



Ministry for the
Environment
Manatū Mō Te Taiao



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HIKINA WHAKATUTUKI

Summary of submissions to the

Proposed National Policy Statement on Urban Development Capacity

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Executive summary

A total of 140 submissions were received during the six-week long consultation period (3 June 2016 to 15 July 2016) on the Proposed National Policy Statement on Urban Development Capacity (NPS-UDC). Most of the submissions indicated support for the NPS-UDC, as well as making suggestions for improvement.

The NPS-UDC directs a number of new responsibilities to local authorities. Accordingly, the majority of consultation responses came from local government bodies. This includes 38 responses received from local authorities, with a further 11 submissions lodged by other local government (such as strategic partnerships).

The other submissions were divided between the development sector (21), infrastructure (13), business/industry (12), professional bodies (10), Iwi (3) and advocacy organisations and individual submitters (17). While most local authorities supported the proposed NPS-UDC, a greater disparity in support appeared amongst those councils identified as having a 'medium growth urban area' within their jurisdiction ('medium growth' council). Local authorities captured by medium growth policies, and regional councils in particular were more likely to oppose or partially oppose the NPS-UDC than other categories of local government.

The development sector submitted 21 responses to the consultation, with all but one of those submissions showing support for the NPS-UDC. Submissions from this sector tended to focus on stronger direction through the National Policy Statement (NPS) on urban development capacity and enabling development.

Strong support was also evident across the submissions from:

- Infrastructure providers (12 of 13 submissions in support)
- Iwi (3 of 3 submissions in support)
- Professional bodies (8 of 10 submissions in support).

The business/industry submissions showed a split in support (6 of 12 in support and 5 of 12 opposed). Ultimately, opposition to the NPS-UDC by business/industry stakeholders came down to a perception that this national direction would have negative implications for the rural environment, and existing activities such as farming.

This document summarises responses in order of the themes or section headings of the consultation document. At a high level, the key responses in this summary are:

a) *Scope of the proposed NPS:*

Submitters considered that there is a need for national direction in urban areas to address wider urban planning issues, as well as development capacity. For example, more direction on integrated planning, urban form, urban design, and creating liveable communities.

b) *The NPS-UDC will not address other factors contributing to housing affordability:*

There was a concern that the NPS-UDC would not achieve the Government's intention of addressing housing affordability. There are many factors outside the scope of the NPS-UDC that impact on housing supply and affordability, including infrastructure funding and land banking.

c) *Other national direction:*

Some submitters identified the potential for the objectives of the proposed NPS-UDC to conflict with other national direction, creating difficulties for local authorities in making decisions about which to prioritise, or imposing unreasonable costs to achieve both. Submissions referred to the National Policy Statement on Freshwater Management, the

New Zealand Coastal Policy Statement and the National Policy Statement on Electricity Transmission in regard to this point.

- d) *An interpretation that the NPS-UDC requires 'development at any cost':*
Some submitters considered the NPS-UDC to be inconsistent with the principle of sustainable management in the Resource Management Act 1991 (RMA). Responses suggested that there should be stronger ties between the purpose of the NPS-UDC, its objectives and policies, and the purpose of the RMA.
- e) *Assessment of legal implications:*
Submitters asked that the NPS-UDC be amended to reflect possible legalities around the choice of syntax, and that language be informed by relevant case law (in particular the King Salmon appeal in Marlborough).
- f) *'Urban areas' and population projections:*
Many local authorities misinterpreted 'medium growth urban area' and 'high growth urban area' in the NPS. They were concerned that the NPS would require local authorities to apply the NPS policies only within the boundaries of Statistics New Zealand's Urban Areas. If so, this would undermine long-standing existing local agreements that focus on more appropriate areas for urban development.
- g) *Cost implications for councils with responsibilities for 'medium growth urban areas':*
The costs of implementing policies under the NPS-UDC were a concern for some local authorities, especially councils that have jurisdiction over a 'medium growth urban area'. These local authorities saw the requirement to produce Housing and Business Land assessments every three years as onerous. Many of these local authorities did not recognise, however, that these assessments should be carried out jointly across the relevant councils.
- h) *The requirements to provide 'sufficient' development capacity:*
Submitters were mainly concerned with three aspects of the requirements for sufficient development capacity, as defined by the NPS-UDC. These included:
- a. *Provision of infrastructure:* infrastructure is a component of the NPS-UDC definition of development capacity, and many submitters thought that the requirement that infrastructure should 'exist or be likely to exist' created ambiguity. Submitters, including many local authorities, also commented that the definition of 'infrastructure' itself was too narrow and that it should be expanded to include social infrastructure covering schools, open spaces and reserves.
 - b. *Sufficiency margins:* some local authorities considered that the requirement to over-provide development capacity was inappropriate. Their comments focused in particular on the fiscal impacts of supplying infrastructure to support this. In contrast, other submissions (primarily from the development sector) considered that margins in the definition should be markedly increased.
 - c. *Other council:* many 'other councils' (those who do not have jurisdiction over either a 'medium or a high growth urban area') called for more clarity about what was expected of them to show compliance with the requirement to provide sufficient development capacity.
- i) *Implementation of the NPS-UDC:*
Most submissions raised the need for an intensive guidance and implementation programme that provides consistent methodologies for carrying out assessments and monitoring and sought to establish better relationships and coordination with central government.

j) *Central government role in infrastructure provision:*

In lieu of item h)(a) 'provision of infrastructure' above, many of the submissions from local authorities, infrastructure providers and the development sector commented that provision of infrastructure by central government is critical in any local authority response to growth.

k) *Reverse sensitivity:*

Business/industry and infrastructure providers submitted strongly that the proposed NPS-UDC needed to provide direction for reverse sensitivity, even though the consultation document had stated that this had not been addressed due to its complexity and the timeline of the national direction.

