorities and decision-makers. It also provides greater certainty for parties who may wish to submit on a consent application or notice of requirement.
	<i>Are legislative requirements clear and able to be applied consistently and fairly by regulators?</i>
	The inclusion of new infrastructure-related definitions and policies that recognise infrastructure benefits, the operational or functional need of infrastructure to be in particular locations, having regard to spatial plans, and enabling infrastructure delivery, will support a nationally consistent approach. However, this is dependent on the extent to which decision-making on consent applications and notices of requirement is consistent across the country. Decision-makers also have to have regard to the policies in regional

Criteria	Application of criteria
	policy statement and plans and in practice the NPS-I policies may be read down depending on individual circumstances.
	<i>Do all participants in the regulatory system understand their roles, responsibilities and legal obligations?</i>
	There are no proposals for change to roles, responsibilities or legal obligations.
Te Tiriti o Waitangi outcomes	<i>Does the option take into account the principles of Te Tiriti o Waitangi and Māori rights and interests?</i>
	This group of policies is specifically designed to promote the principles of participation and active protection. However, further engagement is required in order to understand how these policies, and the NPS-I as a whole, can better align with te Tiriti principles.
	<i>Does the option align with the Treaty Impact Analysis?</i>
	The option aligns with the draft Treaty Impact Analysis (TIA) at the time of writing. However, as noted in the draft TIA, there has not been comprehensive consultation with PSGEs or iwi / Māori, and therefore the proposals cannot be considered to be consistent with the principles of te Tiriti. This inconsistency can be addressed through direct, meaningful engagement with PSGEs, and broader consultation with iwi / Māori through the release of the discussion document.

***How do the options compare to the status quo/counterfactual?***

	Option One – Status Quo	Option Two – Recognise and provide for infrastructure
<b>Effectiveness</b>	0	+
<b>Efficient</b>	0	+
<b>Alignment</b>	0	++
<b>Implementation</b>	0	+
<b>Treaty of Waitangi</b>	0	0
<b>Overall assessment</b>	0	+

***What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?***

54. Option Two is likely to best address the problem, as it would provide consistency across the planning system, as well as clarity and certainty that in turn could reduce the time and costs associated with planning and consenting processes and reduce the risk of litigation.

## **Policy Issue 2: Recognising and providing for Māori interests**

### ***Issue***

55. Māori have significant interest in resources associated with, or affected by, infrastructure projects. Many Treaty settlements include statutory obligations to involve iwi/Māori in RMA processes. These requirements are either at the consent decision-making stage which include requirements for decision-makers to have regard to, or recognise and provide for, strategy documents or values in the settlement, or at the plan making stage which generally require local authorities to incorporate strategies or values into council plans.
56. Mana Whakahono ā Rohe also provide for iwi and hapū to have participation arrangements with local authorities relating to both plan making and consent decision making.
57. There are also requirements to involve iwi/Māori in decision making under the NZCPS, and specific requirements to consult with customary marine title holders on matters that affect the coastal marine area.

### **What options are being considered?**

#### ***Option One – No direction provided in NPS-I***

58. Local authorities have separately developed a range of provisions, processes and arrangements to meet their obligations to iwi/Māori under section 6(e), 6(g), 7(a) and 8 of the RMA. In general terms these seek to ensure there are opportunities for iwi/Māori to be involved in plan development, consent applications, or notices of requirement. Under Option One these existing provisions, processes and arrangements will still stand.
59. Maintaining this status quo may result in inconsistent approaches to engaging with iwi / Māori on matters under the RMA. This is especially so for large infrastructure projects which span regions or districts and involve the application of multiple RM plan documents.
60. There are also inconsistencies in approach across the country with, for example, varying requirements between regions and districts for cultural impact assessments.

#### ***Option Two – NPS-I provides direction***

61. Under Option Two, policy direction would be provided to support Māori rights and interests in infrastructure. This would direct early engagement with iwi/Māori, require decision-makers to consider Māori rights and interests with regard to RMA plan processes, consent applications or notices of requirements, provide where appropriate or Māori involvement in decision-making, and provide for Māori aspirations for use and development of infrastructure.
62. In recognition of these requirements the proposed policy is that decision makers (and applicants as appropriate) must:
  - engage early with iwi / Māori
  - take into account the values and aspirations of iwi / Māori for infrastructure activities at any scale
  - provide opportunities for iwi / Māori involvement in decision-making, including in relation to sites of significance to Māori and issues of cultural significance

- operate in a way that is consistent with iwi participation legislation (note this policy does not exclude participation under the Marine and Coastal Area Act 2011 or in Mana Whakahono ā Rohe)
63. The policies are drawn directly from existing policies in the National Policy Statement for Urban Development (Policy 9, with minor alterations to fit the infrastructure topic) so there is increased alignment in this regard with other national direction.

*Early engagement*

64. The intent behind this policy is to direct plan-makers, applicants, and decision-makers to ensure that, where relevant, there is early and meaningful engagement with iwi/Māori. The purpose of this policy direction is to give effect to the principles of te Tiriti in accordance with section 8 of the RMA, and to ensure there is an opportunity for iwi/Māori to identify and provide information on the local sites and values of significance to them.
65. The purpose of applying this policy to ‘applicants, as appropriate’, as well as decision-makers is to identify that there are circumstances in which it is appropriate and/or required (by regional policy statements or plans) that applicants engage with local iwi / Māori groups. While this is generally considered good practice by the infrastructure sector, including this provision in the NPS ensures that local planning provisions identify the circumstances in which, and with whom, applicants should engage prior to making an application.

*Taking into account the values and aspirations of tangata whenua*

66. The purpose of this policy is to provide direction where iwi / Māori wish to undertake commercial opportunities for infrastructure-related developments, either on their own or in collaboration with other parties. The policy does not limit the scale of such opportunities.

*Providing opportunities for Māori involvement in decision-making*

67. Some Treaty settlement legislation specifically requires that local iwi / Māori are provided decision-making opportunities on matters that are addressed in the settlement legislation. This policy restates that requirement but also goes further to direct decision-making opportunities where values local of significance to local iwi / Māori may be impacted.
68. These requirements are either at the consent decision-making stage which include requirements for decision-makers to have regard to, or recognise and provide for, strategy documents or values in the settlement, or at the plan making stage which generally require councils to incorporate strategies or values into council plans.<sup>10</sup>

*Operating in a way that is consistent with iwi participation legislation*

69. Mana Whakahono ā Rohe also provide for iwi and hapū to have participation arrangements with councils relating to both plan making and consent decision making. Inclusion of a specific policy in the NPS-I is intended to clarify that the NPS-I does not purport to prevail over arrangements made under iwi participation legislation / Mana Whakahono ā Rohe.

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<sup>10</sup> An example of this requirement is s137 of the Ngāti Rangitihi Claims Settlement Act 2022 which requires local authorities in preparing, approving, varying, or changing a regional policy statement, regional plan or district plan, to recognise and provide for the common vision, objectives, and desired outcomes contained in the Strategy Document. The local authority must comply with this each time it proposes a change to a relevant plan, which would be overridden in the case of NPS provisions being directly incorporated into the plan.

**Options not considered**

70. At this stage officials have not developed alternative options to ensure iwi/Māori interests are recognised and protected. Further options may arise following engagement with iwi/Māori on the policy options in the proposed NPS-I.