Background

A national policy statement (NPS) is an instrument issued under section 52(2) of the Resource Management Act 1991 (RMA). The purpose of the proposed National Policy Statement on Urban Development Capacity (NPS-UDC) is to provide direction to decision-makers under the RMA on urban planning. It has a particular focus on ensuring that planning enables development through providing sufficient development capacity for housing and businesses.

Some urban areas in New Zealand are growing quickly. Regional and district councils are under pressure to provide zoning for development in step with the demand, and ensure that appropriate infrastructure that supports that development is provided. To support productive and well-functioning cities, it is important that regional policy statements and regional and district plans provide adequate opportunities to develop land for business and housing, and contribute to competitive land and development markets.

Insufficient development capacity in some urban areas is a key determinant in the increasing land and house prices being experienced in some parts of the country.

The report *Using Land for Housing* (Productivity Commission, 2015) recommended that a national policy statement could help to address the constraints on development capacity in the resource management system.

The NPS-UDC applies a tiered approach, with a tiered set of requirements targeted to different urban areas. To target policies to different local authorities and provide a geographic basis for coordination across local authority boundaries, the NPS-UDC has used the Statistics New Zealand's Urban Areas and population projections (Statistics New Zealand, 2016a) as a tool for triggering requirements. The NPS-UDC policies are not intended to only be applied to the geographic boundaries of the Statistics New Zealand Urban Area.

'Urban areas' include 'medium growth urban areas' and 'high growth urban areas', with relevant associated local authorities for each. There are also requirements that apply to all local authorities regardless of this 'urban area' trigger. This structure is designed to target policies to those places facing the greatest growth challenges, while minimising the costs of meeting national direction in places not facing the same challenges.

Consultation process

Two phases of consultation are required under the RMA during the development of a proposed national policy statement.

The first phase of consultation was held between 3 December 2015 and 5 February 2016. During that phase of consultation feedback was invited from 260 targeted stakeholders of which, forty-seven submitted a response. The report on the consultation submissions can be viewed on the MfE website (Ministry for the Environment, 2016c).

The Government held the second phase of consultation on the NPS-UDC between 3 June 2016 and 15 July 2016, starting with the release of the *Proposed National Policy Statement on Urban Development Capacity: Consultation Document* (Ministry for the Environment and Ministry of Business, Innovation and Employment (2016)).

The written responses to the consultation document are summarised in this document, along with an outline of the methodology for public consultation.

The second phase of national policy development involved the formal notification process under the Resource Management Act as well as information briefings.

The formal notification process included a public notice in five daily newspapers, letters to the Chief Executives of each council, Iwi authorities, Iwi Leaders Group, Urban Māori Authorities, key stakeholders, submitters from the first phase of consultation, and council planners.

During the second phase, the Ministry for the Environment and Ministry of Business, Innovation and Employment websites provided links to relevant information, including:

- *Proposed National Policy Statement on Urban Development Capacity: Consultation Document* (Ministry for the Environment and Ministry of Business, Innovation and Employment, 2016)
- *Regulatory Impact Statement for the Proposed National Policy Statement on Urban Development Capacity under the Resource Management Act 1991* (Ministry for the Environment, 2016a)
- *Cost benefit analysis of policy options for a National Policy Statement on Urban Development Capacity* (as required under section 32 of the Resource Management Act 1991) (Ministry for the Environment, 2016b)
- *National Policy Statement on Urban Development Capacity - Report on section 46(a) consultation submissions* (Ministry for the Environment, 2016c)
- *International approaches to providing for business and housing needs* (Ministry for the Environment, 2016d)
- *Cabinet paper: 'Approval for public consultation on a proposed National Policy Statement on Urban Development Capacity* (Ministry for the Environment, 2016e)
- *Business land: problems and causes - Research to support a proposed NPS on urban planning* (Sanderson et al, 2016)

The consultation process provided both an online and a printable feedback form for submissions, with open-ended questions to guide responses. A dedicated email address and phone number were also provided for assistance and queries.

In addition to the statutory requirement, the consultation team from the two Ministries held briefing workshops for council staff and some elected members. These were held during June 2016 in Auckland, Hamilton, Tauranga, Wellington and Christchurch. Over 100 council officers attended these briefings.

A briefing was held with mana whenua in Auckland through the mana whenua kaitiaki hui at Auckland Council.

Working with the New Zealand Society of Local Government Managers (SOLGM), a webinar was delivered for the SOLGM membership, providing an interactive questions and answers session with the project team.

Additionally, meetings were held with members of the New Zealand Property Council in Auckland and Hamilton, and with the New Zealand Council for Infrastructure Development. Comments made during the stakeholder events are not summarised in this report, though in general, issues raised during those events have been reflected in the written submissions received in response to the consultation document.

Summary of submissions

A total of 140 submissions were received during the six-week consultation period. The majority of consultation responses came from local government bodies (local authorities and other local government bodies combined), with 38 submissions from local authorities, and a further 11 submitted from other local government bodies, making 49 submissions or 35 per cent of the total submissions. Three local authority submissions were laid jointly, meaning that in total 45 local authorities engaged in the consultation process. The development sector were also well represented, with 21 submissions, or 15 per cent of the total. Appendix 1 provides a breakdown of how submissions were categorised.

Overall, most submitters supported the intent of the National Policy Statement on Urban Development Capacity (NPS-UDC) and the policies, but nearly all recommended amendments to the objectives and policies as drafted. This summary provides a breakdown of submission points by key themes. Where relevant, particularly where there is a divergence in views across stakeholder groups, the summary will include a breakdown by key stakeholder group.

The variation in response rate across the key themes of the NPS-UDC consultation document by stakeholder group is as follows.

Local authorities had a high response rate across the main themes, but responses mostly dealt with:

- Statistics New Zealand Urban Areas
- population triggers
- implementation programme for the NPS-UDC.

Twenty-one responses were received from the **development sector**. Submissions from this group showed particularly strong interest in:

- outcomes for decision-making objectives and policies (OA1-A3 and PA1-A3)
- evidence and monitoring to support decision-making (OB1 and PB1-B5)
- provisions relating to enabling responsive planning.

Infrastructure providers lodged 13 submissions, and analysis showed particularly high response rates on reverse sensitivity and the definitions of development capacity and infrastructure.

The **business/industry** stakeholders accounted for 12 responses, with response rates amongst them particularly high on matters related to:

- the scope or intent of the NPS-UDC
- business land assessments
- both the Statistic New Zealand Urban Areas and the NPS-UDC definition of 'urban area'.

The submissions from the **central government agencies** and **iwi** stakeholders showed an interest in:

- the outcomes for decision-making objectives and policies (OA1-A3 and PA1-A3)
- coordinated evidence and decision-making (Objective OC1, Policies PC1-C3).

The diverse interests of the stakeholders in the remaining categories were reflected in the diverse range of interest in the content of the NPS-UDC.

Overall findings

Submissions were categorised as having been submitted by one of ten stakeholder groups. In the absence of the submitter identifying their stakeholder group, we had to categorise each submission by the interests shown in it. Figure 1 shows the overall support for the NPS-UDC using the total submission tally of 140, and Table 1 illustrates the distribution of responses by stakeholder group. Unless the submission expressly stated a position, the stakeholder position with respect to the proposed NPS has been determined manually through an analysis of each individual response.

Ninety-eight responses (71 per cent) showed overall support for the NPS-UDC, while 22 (16 per cent) of submissions showed overall opposition to the NPS-UDC. Nearly all submissions contained suggested amendments for consideration.

Six submissions opposed to the NPS-UDC were submitted by local authorities, in particular those identified as ‘high growth’ or ‘medium growth’ councils (see Appendix 2) and from business/industry stakeholders, primarily those with an interest in rural land and farming activities.

Figure 1: Overall position by all submissions

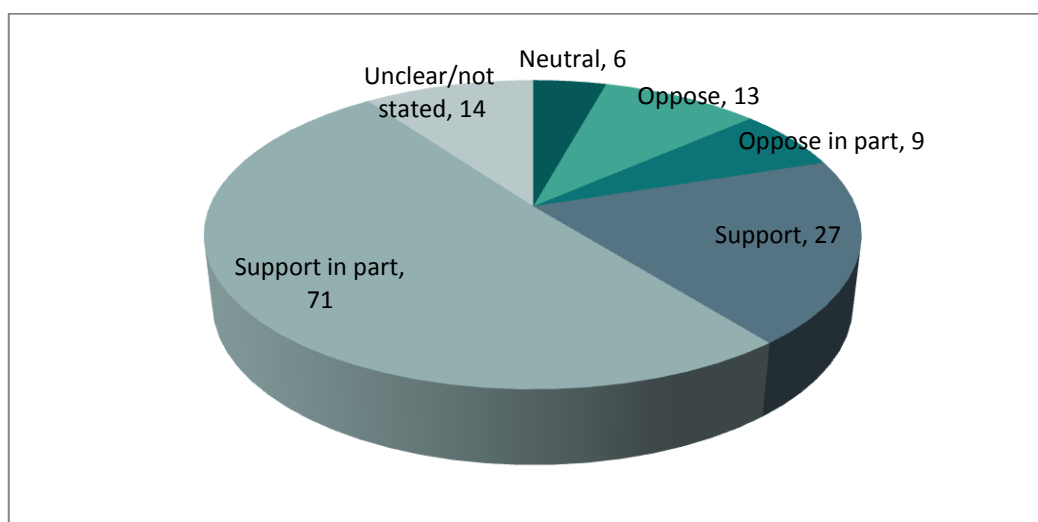
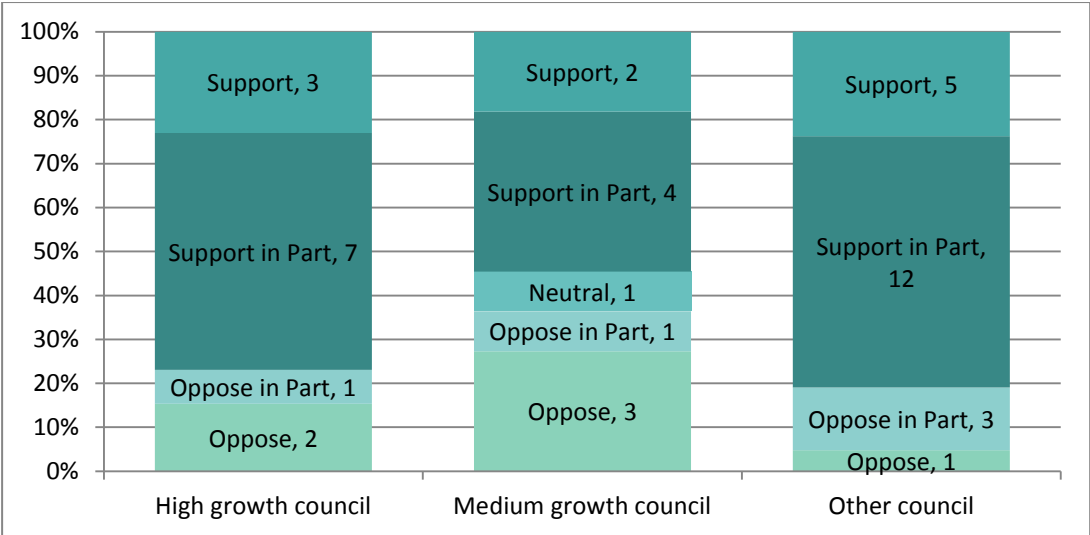