**How have the criteria above been applied in the context of Policy Issue 2?**

Criteria	Application of criteria
Effectiveness	<i>Does the option achieve the objectives?</i>
	The overall policy objective focuses largely on enabling delivery of infrastructure activities. The inclusion of Māori-related policies in the NPS-I is therefore more related to exercise of the Crown's obligations under the Treaty of Waitangi as well as the additional considerations of taonga and kaitiakitanga, which are required under Part 2. To that extent, the proposed policies to address Māori engagement, values and aspirations give strong hooks for engagement 'in place' with Māori on a case-by-case basis. The extent to which this satisfies expectations and obligations for engagement will depend on implementation by local authorities and applicants.
	<i>Does the option provide a solution to the identified problem?</i>
	The option does not directly respond to the identified problem for infrastructure but responds to system-wide requirements and objectives around Māori engagement, partnership and protection.
	<i>Have trade-offs between the objectives been factored into the assessment of the proposal's overall effectiveness?</i>
	<p>To an extent, these policy proposals have the potential to reduce the effectiveness of some of the other policy proposals, by introducing additional obligations on applicants and further considerations for decision-makers. This could be considered a 'trade-off' between recognising Māori in the consent process and expediting the consent decision. In some circumstances, it might also create grounds for appeal.</p> <p>In particular, in some circumstances, applicants would need to engage with local iwi / Māori groups for whom the land that is the subject of the consent application comprises values of significance. Arguably this is not an additional regulatory burden, as engagement is already required in other circumstances by the Act and Treaty settlements, and many infrastructure providers advise that is considered good practice in any event. Engagement, particularly pre-application, can also reduce costs and delays at the back end of the consent process (i.e. when the application is under consideration), because applicants have had the opportunity to address potential issues raised by iwi / Māori groups and propose conditions to address those issues. This approach also reduces the likelihood of appeal by affected iwi / Māori groups.</p>



Criteria	Application of criteria
	Separately, these policies contribute to achieving the objectives by supporting iwi / Māori to realise opportunities for self-development, including in partnerships.
Efficiency	<p><i>To what extent does the proposal achieve the intended outcomes/objectives at the least cost to applicants, the regulator and, where appropriate, the courts.</i></p> <p><i>Is the regulatory burden (cost) proportionate to the anticipated benefits?</i></p> <p><i>Is the option cost-effective?</i></p> <p>Engagement with iwi/Māori can increase upfront costs and require time to undertake, which does not appear to align with the general policies for recognising and providing for infrastructure. However, effective early engagement can increase efficiency by reducing an applicants' costs overall, may reduce processing time frames and can lower costs and avoid resourcing implications for local authorities and the Courts on appeal.</p>
System alignment	<p><i>Does the option integrate well with other proposals and the wider statutory framework, including impacts on existing objectives in current national direction?</i></p> <p><i>Is it reducing complexity and providing clarity for LG on how to address tensions/conflicts between ND instruments?</i></p> <p>The proposed policies in this group integrate well with the statutory framework, and in particular Part 2 of the RMA, which seeks to provide for social, cultural and economic well-being while managing adverse effects on matters of national importance and to take into account the principles of te Tiriti o Waitangi.</p> <p>Two of these policies are drawn directly from existing policies in the National Policy Statement for Urban Development (with minor alteration to fit the NPS-I framework) so there is increased alignment in this regard.</p>
Implementation complexity	<p><i>Is the option clear about what is required for implementation by local government, and can it be easily implemented?</i></p> <p>The policies direct decision-makers to follow well-established practices in compliance with the RMA requirements to engage with iwi / Maori.</p> <p>The relatively discrete nature of these policies means that they are more likely to be easily integrated into existing plans, and are likely to reflect the policy framework in many regional policy statements and plans with respect to engagement and values in particular.</p> <p><i>To what extent can the proposal be successfully implemented within reasonable timeframes?</i></p> <p>There is a high likelihood the policies can be successfully implemented within reasonable timeframes. This is not a significant policy shift and is a restatement of existing good practice that is applied across the country. These policies are likely to reflect the policy framework in many regional policy statements and plans with respect to engagement.</p> <p><i>Does the option provide enough flexibility to allow local circumstances to be adequately taken into account / addressed at the local level?</i></p>

Criteria	Application of criteria
	The outcome of mandating nationally consistent policies in the NPS-I is to reduce local flexibility. However, the policy direction is likely to align closely to local planning processes which means that there has been local decision-making on the values of greatest importance to local iwi / Māori.
	<i>Do regulated parties have the flexibility to adopt efficient and innovative approaches to meeting their regulatory obligations? (NB: A regulatory system is flexible if the underlying regulatory approach is principles or performance based).</i>
	The purpose of a national policy statement is generally to provide a nationally consistent, mandated approach. Therefore, there is limited scope for flexibility for regulated parties.
	<i>To what extent does the proposal ensure regulated parties have certainty about their legal obligations, and does the regulatory system provides predictability over time?</i>
	This group of policies increase certainty and provide predictability about regulatory requirements. It does this through providing nationally consistent policies. This consistency benefits iwi/Māori, applicants, local authorities and decision-makers. It also provides greater certainty for affected parties who may wish to submit on a resource consent application. Collectively, this certainty could result in fewer appeals.  However, this is extremely difficult to assess or quantify as there are a range of factors leading to Environment Court appeals (eg cost and available resources are significant considerations for all parties, including iwi/Māori).
	<i>Are legislative requirements clear and able to be applied consistently and fairly by regulators?</i>
	The policies set out requirements for decision-makers to recognise and provide for Māori interests. Each decision will have site-specific context so there is always the potential that there will be some degree of variability in the application of this policy package.  Existing provisions in regional policy statements and plans could also assist in providing clarity as to obligations, though are not capable of providing national certainty.
	<i>Do all participants in the regulatory system understand their roles, responsibilities and legal obligations?</i>
	As the proposed policies directly relate to requirements in Part 2 of the RMA and these requirements have been practiced (to varying degrees) for over 30 years, it is highly likely decision-makers will understand their roles, responsibilities and legal obligations.
Te Tiriti o Waitangi outcomes	<i>Does the option take into account the principles of Te Tiriti o Waitangi and Māori rights and interests?</i>
	Refer response under policy issue 1.
	<i>Does the option align with the Treaty Impact Analysis?</i>
	Refer response under policy issue 1.

**How do the options compare to the status quo/counterfactual?**

	Option One – Status Quo	Option Two – Recognising and providing for Māori interests
Effectiveness	0	+
Efficient	0	+
Alignment	0	++
Implementation	0	+
Treaty of Waitangi	0	Further engagement with PSGEs, iwi and other Māori groups is required to substantiate/verify this assessment in relation to Treaty of Waitangi and Māori interests.  0
Overall assessment	0	+

**What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?**

71. Option Two aims to ensure matters of importance to relevant iwi are taken into consideration when developing the infrastructure proposals. The impacts of infrastructure proposals on iwi /Māori, including any aspirations for use and development of infrastructure in their rōhe, will be directly considered as part of the decision-making on infrastructure proposals.
72. It also reinforces the importance of direct involvement in decision-making on proposals in areas that contain sites of significance to Māori. Through this policy the relevant rights and interests of Māori can be reflected in RMA processes, while still supporting an efficient and enabling consent process.
73. The proposed policies in Option Two will require further engagement with iwi / Māori.