Table 1: Overall position by stakeholder group

Stakeholder group	Oppose	Oppose in part	No clear position	Neutral	Support in part	Support	TOTAL
Advocacy	2			2	5	3	12
Business/industry	1	4	1		5	1	12
Central government agencies				1	2		3
Development sector				1	14	6	21
Individuals	3		4		7	3	17
Infrastructure providers			1		11	1	13
Iwi					2	1	3
Local authorities	6	5		1	17	9	38
Other local government	1		6		4		11
Professional bodies			2	1	4	3	10
TOTAL OVERALL POSITION	13	9	14	6	71	27	140

While councils with a “high growth urban area in their jurisdiction (‘high growth council’), and those councils without either a “medium” or “high growth urban area” in their jurisdiction (‘other councils’), showed strong support for the proposed NPS-UDC, a greater disparity in support appeared among councils with a “medium growth urban area” in their jurisdiction (‘medium growth council’). Figure 2 shows the overall position, broken down by local authority urban growth area classification. Submissions from those local authorities with responsibilities triggered by the medium growth urban area definition were concerned about the impacts of meeting the requirements of the NPS-UDC, and the cost and capacity implications of this.

Figure 2: Overall position by local authority growth Urban Area Classification¹



The following sections group submissions according to the section headings used in the consultation document. Each section summary then specifies stakeholder groups and contrasting views where relevant. Quotes from some submissions have also been included, to illustrate common points of view.

Intent of the NPS-UDC

Half the submissions commented on the content of the preamble, and the overall scope of the NPS-UDC. Three overall themes emerged across the submissions:

1. While some submissions expressed a general appetite for national direction to address urban development capacity, others felt the focus to be too narrow.
2. The NPS-UDC by itself is not able to address housing affordability.
3. A perception that the NPS-UDC requires development at any cost and as such is inconsistent with the purpose of the RMA.

A narrow focus

There was support for an NPS with an exclusive focus on development capacity. Some submissions, in particular from the development sector, welcomed the NPS-UDC addressing matters of urban development capacity and acknowledged that a national direction would lead to a better understanding of how planning interacts with the market.

¹ A number of joint submissions were received from local authority stakeholders. The data labels in Figure 2 therefore total to 45 rather than the 38 submissions received from local authorities.

There was no direct reference to quality urban development. Other submitters felt that the NPS-UDC had too narrow a focus, and sought for it to also address:

- good urban design, and social infrastructure considerations such as the provision of hospitals and schools, community amenities, and facilities such as open spaces, parks and reserves
- changing household numbers, declining and ageing populations in some communities
- wider environmental considerations such as ecological, cultural or natural hazard constraints
- acknowledgement of Te Tiriti o Waitangi.

“The Council considers that the NPS is too heavily focussed on enabling development capacity and does not sufficiently recognise the close connections between providing this capacity and other urban planning considerations, such as the social and environmental impacts of urban development. For example, there is no reference to the Urban Design Protocol, which is a fundamental consideration in delivering capacity.” Christchurch City Council

“Te Rūnanga see this as an opportunity to create a meaningful framework for cooperation between government, both central and local, and iwi in accordance with the principles of a genuine Treaty partnership.” Te Rūnanga o Ngāi Tahu

“The NPS aims to address the need for capacity, as distinct from quality, which is entirely appropriate given the conclusions of the Productivity Commission reports of 2012 and 2015. On that basis, we urge the team preparing the NPS to eliminate all matters that do not directly address the issue of capacity.” Jon Mapes Land Solutions Limited

Ability to address housing affordability

Some submissions commented that the NPS-UDC will be ineffective in addressing housing affordability. A number of submissions commented that the underpinning objectives and policies would fail to either address housing affordability issues, or reduce the cost of housing relative to income.