**Policy Issue 3 – Managing the interface between infrastructure and other activities**

**Issue**

74. Infrastructure often has adverse effects on other activities, but existing infrastructure can also be adversely impacted by other activities nearby. For example, new development that occurs nearby infrastructure may result in reverse sensitivity concerns, where new residents make complaints about the infrastructure's noise, lighting or other characteristics. This often leads to new constraints or restrictions on the operation or maintenance of the infrastructure, or a requirement for the infrastructure provider to mitigate effects on the new development.

75. Reverse sensitivity is one of the most significant resource management issues that some infrastructure providers (especially port companies, airports and transport agencies) deal with. It can prevent the full, lawful utilisation, of existing infrastructure or at the least, create considerable uncertainty and require infrastructure providers to allocate significant resource to defending their activities in plan change processes and court cases.
76. New development can also have direct effects on existing infrastructure, such as contributing to flooding or instability of the land under the infrastructure.
77. Other land use activities can also constrain the development of infrastructure that is designated or consented. Even though the infrastructure is likely to have been flagged for a long period of time it may still be opposed by people and local communities, resulting in uncertainty and litigation risk for the infrastructure provider.
78. Difficulties have arisen where individual planning decisions on infrastructure and other activities have been made in isolation, resulting in incompatible activities being in close proximity. This co-location of incompatible activities can both limit optimal use of infrastructure and adversely impact people and communities' wellbeing. For example, urban development in proximity to a port or airport may limit its operations, thereby impacting on a communities economic and social wellbeing.

***What options are being considered?***

***Option One – Status Quo***

79. Existing provisions in policy statements and plans would continue, with each local authority determining the extent to which the policy statements and plans manage reverse sensitivity effects and how and where these apply.
80. This would continue to pose threats to the operation and maintenance of existing infrastructure and development of planned infrastructure and would continue to result in costly litigation.

***Option Two – Managing the interface between infrastructure and other activities***

81. Officials propose policy direction on how to manage the interface between different infrastructure and other activities. The policies would provide consistent principles and flexible tools for resource management decision-makers to:
  - a) plan for compatible development of infrastructure and other activities, which includes
    - i. protecting existing infrastructure (and new infrastructure identified in statutory plans) from reverse sensitivity and the direct effects of nearby development
    - ii. protecting people's health and safety
  - b) use buffers, overlays or setbacks, which are flexible planning tools, to protect infrastructure while enabling the development of other activities nearby, subject to various conditions. These conditions might include alerts, barriers or design standards.
  - c) recognise that infrastructure activities will have noise, vibration, dust and visual effects that can be managed to the practicable but not always avoided; and that amenity values can change, and infrastructure may have effects on amenity in order to support well-functioning urban and rural environments
  - d) generally apply the principle that proponents of new development (including new infrastructure) are responsible for measures to mitigate effects on existing activities and on people

- e) work with infrastructure providers to select the most appropriate management approach, recognising that different types of infrastructure have different requirements and there are different effects and circumstances.
82. Under Option Two a principles-based and flexible approach to plan for and manage the interface between infrastructure and other activities nearby (such as housing development) is intended. This is intended to provide greater certainty, particularly in growing cities, that infrastructure services can continue to be provided or as planned, and that housing and other development can also occur in a compatible way. Both these outcomes are necessary to support environments that function well and provide for community wellbeing now and in the future. However, the two outcomes are currently in tension, as councils use various approaches to deal with reverse sensitivity and health and safety risks. This presents a significant concern for some infrastructure providers and developers who are facing uncertainty and high costs of inputting to individual council plans and appeal costs.
83. The policies would go some way towards reducing uncertainty and appeal costs between different activities that infrastructure providers say is a major problem. However, the direction will still be relatively high level. This is not easily addressed as it is not intended that local authorities review their plans to give effect to the NPS-I.

### **Options not considered**

#### *Focusing on existing infrastructure only*

84. Originally, officials tested policies that would protect the operation and maintenance of infrastructure already in place, from the effects of nearby development. Infrastructure stakeholders said that this would not address all the problems and sought policies relating to infrastructure expansions and development authorised by plans, designations and consents.

#### *More directive and sector -specific policies*

85. Officials also tested policies that were worded in a more directive way (for example. Stakeholders said that these policies were not fit for purpose for all infrastructure sectors; with some suggesting having different policies for different sectors. On reflection we amended the proposed policies to enable flexible application. We also developed new proposed direction requiring consent authorities to engage with infrastructure providers to understand their different circumstances.
86. Infrastructure providers also want to see national environmental standards that provide more specific direction for managing different situations, such as the noise effects of airports, roads or construction activities. This is not feasible at the present time given the impending replacement legislation for the RMA. However, when the new planning and environment acts come into force, new national standards could be introduced to support the implementation of the new legislation.

### **How have the criteria above been applied in the context of Policy Issue 3?**

Criteria	Application of criteria
Effectiveness	<i>Does the option achieve the objectives?</i>
	This group of policies is intended to address the following subparts in the proposed objective:
	<i>New Zealand's infrastructure:</i>
	<i>(g) is protected from the adverse effects of other activities</i>
	<i>Does the option provide a solution to the identified problem?</i>

Criteria	Application of criteria
	<p>The policies are intended to address the problems infrastructure providers and other stakeholders have identified with the interface between infrastructure and other activities.</p> <p>The proposed suite of policies require decision-makers to ensure planning decisions manage the interface and compatibility of infrastructure with other activities. This includes existing, consented and planned infrastructure, as well as its operation, maintenance and repair.</p> <p><i>Have trade-offs between the objectives been factored into the assessment of the proposal's overall effectiveness?</i></p> <p>The proposed policies recognise the lawful activities of existing or planned infrastructure and that in many cases it is not possible for infrastructure providers to internalise the adverse effects of their activities within site boundaries, and this requires local authorities to manage other activities.</p> <p>A key trade-off is the effect of the policies on private landowners in proximity to infrastructure as the policies seek to ensure infrastructure and other activities are as compatible as practicable. This may result in limitations on the development potential of privately-owned land located near infrastructure activities. Examples of such limitations are the noise buffer areas around ports, and air noise corridors for major airports.</p>
Efficiency	<p><i>To what extent does the proposal achieve the intended outcomes/objectives at the least cost to applicants, the regulator and, where appropriate, the courts.</i></p> <p>Reverse sensitivity is well-recognised as an adverse effect and as such, is principally managed through land use controls in district plans. The proposed policies build off the extensive body of knowledge developed over the past 30 years through case law, regional policy statement and district plan development and implementation.</p> <p><i>Is the regulatory burden (cost) proportionate to the anticipated benefits?</i></p> <p>Infrastructure that is curtailed through limitations placed on it by other activities can have significant social and economic costs. One example is an airport being unable to efficiently operate to meet demand due to curfews.</p> <p><i>Is the option cost-effective?</i></p> <p>The proposed policies are intended to provide sufficient flexibility to ensure planning decisions are proportionate and appropriate to specific circumstance. For example, to address reverse sensitivity adverse effects, the policies direct local authorities to adopt a range of methods as is appropriate, rather than prescribing specific responses.</p>
System alignment	<p><i>Does the option integrate well with other proposals and the wider statutory framework, including existing objectives in current national directions?</i></p> <p>The proposed policies are consistent with the policies in the NPS-REG and NPS-ET which also seek to manage the interface of activities with the renewable energy infrastructure and electricity networks infrastructure respectively.</p>