“As stated in the Preamble, Objectives and Policies, a key theme of the NPS is for planning to be driven by the property market. Unfortunately, this market for complex reasons has not been responsive to demand pressures to date, and so it is unlikely a simple reliance on market signals will work.” Mt Victoria Residents’ Association Inc

The NPS-UDC and sustainable management

Some submitters made an interpretation that the NPS-UDC requires ‘development at any cost’, and is not consistent with the principle of sustainable management under the RMA.

Submitters suggested that the purpose, objectives and policies of the NPS-UDC relate more clearly to the purpose of the RMA. Contrasting submissions suggested the outcomes for decision-making either provide stronger direction on environmental outcomes or stronger direction on development outcomes.

“It seems that what the draft NPS on UDC requires is not one approach (compact urban form) or the other (sprawl), but holds both out as potential possibilities, so long as the objectives of social and economic exchange, efficient use of resources and infrastructure, and competitively-priced land supply are met.” Save Our Hills (Upper Hutt) Inc

Submitters viewed the NPS-UDC as creating uncertainty between the enabling of urban development and other legislation. Some submitters, especially local authorities, identified the

potential for the proposed NPS-UDC to conflict with other national direction, creating difficulties for local authorities about which to prioritise when making a decision. The King Salmon case law was referenced in a number of responses. Submissions asked for detail in the NPS-UDC itself, or in guidance to address how the NPS-UDC fits alongside the:

- Local Government Act (particularly in relation to the principles for consultation and the timing of long-term plans)
- National Policy Statement for Freshwater Management
- National Policy Statement on Electricity Transmission
- New Zealand Coastal Policy Statement
- Resource Amendment Legislation Bill
- Land Transport Management Act.

“The relationship between the NPS-UDC and the other NPS, including the National Policy Statement for Freshwater Management 2014 (NPS-FM) and the New Zealand Coastal Policy Statement 2010 needs to be carefully considered. If there is conflict between the provisions of these documents, then direction, or guidance, needs to be provided as to how local authorities can address those conflicts when giving effect to them in policy statements and regional and district plans.” Taranaki Regional Council

“The planning profession is now, post King Salmon, well versed in the language of national policy statements and has precedent to rely on about what takes primacy. The language of the proposed NPS further complicates the challenge of reconciling it with the restrictively worded directives of NZCPS and NPSFM.” New Zealand Planning Institute

A number of respondents also made submission points regarding matters beyond the scope of the NPS-UDC, such as land banking and infrastructure financing. Those points have been summarised in section ‘Matters outside the NPS-UDC’ of this document.

Medium and high growth urban areas

A high proportion of submissions from local government bodies (32 of 49 submissions) commented on the use of ‘medium growth urban area’ and ‘high growth urban area’ in the NPS-UDC, and the way these areas were defined. Over half the business/industry submitters also commented on the use of Statistics New Zealand’s Urban Areas, and the potential for urban development to encroach on rural land and farming activities.

The ‘medium growth urban area’ and ‘high growth urban area’ definitions in the proposed NPS-UDC were based on Statistics New Zealand’s Urban Areas and population projections.² Areas projected to grow 5–10 per cent over the next 10 years were classified as ‘medium growth’, while areas projected to grow at more than 10 per cent over the next 10 years were classified as ‘high growth’. Urban Areas are different than the areas of territorial authorities, often crossing over territorial authority boundaries.

The ‘medium and high growth urban areas’ in the NPS-UDC were intended to:

- target different policies to different local authorities
- provide a geographic basis for coordination across local authority boundaries.

Local authorities with jurisdiction over all or part of a ‘high growth urban area’ would have to implement all the NPS-UDC in full. Local authorities with jurisdiction over a ‘medium growth

² Statistics New Zealand, 2016

urban area’ would have to implement most but not all of the NPS-UDC policies. Other local authorities would only have to give effect to the objectives and outcome-related policies.

Local authorities should not restrict the application of NPS-UDC policies to the geographic boundaries of the urban area. Submissions suggest, however, that this was not clear in the proposed NPS-UDC.

The key feedback received included:

The boundaries of Statistics New Zealand’s Urban Areas should not define the focus of NPS-UDC policies or urban development

Many local authorities misinterpreted the use of ‘medium and high growth urban areas’. Submissions raised concern that those boundaries defined where growth should be focused under the NPS-UDC. Authorities with partnership arrangements in place felt such an approach would undermine existing local agreements, such as the Greater Christchurch Urban Development Strategy or the SmartGrowth Partnership in Bay of Plenty:

“The NPS should allow for the boundaries of sub-regional spatial plans, such as the Greater Christchurch UDS area to be used to determine the areas to which the medium and high growth definitions apply.” Greater Christchurch Urban Development Strategy Partnership

Business/industry submissions asked for the exclusion of greenfield or rural land from the definition of an urban area. This was in contrast to submissions from the development sector, which asked for more decisive direction on the inclusion of greenfield sites.

Urban Areas are a useful device for encouraging neighbouring local authorities to coordinate across single urban markets.

Other authorities welcomed the inclusion of locations outside defined Urban Areas for providing sufficient development capacity.

“Future Proof supports this approach as it is important that the sub-regional partners are involved in the implementation of the Proposed NPS as it relates to Hamilton and its surrounding area. The sub-regional partners already work together and collaborate on a number of growth management matters.” Future Proof Implementation Committee

The definitions of ‘urban area’ and the appendices were confusing.