Criteria	Application of criteria
	<p><i>Is it reducing complexity and providing clarity for LG on how to address tensions/conflicts between ND instruments?</i></p> <p>The proposed policies are intended to give local authorities clear direction, with specific direction included to address the key, known resource management issues generated by the interface between infrastructure and other activities. For example, the policies require planning decisions to recognise that noise, vibration, dust and visual effects are commonly associated with infrastructure projects that can be managed but not in all cases avoided.</p>
Implementation complexity	<p><i>Is the option clear about what is required for implementation by local government, and can it be easily implemented?</i></p>
	<p>The proposed policies are addressed directly to local authorities as they are responsible for the majority of planning decisions made under the RMA. The policies are drafted in such a way that they set out the requirements the NPS-I seeks to achieve (manage the interface between infrastructure and other activities) and then the implementation steps and key considerations (eg requirements to engage with infrastructure providers or matters that must be assessed when making a planning decisions).</p>
	<p><i>To what extent does the proposal present implementation risks that are low or within acceptable parameters (e.g. Is the proposal a new or novel solution or is it a tried and tested approach that has been successfully applied elsewhere?).</i></p>
	<p>The proposed policies are distillation of over 30 years' experience by local authorities, infrastructure providers, and the Courts in managing reverse sensitivity effects under the RMA.</p>
	<p><i>To what extent can the proposal be successfully implemented within reasonable timeframes?</i></p>
	<p>When the NPS-I comes into force, decision-makers will be required to have regard to its policies when determining resource consent applications and notices of requirement. With impending replacement legislation for the RMA, the policies are not proposed for direction insertion into regional policy statements and plans, or for plan documents to be amended to give effect to the NPS-I. Instead, they are intended to be given effect to principally by decision-makers determining consent applications and notices of requirement.</p>
	<p><i>Does the option provide enough flexibility to allow local circumstances to be adequately taken into account / addressed at the local level?</i></p>
	<p>As noted above, the purpose of a national policy statement is generally to provide a nationally consistent, mandated approach. Therefore, a trade-off is the limited scope that results for flexibility at the local level through local authorities giving effect to the NPS-I through changes to the regional policy statement or plans that are tailored to local context and resource management issues.</p>
	<p><i>Do regulated parties have the flexibility to adopt efficient and innovative approaches to meeting their regulatory obligations?</i></p>



Criteria	Application of criteria
	<i>(NB: A regulatory system is flexible if the underlying regulatory approach is principles or performance based).</i>
	The proposed policies are structured in such a way as to enable flexibility as they establish requirements but are not prescriptive as to exactly how these are implemented by applicants, local authorities and decision-makers.
	<i>To what extent does the proposal ensure regulated parties have certainty about their legal obligations, and does the regulatory system provides predictability over time?</i>
	<p>The policies enable infrastructure providers to extend the footprint of the adverse effects generated by their activity over other property. To ensure other parties are aware of this and can undertake their own activities accordingly the policies include requirements for local authorities to identify where appropriate buffer areas, design standards, or special purpose zones.</p> <p>All of these techniques have been deployed as land use planning tools to manage reverse sensitivity effects.</p> <p>However, unless a local authority undertakes a plan change to give effect to the NPS-I (which is unlikely given impending legislation to replace the RMA), implementation is dependent on decisionmakers having regard to the policies in their decisions on plan changes, consent applications and notices of requirement.</p>
	<i>Are legislative requirements clear and able to be applied consistently and fairly by regulators?</i> <i>Do all participants in the regulatory system understand their roles, responsibilities and legal obligations?</i>
	<p>The proposed policies are intended to provide direction to local authorities who are the primary decision-making entities with regard to infrastructure under the RMA.</p> <p>It is less certain that other participants will have a full understanding of their roles as this includes landowners of residential properties which are located in proximity to infrastructure and subject to the reverse sensitivity rules in the district plan.</p>
Te Tiriti o Waitangi outcomes	<i>Does the option take into account the principles of Te Tiriti o Waitangi and Māori rights and interests?</i>
	Refer response under policy issue 1.
	<i>Does the option align with the Treaty Impact Analysis?</i>
	Refer response under policy issue 1.

**How do the options compare to the status quo/counterfactual?**

	Option One – Status Quo	Option Two – Managing the interface between
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		infrastructure and other activities
Effectiveness	0	+
Efficient	0	+
Alignment	0	++
Implementation	0	+
Treaty of Waitangi	0	0
Overall assessment	0	+

**What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?**

87. Option Two is likely to best address the problem, as it would provide consistency across the planning system, providing clarity and certainty that in turn could reduce the time and costs associated with planning and consenting processes, and reduce the risk of litigation.

**What are the marginal costs and benefits of the preferred option in the Cabinet paper?**

88. At the time of writing, there is limited quantifiable data on the financial costs or benefits of this proposal.
89. As noted in the assumptions, scope and limitations of analysis section, the proposed NPS-I will not in and of itself deliver on infrastructure. Wider system reform is likely required alongside the ongoing reform of the funding and financing of infrastructure.
90. For these reasons, this cost and benefits analysis in this interim RIS is limited to commenting on the likelihood of impact and whether that impact is likely to be low, medium or high.

Affected groups (identify)	Comment <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	Impact <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	Evidence Certainty <i>High, medium, or low, and explain reasoning in comment column.</i>
<b>Additional costs of the preferred option compared to taking no action</b>			
Regulated groups (infrastructure providers including requiring authorities)	Potential additional costs at the outset for staff and consultants to become familiar with the new policy requirements.  If local authorities undertake plan changes to give effect to the NPS-I	low	Medium - – the extent to which the NPS - I will result in additional costs to regulated groups are unknown,

<b>Affected groups</b> <i>(identify)</i>	<b>Comment</b> <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	<b>Impact</b> <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	<b>Evidence Certainty</b> <i>High, medium, or low, and explain reasoning in comment column.</i>
	<p>then costs associated with input into these changes including technical and legal resources.</p> <p>Over time the costs to infrastructure providers will lessen overall due to the increased likelihood of applications gaining consent.</p>		<p><i>however gaining consent will become easier and therefore cheaper</i></p>
<p>Regulators (consent authorities)</p>	<p>Operational costs for local authority staff to become familiar with new policy requirements.</p> <p>Consenting costs to local authorities are unknown but are typically charged back to the consent applicant (and therefore form part of the project cost).</p> <p>The policy proposals aim to improve the consenting process for infrastructure by providing more clarity around the policy considerations decision-makers must have regard to in the consenting process.</p> <p>However, these costs are unlikely to substantially differ from existing consenting costs in any event.</p> <p>There are likely to be significant costs to give effect to the NPS-I policies by incorporating into plan documents unless this is done as part</p>	<p><i>medium</i></p>	<p><i>Low – need further evidence from engagement</i></p>

<b>Affected groups</b> <i>(identify)</i>	<b>Comment</b> <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	<b>Impact</b> <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	<b>Evidence Certainty</b> <i>High, medium, or low, and explain reasoning in comment column.</i>
	of the next scheduled policy statement or plan change update. If this occurs the additional implementation costs are expected to be minor relative to the cost of the overall plan review.		
iwi / Māori	Uncertainties around what infrastructure services may or may not be provided. Additional costs associated with engaging with infrastructure projects. Analysis on potential further costs and benefits will be completed for the final RIS following engagement.	<i>low</i>	<i>Low - need further evidence from engagement</i>
Housing and development sector	Potential for increased requirements on the housing and development sector to fund infrastructure via development contributions.	<i>medium</i>	<i>Low - need further evidence from engagement</i>
Communities	Local communities may find that there is less protection of amenity values. The policy proposals strengthen the enablement of infrastructure activities over local amenity values to the local community. The policies also recognise that amenity	<i>Medium</i>	<i>Medium - further evidence needed, though evidence of current infrastructure consents shows local concern about impacts on environmental values resulting from</i>