The inclusion of both an appendix to specify the urban growth areas and the definitions of ‘medium growth urban area’, ‘high growth urban area’, and ‘urban area’ caused confusion amongst submitters.

Changing population projections could cause local authorities to move in and out of ‘medium and high growth areas’, and this would be costly.

When population projections are revised some local authorities might go above or below the 5 per cent or 10 per cent thresholds, and be classed in and then out, or vice versa, of ‘medium and high growth urban areas’. They commented on the uncertainty and the costs of this:

“Exceeding this threshold triggers a requirement for the Council to give effect to 12 additional policies (PB1-PB5, PC1-PC3, PD1-PD4). In particular, it requires the Council to undertake in depth assessments and regular monitoring of a range of indicator...The Council does not consider this to be an efficient policy response: It involves costs to the Council (and ratepayer) without any discernible benefit due to the fact that objective OA2 has already been achieved.” Marlborough District Council

Interpretation

A total of 85 submissions (61 per cent) included comments regarding the definitions in the Interpretation section of the National Policy Statement on Urban Development Capacity (NPS-UDC). Response rates for definitions were especially high across infrastructure providers (100 per cent) as well as submissions from local government bodies (75 per cent). Generally, submitters viewed some definitions as creating more ambiguity around the application of the NPS-UDC.

“Clear and unambiguous definitions are necessary to ensuring the successful implementation of the proposed NPS-UDC. Ambiguous definitions will result in delays and increased costs as parties argue around interpretations or seek clarity via court processes.” Te Runanga O Ngati Whatua

‘Business land’

Submissions on the definition of ‘business land’ were received from local government bodies, business/industry and the development sector. Overall, submitters felt that the definition of ‘business land’ created ambiguity, and three recurring points were identified:

- the term ‘productive economic activities’ is unclear
- home-based occupations/home-based businesses could be included in the definition
- application of such a broad definition of ‘business land’ would have practical implications given the range of activities it is intended to capture.

“Fonterra considers that this broad definition will create issues in practice as it includes a range of activities that are significantly different to each other, and have substantially different location and size requirements.” Fonterra Co-operative Group Limited

‘Demand’

A small number of submissions made comments on the definition of ‘demand’. From a business land perspective, submissions sought the inclusion of ‘lot size’ to better recognise the operational requirements of industry. From a housing perspective, submissions sought the ability to confine analysis of demand to matters of interest locally.

‘Development capacity’

Infrastructure providers and local authorities exhibited the most interest in the definition of ‘development capacity’. Many submitters felt that the requirements of infrastructure provision needed to be reconsidered. The most common submission points related to the inclusion of the phrase ‘existing or likely to exist’, with many submitters unsure of what this meant. Other submissions asked for the definition to allow for different levels of application across the short, medium and long term.

“Greater definition is required to the phrase ‘likely to exist’ and if this means identified in the LTP/RTLTP or by private means.” Yvonne Weeber

‘Feasible’

A range of submitters commented on the importance of including infrastructure when assessing feasibility, but there were differing views on how this consideration would be best assessed and accounted for.

These submitters asked for the NPS-UDC to clarify how to apply a test for feasibility. A small number of submissions noted that the definition of ‘feasible’ should acknowledge the variation in ‘commercial viability of development’ between the short, medium and long terms.

“...many respected agencies such as the Royal Institute of Chartered Surveyors state that area-wide feasibility testing over a medium to long term time frame is not reliable or possible at present.” Hill Young Cooper

‘Infrastructure’

Comments regarding the definition of ‘infrastructure’ were submitted in the main by infrastructure providers and local authorities. Thirty-six of the 37 submissions on the definition of ‘infrastructure’ wanted a wider definition included in the NPS-UDC. Common responses included:

- for the NPS-UDC to adopt the definition of ‘infrastructure’ under the Resource Management Act 1991 (RMA)
- that the definition be broadened to include community and social infrastructure such as public open space.

“Infrastructure should include essential council and non-council infrastructure (social/community, open space, power, communication, health and education.” Whau Local Board

‘Sufficient’

Submitters queried how the margins for sufficiency were determined, with conflicting interests received from local authorities and the development sector. Some local authority submissions, particularly from those without either a “medium or high growth urban area”, considered the requirement to over-provide development capacity inappropriate, particularly with regard to the cost to local communities/ratepayers to supply infrastructure to support that capacity. Many local authorities submitted that the margins were set too high and should not be applied to long-term development capacity.

In contrast, the development sector submitted that the margins should be increased, as the proposed buffer would not overcome the inherent inefficiency in the property market in bringing land to the market.

“...we support efforts in the Statement to require a proportion of development above and beyond short, medium and long term requirements. Nevertheless, we are concerned requirements for 15–20 per cent beyond identified demand will not be sufficient to ensure efficient land markets can operate.” New Zealand Council for Infrastructure Development

“Planning for the additional capacity margins increases the risk of over spending on infrastructure and has cost implications with debt levels increasing.” Tasman District Council

‘Urban area’

The NPS-UDC included its own definition of ‘urban area’ (‘an area with urban characteristics’), which was different from the Statistics New Zealand Classification of urban area used in the NPS-UDC’s ‘medium growth urban area’ and ‘high growth urban area’ definitions. Submitters highlighted the confusion that this creates. They also pointed to the circular nature of the definition and its contradiction with the objectives, which imply an urban area can include greenfield land earmarked for future development.

“The definition as currently provided will enable local authorities to discount rezoning developable greenfield land on the basis that the land does not have ‘urban characteristics’ and a ‘moderate to high concentration of population’.” Progressive Enterprises Limited

Outcomes for decision-making (Objectives OA1–OA3, Policies PA1–PA3)

Just under half of all submissions (48 per cent) commented on the ‘Objectives Group A – Outcomes for decision-making’ and the related Policies PA1 to PA3. Stakeholder groups with the most interest in this section of the National Policy Statement on Urban Development Capacity (NPS-UDC) were local authorities, the development sector and infrastructure providers. Submissions showed general support for the intent behind these objectives and policies.

A general theme was that there needed to be stronger links between the objectives and policies so that they cascade down from each other, and that align appropriately with the preamble.

This section summarises common submission points against each of the individual objectives and policies, noting that there was a limited response to Objective OA3 ‘to enable ongoing development and change in urban areas’.

Objective OA1: Effective and efficient urban areas

Many local authority submissions stated that the objective should better recognise cultural and environmental wellbeing. In contrast, submissions from the business/industry and development sector stakeholders asked for greater focus on the quantity of development.

“The focus of this objective is on supporting urban areas, as opposed to supporting development of urban areas. NZCSC suggests that this objective should be to support the development of effective, efficient and sustainable urban areas.” New Zealand Council of Shopping Centres

Objective OA2: Sufficient development capacity

Similar to OA1, Objective OA2 received contrasting responses between local authority submissions and submissions from business/industry and development sector stakeholders. The former stakeholder group submitted that OA2 duplicates, or is potentially in conflict with, responsibilities under the Resource Management Act 1991 (RMA), existing national direction, or the Resource Management Legislation Bill. Business/industry and the development sector were generally in support of the OA2 as worded.

“The consent authority must provide for the matters in PA1 and must, when considering resource consent applications relevant to urban development, provide sufficient development capacity. In the context of the King Salmon approach, it may be that resort to Part 2 of the Act will not be possible when considering those applications with such directive objectives.” Christchurch City Council

Policy PA1: Decision-makers

Some submissions sought clarification on the term ‘potential for social and economic exchange’, with submitters unsure of either the meaning of social and economic exchange, or how urban form can realise the potential for that exchange. Submitters also sought clarification on the term ‘competitive operation of land and development markets’, commenting that local government regulation is not the only influence on competition in the market.

“Policy A1 is an important policy, and the first two points cover key considerations that should be addressed. The third point ‘enabling the competitive operation of land and development markets’ is also an aspect of urban economies, but it is not clear how a local authority can assess the ‘competitive operation’ or seek to achieve it. If the third point is retained, it is important that these matters operate equally and that one sub-part is not elevated over the others.” Resource Management Law Association of New Zealand Inc

Policy PA2: Short-, medium- and long-term provision

Policy PA2 drew comments on its application across the short, medium and long terms, with some local authorities concerned about the cost of providing “sufficient” development capacity over the long term. Given the definition of “sufficient” in the NPS-UDC, submitters identified that the cost would be significant, while any benefit would be negligible.

“While PNCC understands the intent of oversupplying land... This will mean there is an increased likelihood councils will be forced to support providing for urban development capacity in locations where they either cannot afford or have not planned for supporting infrastructure.” Palmerston North City Council

Policy PA3: Consideration of effects

Consistent with general comments on the NPS-UDC as a whole, submissions suggested that PA3 be reworded to ensure it is consistent with the RMA, and some submitters viewed the provisions for urban development under PA3 as inconsistent with the overarching purpose of the RMA.

“As PA3 was specifically identified as relating to Part 2 of the RMA in this analysis (as noted above), the Canterbury Mayoral Forum submits that environmental wellbeing should be reinserted into this part of the policy.” Canterbury Mayoral Forum

Evidence and monitoring to support decision-making (Objective OB1, Policies PB1–PB5)

Two-thirds of all submissions included comments on Objective Group B, 'Evidence and monitoring to support decision-making' (OB1), and the data and monitoring requirements under the corresponding Policies PB1, PB2, PB3, PB4 and PB5.

This section summarises submission points on these objectives and policies. Submissions about central government providing guidance and support for local authorities to meet the requirements of these objectives and policies are summarised later in this report, under Implementation Programme.

Objective OB1

Overall there was support for an objective to ensure plans and regional policy statements are based on robust evidence.

Policies PB1–PB3: Housing and business assessments

The requirements under Policies PB1 to PB3 were commented on primarily by local authorities and developers. Business/industry submissions focused more on business land assessments. Where there is a distinction between submission points on housing assessments and business assessments, these have been highlighted below. Submitters were largely supportive of this evidence-based approach to decision-making.

Overall, submissions expressed concern with the:

- content of assessments
- timeframe for preparing the first assessment and frequency of updates afterwards
- public accessibility of the assessments.

Many submissions identified perceived omissions from the 'estimates' and other information local authorities 'must have regard to' when carrying out either a housing or business land assessment.

For housing assessments, suggestions included:

- good urban design
- affordability issues
- visitor accommodation
- recognition of the interplay between residential and business land.

For business land assessments a number of submissions commented that in order to provide for the functional and operational requirements of industrial activities, 'lot size' should form part of the assessment.