<b>Affected groups</b> <i>(identify)</i>	<b>Comment</b> <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	<b>Impact</b> <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	<b>Evidence Certainty</b> <i>High, medium, or low, and explain reasoning in comment column.</i>
	values are subjective and may change over time.		<i>infrastructure projects</i>
Private property owners	Property rights may be curtailed by infrastructure (eg air noise corridors). Loss of amenity or additional costs due to the development of nearby infrastructure. This includes the opportunity cost of lost development potential due to restrictions being placed on land to manage reverse sensitivity effects on nearby infrastructure.	<i>medium</i>	<i>Low - need further evidence from engagement</i>
Future generations	Infrastructure options developed in the present day may forestall other more appropriate long-term options (eg infrastructure development in areas subject to natural hazards that will require expensive long-term protective measures).	<i>medium</i>	<i>low</i>
Environment / Biodiversity	Cumulative impact on the environment resulting from multiple infrastructure projects being consented. The overall costs will be highly dependent on the nature of each specific project and its adverse effects. However, the proposals increase the likelihood of adverse effects on the	<i>medium</i>	<i>Low - There is a lack of information on the extent to which the proposed amendments are likely to impact the specified environmental values, as these values have previously been protected by</i>

<b>Affected groups</b> (identify)	<b>Comment</b> <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	<b>Impact</b> <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	<b>Evidence</b> <b>Certainty</b> <i>High, medium, or low, and explain reasoning in comment column.</i>
	environment, including biodiversity.		<i>existing NPSs and local plans</i>
<b>Total monetised costs</b>	Without accurate quantifiable evidence, it is not possible to provide an estimate.	<i>unknown</i>	<i>unknown</i>
<b>Non-monetised costs</b>	<p>Low -medium</p> <p>More projects could be enabled by the infrastructure policies in the NPS-I and could increase costs for the regulator and other groups. This includes administrative and environmental costs and the opportunity cost resulting from restrictions on the development potential of land to protect nearby infrastructure.</p> <p>Environmental costs may increase in some respects (e.g. impacts on landscapes, biodiversity impacts) but the infrastructure proposals may have positive effects on climate mitigation and resilience.</p>	<i>low</i>	<i>low</i>
<b>Additional benefits of the preferred option compared to taking no action</b>			
Regulated groups (Infrastructure providers including requiring authorities)	The policy proposals will provide greater certainty of process and outcome for infrastructure providers.	<i>medium</i>	<i>Medium – the extent to which the NPS-I will result in additional infrastructure</i>

<b>Affected groups</b> <i>(identify)</i>	<b>Comment</b> <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	<b>Impact</b> <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	<b>Evidence Certainty</b> <i>High, medium, or low, and explain reasoning in comment column.</i>
	<p>The quantum of impact will vary for each new investment and the specifics of the build.</p> <p>Consenting costs are likely to remain the same or may reduce through the application of the policies in the proposed NPS-I. This depends on whether local authorities decide to change their planning documents to give effect to the NPS-I.</p> <p>Will benefit from more alignment across relevant national direction and greater certainty (this includes Māori as applicants).</p>		<p><i>are unknown, however gaining consent will become easier and therefore cheaper.</i></p>
<p>Regulators (consent authorities)</p>	<p>Consistent national direction will clarify the approach for consenting authorities.</p> <p>The options aim to provide more clarity around the consenting process. This is expected to reduce the overall complexity and burden for consenting authorities.</p>	<p><i>medium</i></p>	<p><i>Medium</i></p>
<p>iwi / Māori</p>	<p>Māori, like other citizens, rely on effective infrastructure which supports their overall wellbeing.</p> <p>Consistent national direction on engagement with iwi/Māori may reduce resource loads on</p>	<p><i>medium -</i></p>	<p><i>Low - need further evidence from engagement</i></p>

<b>Affected groups</b> <i>(identify)</i>	<b>Comment</b> <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	<b>Impact</b> <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	<b>Evidence Certainty</b> <i>High, medium, or low, and explain reasoning in comment column.</i>
	<p>iwi/Māori by systemising processes.</p> <p>Reduced litigation costs if the NPS-I is given effect to in local authority plan documents as the national direction requires issues to be ‘front-ended’ rather than being left to resolution in the courts.</p>		
Housing and development sector	Greater certainty regarding the provision of new infrastructure to support development	<i>medium</i>	<i>Low - need further evidence from engagement</i>
Communities	The policies will make it easier for infrastructure providers to get consent, which could mean improved services to the community, supporting resilience and people’s health and safety.	<i>medium</i>	<i>Low - need further evidence from engagement</i>
Private property owners	<p>Greater certainty regarding infrastructure provision</p> <p>Reduced litigation costs as the national direction requires issues to be ‘front-ended’ rather than being left to resolution in the courts.</p>	<i>low</i>	<i>low - need further evidence from engagement</i>
Future generations	Will inherit a legacy of improved infrastructure supply	<i>medium</i>	<i>low - need further evidence from engagement</i>
Environment / Biodiversity	Making the consenting process more enabling for infrastructure will support proposals that support resilience to natural	<i>low - Impacts on other environmental values (excluding climate change mitigation) are likely to increase</i>	<i>Low - need further evidence from engagement</i>

<b>Affected groups</b> <i>(identify)</i>	<b>Comment</b> <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	<b>Impact</b> <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	<b>Evidence Certainty</b> <i>High, medium, or low, and explain reasoning in comment column.</i>
	hazard risk and climate change adaptation.	<i>rather than realise benefits.</i>	
<b>Total monetised benefits</b>	Without accurate quantifiable evidence, it is not possible to provide an estimate.	<i>unknown</i>	<i>unknown</i>
<b>Non-monetised benefits</b>	More enabling infrastructure policies and alignment across relevant national direction.	<i>medium</i>	<i>low</i>



## Section 3: Delivering an option

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### How will the proposal be implemented?

*This RIS informs Cabinet decisions on options that will be included in a discussion document for statutory public consultation*

91. Cabinet is scheduled to consider all national direction proposals in May 2025. The analysis in this RIS will inform these Cabinet decisions.
92. Following Cabinet approval, a discussion document will be released for public consultation. Upon receiving public feedback, the proposals in this RIS will be refined for policy decisions by Ministers. Implementation will then follow.
93. Schedule 1 of the RMA sets out the requirements for local authorities to implement national policy statements by giving effect to the policies in plans using a specific plan change process that involves community consultation, hearings and rights of appeal.
94. Plan change processes can sometimes take several years to complete. There are 78 local authorities in New Zealand. How each gives effect to national direction policy can vary significantly, creating uncertainties for developers and increased risk of litigation on whether a proposed or operative plan gives sufficient effect to the policies in question.
95. If the NPS-I is silent on the matter of implementation, Schedule 1 applies. This means that each local authority must go through a plan change process to amend its plan to give effect to this NPS-I. Plan changes would likely require expert evidence from various sources, many of whom may be required to testify in multiple plan changes on same or similar issues. Each local authority would develop their own policy wording for consultation with their community. This implementation option would allow councils to interpret the NPS-I policies in a way that fits with their unique plan, and to do this in consultation with iwi/Māori and the public.
96. However, consent decisions must still be consistent with NPS-REG from date of gazetting. A Schedule 1 process regularly takes more than two years to complete, as there are multiple rounds of consultation and an opportunity for parties to challenge decisions. This would create uncertainty for both community and infrastructure providers, as the final outcome of a Schedule 1 plan change process may not be known for some time.
97. Until local authorities amend their plan documents to give effect to the NPS-I, there is also a broader risk that infrastructure projects defined as non-complying activity will not be able to be consented in some parts of New Zealand. This is because under s 104(d) of the Act, such projects cannot be consented if they have more than minor adverse effects and are contrary to the objectives and policies of the operative Regional or District Plan.

### **Other options to implement the NPS-I**

98. Officials identified two other options to implement the NPS-I:
  - national planning standards
  - national environmental standards
99. The options to implement the NPS-I through national planning standards or developing new national environmental standards were discarded as both involve substantial policy work and are better addressed as part of the Phase 3 RM reform programme. We also note the national planning standards have not previously been used to direct local authorities to include objectives, policies and rules in their policy statements and plans without using the Schedule 1 process (enabled under s58C(b) of the RMA).

### **How will the proposal be monitored, evaluated, and reviewed?**

100. As a resource management tool, the proposed NPS-I will be administered by MfE. MfE is responsible for monitoring and supporting the implementation and reviewing the effectiveness of the changes, and national direction generally, under the RMA.
101. Where consents are issued because of these changes, the RMA requires monitoring of those consents by local authorities. In terms of compliance and enforcement, data on implementation and operational issues, including enforcement, is already collected at a local level by council compliance teams and at a national level by MfE through its national monitoring system for consents.
102. The NPS-I is part of a suite of proposed new and updated national direction. At this time, MfE has not confirmed how it will monitor this national direction.

## **Appendices**

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### **APPENDIX A - Evidence of the problem**

Source		Problem/s
<b><i>New Zealand's future infrastructure demands and "efficiency gap"</i></b>		
1.	NZ Infrastructure Commission (2021), <i>New Zealand's infrastructure challenge: Quantifying the gap and path to close it</i>	Estimates key future demands on NZ's total future infrastructure spend, including population growth, increasing service standards, responding to natural hazards, renewals and increased costs.
2.	NZ Infrastructure Commission (2024), <i>Build or maintain? New Zealand's infrastructure asset value, investment, and depreciation, 1990–2022</i>	Quantifies that New Zealand should be spending about 60% of NZ's total infrastructure budget on maintenance, and that there is particularly a need to increase transport and water infrastructure maintenance.
3.	NZ Infrastructure Commission (2021), <i>Investment gap or efficiency gap? Benchmarking New Zealand's investment in infrastructure</i>	Identifies a current "efficiency gap" between what NZ spends on infrastructure and the quantity and quality of infrastructure that this spend purchases. For the last few decades, NZ's central and local governments have spent about 5.5 percent of GDP on infrastructure, which is about the same as other high-income countries. However, NZ is among the bottom 10 percent of such countries at delivering infrastructure. Identifies "regulation" as one of several factors driving this outcome.
<b><i>Insufficient planning for and enablement of quarrying necessary for infrastructure projects</i></b>		
4.	New Zealand Infrastructure Commission (2021), <i>Infrastructure Resources Study</i>	Quantifies infrastructure demand for aggregates, constraints on supply responses, pockets of scarcity in Auckland, Bay of Plenty, Manawatu-Wanganui and Wellington that cause disruption to major infrastructure projects, and high costs to transport aggregate because quarries aren't located close to development. Roding projects are particularly affected as they use 65% of NZs aggregate.
5.	M.E. Consulting (2024), <i>Futureproofing access to aggregate: Economic considerations</i>	Identifies that RMA plans insufficiently protect aggregate sources for future quarries and that national direction constrains quarry developments.  High-level estimates suggest that New Zealand will need to lift existing aggregate production by between 8.6 million tonnes and 13.3 million tonnes per year to ensure that there is enough supply to match demand.
<b><i>RMA decisions insufficiently recognise benefits of infrastructure or its constraints</i></b>		

6.	Ministry for the Environment and New Zealand Infrastructure Commission (2024), <i>High level summary of stakeholder feedback on NPS-I proposals</i>	General view expressed that RM decision-makers don't understand infrastructure or community needs for it or its benefits, nor the constraints (including financial) to managing the effects of infrastructure on the environment. Provided examples where RMA decision-makers question the need for the project (often relitigating decisions already made by Government) rather than focusing on the management of its effects. This extends to upgrades required to modernise existing infrastructure or make it safer or more resilient or more efficient. RM decision-makers often define these as "major upgrades" even if they are on the same footprint, then question the need for the upgrade and require a more significant consenting process.
7.	NZ Airports Association, Auckland Council (Healthy Waters Team), Clarus, Connexa and Spark, Electricity Networks Authority, Electricity Sector Environment group, Kainga Ora, Kiwirail, Ministry of Health, NZ Telecommunications Forum, NZ Transport Agency, Transpower, Watercare, WaterNZ (2024), <i>Individual written feedback on NPS-I proposals</i>	
8.	Ministry for the Environment (2024), <i>Summary of engagement with NZPI members.</i>	Identified inconsistent practice across different councils, with some with less capability having poor understanding of infrastructure
9.	Dentons New Zealand (2024) [ <b>LEGALLY PRIVILEGED</b> ] advice to the New Zealand Infrastructure Commission about <i>infrastructure as a consideration in s 6 (or s 7) RMA</i>	Provides examples of infrastructure projects that have been prevented from going ahead, because RMA decision-makers undervalued their benefits relative to their adverse effects on things like landscapes and amenity. Notes that in this general environment a lot of projects never get out the doors of the infrastructure agency, or are sub-optimally designed to get the necessary approvals. Also provides a transport example (Waterview) which had consents granted but with onerous conditions regarding the coastal environment, wetlands, streams - the conditions decision was 190 pages long.
10.	Auckland Council (2023), <i>Auckland Water Industry Case Studies</i>	Illustrates insufficient weighting regional need and benefit to upgrade a 100-year-old water treatment plant to supply water to approximately 300,000 Aucklanders, (about 20 per cent of

11.	Watercare Services Ltd (2024), <i>Huia Treatment Plant Upgrade, press release</i>	Auckland's water), against local opposition because of adverse effects on indigenous biodiversity. After five years and court cases the project was approved, subject to conditions disproportionate to its effects. These include establishing a Biodiversity Trust with a lumpsum contribution of \$8.25m, to enhance the biodiversity of 380 hectares of public and private land over a 25-year period.
12.	Independent Hearings Panel (2024), <i>Decisions on applications for resource consents made under the Resource Management Act 1991 by Northport Ltd</i>	An example of decision not fully recognising infrastructure benefits relative to adverse effects. NorthPort expansion declined despite "significant national benefits", because of adverse effects on some values listed in S6 of the RMA as "matters of national importance"
13.	Social infrastructure agencies tables (2021), <i>Social and security infrastructure problems and priorities for the National Planning Framework</i>	Lists key problems for various social infrastructure sector providers under the RMA, including the lack of recognition of social infrastructure's benefits and importance, because the RMA definition of infrastructure excludes social infrastructure.
<b><i>Lack of regard to long-term strategic planning</i></b>		
14.	Ministry for the Environment and New Zealand Infrastructure Commission (August 2024), <i>Detailed summary of stakeholder feedback on NPS-I proposals</i>	<p>Most stakeholders advocated for spatial and strategic planning to have an enhanced role in the RM system. They saw spatial plans identifying both priority infrastructure projects and other activities and significant environmental values and helping to manage conflicts between them.</p> <p>Infrastructure providers also sought NPS-I direction requiring RM decisions to be guided by spatial planning and strategic</p>

15.	NZ Airports Association, Auckland Council (Healthy Waters Team), Clarus, Connexa and Spark, Electricity Networks Authority, Electricity Sector Environment group, Kainga Ora, Kiwirail, Ministry of Health, NZ Telecommunications Forum, NZ Transport Agency, Transpower, Watercare, WaterNZ (August 2024), <i>Individual written feedback on NPS-I proposals</i>	plans prepared by infrastructure providers (including for example, port master plans).
16.	Ministry for the Environment (2024), <i>Summary of engagement with NZPI members.</i>	Noted that RM decisions often focus on the small things losing sight of the big picture. Also discussed problems caused by lack of integration between infrastructure funding decisions and RM decisions on development. However, highlighted challenges with doing spatial planning and structure planning, with changing public sector priorities and hesitancy of some infrastructure providers to share information they consider commercial.
17.	New Zealand Infrastructure Commission (2023), <i>Protecting land for infrastructure: How to make good decisions when we aren't certain about the future.</i>	Identifies the poor outcomes for communities of not protecting sites in advance for potential future infrastructure needs (ie including through spatial planning, zoning and designations).
<b><i>Unnecessary high costs of consenting infrastructure activities</i></b>		
18.	Ministry for the Environment and New Zealand Infrastructure Commission (August 2024), <i>Detailed summary of stakeholder feedback on NPS-I proposals</i>	Infrastructure providers had earlier provided information about inconsistent and unnecessary consenting for operational, maintenance and small construction activities that are commonly undertaken and where the effects are small/well known and mitigation well understood. They added that they incur high costs inputting to RM plans and

19.	NZ Airports Association, Auckland Council (Healthy Waters Team), Clarus, Connexa and Spark, Electricity Networks Authority, Electricity Sector Environment group, Kainga Ora, Kiwirail, Ministry of Health, NZ Telecommunications Forum, NZ Transport Agency, Transpower, Watercare, WaterNZ (August 2024), <i>Individual written feedback on NPS-I proposals</i>	<p>decisions that affect infrastructure across NZ (including on applications for development near infrastructure).</p> <p>The Resource Management Reform Group and some infrastructure providers identified consent duration and complex reconsenting processes as unnecessarily costly for long lived infrastructure.</p>
20.	Ministry for the Environment (2024), <i>Summary of engagement with NZPI members.</i>	Identified inconsistent practice across NZ, a tendency for consenting to focus too much on small things, risk aversion driving disproportionate information requirements and the use of experts for peer reviews, and increasing breadth, number and expense of conditions.
21.	Social infrastructure agencies tables (2021), <i>Social and security infrastructure problems and priorities for the National Planning Framework</i>	Lists key problems for various social infrastructure sector providers under the RMA, including 1) inconsistent treatment across NZ constraining ability to provide nationally consistent services/make use of economies of scale/creating unnecessary costs; and 2) costs and difficulties associated with consenting renewals.
22.	New Zealand Infrastructure Commission (2021), <i>The cost of consenting infrastructure projects in New Zealand</i>	Quantifies high and increasing costs of consenting especially for small infrastructure projects including maintenance (where consenting costs average 16% total cost of project). Caused by bespoke council approaches to consenting, project by project, and disproportionate information requirements, with 70% of spending on external experts to assess effects. Also provides information about costs of uncertainty, delays and conditions.



23.	New Zealand Infrastructure Commission (2023), <i>Infrastructure Consenting for Climate Targets: Estimating the ability of New Zealand's consenting system to deliver on climate-critical infrastructure needs</i>	Estimates that NZ is on track to miss between around 30 per cent of the emission reductions required from the energy and transport sectors by 2050 due to consenting constraints and delays. As a result, NZ would incur an emissions liability of between \$13 billion and \$16 billion by 2050. For New Zealand to meet its net zero by 2050 targets, from 2028 a 50 per cent reduction in projected consent processing times will be required.
24.	Ministry for the Environment and New Zealand Infrastructure Commission (May 2024), <i>Summary of infrastructure provider feedback from the standards sessions</i>	Identified concerns with inconsistent and unnecessary consenting for operational, maintenance and small construction activities that are commonly undertaken and where the effects are small/well known and mitigation well understood. Key activities include earthworks, sediment and erosion control, dust, accidental discovery, vegetation clearance, tree trimming, lighting and noise.
<b><i>Insufficient protection of existing and planned infrastructure from reverse sensitivity and direct effects of other development</i></b>		
25.	Ministry for the Environment and New Zealand Infrastructure Commission (August 2024), <i>Detailed summary of stakeholder feedback on NPS-I proposals</i>	<p>Stakeholders said that under the RMA there is insufficient long-term planning for compatible development of a range of activities in proximity that contribute to well-functioning urban and rural environments.</p> <p>The Airports Association, port companies and transport agencies highlighted reverse sensitivity as a major problem to address. They said this is managed inconsistently across</p>

26.	<p>NZ Airports Association, Auckland Council (Healthy Waters Team), Clarus, Connexa and Spark, Electricity Networks Authority, Electricity Sector Environment group, Kainga Ora, Kiwirail, Ministry of Health, NZ Telecommunications Forum, NZ Transport Agency, Transpower, Watercare, WaterNZ (August 2024), <i>Individual written feedback on NPS-I proposals</i></p>	<p>New Zealand, creating uncertainty about the operation and maintenance of existing infrastructure. It can also undermine infrastructure expansion and development that has been designated or consented. They said that they spend considerable resource inputting to council plans and decisions and participating in costly litigation to protect themselves.</p> <p>Some stakeholders also said RM decisions insufficiently protect infrastructure from direct effects of development activities on infrastructure, such as earthworks that undermine infrastructure structures. Others identified the need for policy direction on how to manage the effects of existing infrastructure on the health and safety of new residents in new nearby developments.</p> <p>Stakeholders also identified inconsistent council approaches who should resource the mitigation of infrastructure effects on sensitive new activities, fuelling court cases between infrastructure providers and developers (and also between transport infrastructure and social infrastructure).</p>
27.	<p>Social infrastructure agencies tables (2021), <i>Social and security infrastructure problems and priorities for the National Planning Framework</i></p>	<p>Lists key problems for various social infrastructure sector providers under the RMA, including managing effects on the urban environment/reverse sensitivity issues.</p>
28.	<p>Ministry for the Environment and New Zealand Infrastructure Commission (May 2024), <i>Summary of infrastructure provider feedback from the standards sessions</i></p>	<p>While this engagement focused on standards, all sectors agreed the first priority is to develop a new NPS-Infrastructure to amongst other things better protect infrastructure against reverse sensitivity.</p>
29.	<p>NZ Airports Association (2020), <i>Submission to Resource Management Review Panel on Transforming the resource management system: Issues and options paper</i></p>	<p>Highlights the biggest issue for airports is reverse sensitivity in urbanising areas, with noise complaints from residents of new nearby developments leading to RMA decisions that restrict operations. Wellington, Queenstown and Auckland airports have had their operations restricted and curfews as a result of complaints from new development. The Environment Court decided against aircraft engine testing at Whenuapai because of noise effects on new developments nearby. Airports incur high costs and spend unproductive time inputting to planning decisions and court cases to protect their operations around the country.</p>

## APPENDIX B – Engagement Summary for NPS Infrastructure

### Engagement 2024 - Summary

1. This document summarises feedback received during targeted engagement with stakeholders during August and September 2024 to test policy options for the National Policy Statement on Infrastructure (NPS-I). It also includes related stakeholder feedback on amendments to the National Policy Statements for Renewable Energy Generation and Electricity Transmission. The feedback officials received through engagement informed our recommendations to Ministers.
2. Officials from the Ministry from the Environment and New Zealand Infrastructure Commission met with representatives of Transpower, KiwiRail, the New Zealand Transport Agency, Auckland Transport and the airports, ports, renewable energy generation, electricity and gas distribution, telecommunications, three waters and quarrying sectors; and with local government practitioners, the Resource Management Law Association, New Zealand Planning Institute, the Resource Management Reform Group, environmental non-governmental agencies (ENGOS) and some Post Settlement Governance Entities.

#### *Overall feedback on the NPS-Infrastructure proposals*

3. Most stakeholders strongly support the development of a new NPS on infrastructure. Infrastructure providers see it as the priority step before new national environmental standards, to better enable and protect infrastructure under the RMA. However, ENGOS expressed concerns about the potential loss of protections for the natural environment, resulting from the NPS-I. Local government practitioners expressed some concern about the extent of new requirements that councils would have to implement (a concern with the national direction programme as a whole).
4. Infrastructure providers support the proposed NPS-I focusing on their key problems: enabling infrastructure while managing effects on significant environmental values; and protecting infrastructure from reverse sensitivity in developing environments. The Aggregates and Quarrying Association asked for a policy recognising the critical role of quarries in supporting infrastructure projects. (We have included policy on "infrastructure supporting activities" in line with this). Some stakeholders also sought direction to improve infrastructure resilience in the face of natural hazards risk or to more consistently enable infrastructure needed in areas of hazard risk. (New national direction on natural hazards management is considering this feedback).
5. All stakeholders particularly highlighted the importance of achieving greater consistency between various national direction instruments dealing with infrastructure.
6. There was general support for requiring some NPS-I policies to be directly inserted into plans without a statutory consultation process. However, local government practitioners highlighted the risk that this may create conflicts with remaining provisions in some plans.

#### *NPS-I Definitions*

##### *Infrastructure*

7. Social infrastructure and water infrastructure providers supported the proposal to include in the NPS-I, a definition of "infrastructure" based on the RMA definition plus social

infrastructure. They sought to add defence and corrections facilities and stormwater networks to the definition (which we have done).

#### *Major and minor upgrades*

9. Stakeholders recommended the proposed definitions of ‘minor’ and ‘major’ infrastructure upgrades focus on the purpose of the upgrades and not just the scale of their effects on the environment. For example, minor upgrades are closely related to maintenance and renewal activities in that they are required for the continuation of services and their resilience, while major upgrades often expand the services. They also wanted minor upgrades to include the replacement of existing infrastructure with its modern equivalent, to help address a current issue when replacement that is not “like for like” is defined as “major” and needs a consent. (We amended the definitions to incorporate these suggestions).

#### *General Policies*

10. Stakeholders supported the proposed general policies, which require decision makers to recognise and provide for the benefits and needs of infrastructure; to be guided by strategic planning; and to ensure efficient consenting processes. The Resource Management Reform Group and some infrastructure providers advocated for policies to streamline re consenting for long lived infrastructure and/or replace re consenting with review periods. (We noted that these issues are being explored in other parts of the resource management reform programme. We also added NPS-I policy requiring decision makers to recognise the benefits of existing infrastructure when renewing or replacing resource consents). Other than this, the most substantive feedback focused on spatial and strategic planning.

#### *Spatial and strategic planning*

11. Most stakeholders advocated for spatial and strategic planning to have an enhanced role in the resource management system. They saw spatial plans identifying both priority infrastructure projects and other activities and significant environmental values and helping to manage conflicts between them. We noted the potential to achieve this via Phase 3 resource management reforms. We have also input to proposed amendments that should strengthen the future development strategy provisions in the NPS on Urban Development.
12. Infrastructure providers also sought NPS-I direction requiring RM decisions to be guided by spatial planning and strategic plans prepared by infrastructure providers. Transpower expressed a different view, explaining that it is problematic to spatially identify future renewable energy in a competitive market, and that electricity transmission work is reactive. Transpower cautioned against national direction that enables or protects only the infrastructure that is identified in spatial plans.
13. (We propose a range of policies in the NPS-I to enable and protect infrastructure, including but not limited to “*having regard to future development strategies and considering strategic plans for infrastructure*”. This is as far as it is possible for the NPS to go under the RMA).

#### *Policies to manage the interface between infrastructure and other activities*

14. Infrastructure representatives provided considerable feedback on the policies for managing the interface between infrastructure and other activities. The Airports Association, port companies and transport agencies highlighted reverse sensitivity as a

major problem to address. They said this is managed inconsistently across New Zealand, creating uncertainty about the operation and maintenance of existing infrastructure. They said that they spend considerable resource inputting to council plans and decisions and participating in costly litigation to protect themselves.

15. Some stakeholders also noted the importance of NPS-I policy for managing the *direct effects* of development activities on infrastructure, such as earthworks that undermine infrastructure structures. Others identified the need for policy direction on how to manage the effects of existing infrastructure on the health and safety of new residents in new nearby developments.
16. Stakeholders emphasised the importance of planning for compatible development of a range of activities in proximity that contribute to well-functioning urban and rural environments. They sought protection for agreed future new infrastructure or infrastructure expansion, as well as for existing infrastructure. They supported requiring new development to resource the mitigation of effects as a general principle. Overall, they recommended a more nuanced approach to how effects should be managed given the different situations that arise, noting for example that social infrastructure users can be sensitive to the noise and other effects of other infrastructure. (We reframed the policies to address all this feedback).

#### *Buffers and other methods to manage the interface*

17. Most stakeholders supported the NPS-I encouraging the use of planning tools such as buffers and overlays as flexible methods for managing the interface between infrastructure and other activities. They preferred these rather than more rigid tools such as special purpose zones. They said buffers can encourage co-location, restrict incompatible activities, manage reverse sensitivity and avoid or minimise health and safety risks. They provided a range of examples of how they can be used to protect infrastructure while allowing development, including the incorporation of alerts which notify developers of the effects of rail noise and vibration, or no-complaints covenants, or conditions on building design.
18. While supporting the use of buffers, Port of Auckland explained that they have invested significantly in the Auckland Unitary Plan process to establish an appropriate overlay. They would be concerned if a one-size-fits-all buffer is proposed as it could weaken the frameworks already in place. Auckland Transport said buffers can be expensive to establish and less efficient than dealing with the issues directly. The NZ Telecommunications Forum suggested the planning tools should also include standards such as height limits for telecommunications facilities above buildings. (We addressed these comments by proposing flexible, principles-based policies).

#### *Direction in one place*

19. Stakeholders from various quarters expressed anxiety about the NPS-I introducing new national direction that existing national direction would conflict with.