"TCC suggests that the Housing Assessments should also include analysis of the role that future development will play in providing access to community amenities and facilities, good urban design and integrated planning of social infrastructure (local and central government)." Tauranga City Council

“To further address functional and operational issues faced by businesses in developing land, local authorities should be required, in carrying out their Business Land Assessments under policy PB1, to estimate demand for different types and locations of lot sizes in addition to floor area.” Progressive Enterprises Limited

Submissions were divided on the **frequency for carrying out assessments**. Some local authorities supported the proposed three-year frequency, while others suggested five years would be better. Other stakeholder groups also suggested different frequencies for producing the assessments, ranging from 18 months to three years.

Fewer submissions commented on the **date for completing the first assessment** following enactment of the NPS-UDC. Some local authorities suggested bringing the date forward to ensure that the assessment could inform the 2018 Long Term Plan, while others sought a later date.

“Nelson City Council is unlikely to have the resources to complete detailed assessments in the next year in time to inform the 2018 Long Term Plan but a requirement to complete the first detailed assessments by the end of 2019 would be practical.” Nelson City Council
“...in its current form, the timeframes for carrying out assessments are too long. There is currently an urgent need for residential development in a number of regions across New Zealand...We propose that the first assessment must be carried out within 12 months of the NPS becoming operative...” Property Council New Zealand

Public availability and or independent scrutiny of the assessment was strongly supported. The majority of submissions supported scrutiny of the housing assessment, and wanted the NPS-UDC to use more direct terms requiring publication of any local authority housing assessment. The development sector submissions suggested the use of independent peer review of assessments.

“We believe that local authorities should be directed to publish the assessments and to seek market feedback, particularly as to the commercial viability of areas identified as being available as development capable areas.” Ockham Residential

Policy PB4: Consultation in preparing the assessments

Feedback, primarily from business/industry, infrastructure providers, and development sectors, called for a requirement to consult with a wider group of specified stakeholders than those identified under PB4. Some submissions sought the inclusion of additional stakeholders such as iwi authorities, the business sector, and electricity transmission providers.

As well as submission points in relation to the list of stakeholders for consultation, feedback was received in relation to the term ‘as they see fit’, with submitters saying this was not a strong enough direction for local authorities to consult with key providers. Other comments included reference to the Local Government Act 2002, and queried whether Policy PB4 was consistent with the principles of consultation under that Act.

“We suspect that reference to ‘as they see fit’ was intended to apply only to the identification of stakeholders other than those listed, as opposed to the obligation to consult per se. The intent needs clarification.” New Zealand Society of Local Government Managers

Policy PB5: Monitoring

The cost and frequency of monitoring, and what was included in the comprehensive set of indicators, were the primary focus of the submissions.

- Local authority submissions raised concern with the cost and capability issues of quarterly reporting, as well as concern regarding the availability and accuracy of data. Submissions suggested a range of frequencies for reporting, including six-monthly, annually and two-yearly. Councils also commented that the term “as frequently as possible” introduced confusion on how frequently monitoring should be undertaken.
- Submissions across all stakeholders commented on the indicators specified under Policy PB5. Most common was comment on the resource and building consent monitoring, with submitters seeking clarification on what was being reported (eg, whether it was at the point of granting a consent or at the point of issuing a code of compliance certificate).

Local authorities and other stakeholders suggested many additional indicators for monitoring including:

- ‘household size projections’
- ‘trip to work distance’
- ‘quality of housing’
- ‘greenfield and infill capacity’.

“The indicators required by the proposed NPS only measure a small part of what is happening on the ground, and need to be supplemented with indicators that record the quality of the development that is happening, not just the potential quantity of houses that might be built.” New Zealand Planning Institute

Coordinated evidence and decision-making (Objective OC1, Policies PC1–PC3)

Over a third of all submissions included comments on Objective Group C ‘Coordinated evidence and decision-making’ OC1, and the requirements for consultation and coordination under the corresponding Policies PC1, PC2 and PC3. The highest proportion of comments was received from local government bodies and the development sector.

Submissions covered coordinated evidence and decision-making more generally, and so the key comments have been summarised in one sub-section rather than for each individual objective and policy.

Objective OC1 and policies PC1–PC3

Submissions showed overall support for the intention behind the objective and associated policies (for coordination across local authorities and with infrastructure providers). There were comments about the details of this, however. Local authority submissions highlighted the realities of trying to achieve cross-boundary collaboration, or complications for existing partnership arrangements. The development sector and other stakeholders suggested stronger direction in the National Policy Statement on Urban Development Capacity (NPS-UDC), and clear guidance on how local authorities should work with their stakeholders. Some submissions sought additional named stakeholder groups for inclusion in the policies.

The following bullets summarise common responses in relation to the objective and policies:

- The requirements for councils across urban areas to work together received a range of feedback. Some councils considered the requirements to collaborate with neighbouring councils, agree on data, and accommodate growth would be difficult to achieve. Other councils asked that the NPS-UDC more strongly reinforce existing growth management strategies.
- Some submissions sought stronger direction for local authorities to collaborate with stakeholders, commenting that language such as “will work together to, as far as possible” weakened the requirement on councils to coordinate with infrastructure providers.
- Many of the submissions included support for widening the listed stakeholders to include, for example, social infrastructure providers, business sector, and developers.

“Wellington metropolitan councils are in a fortunate position in that we work closely in a number of areas including consulting with each other on plan-changes, holding joint plan changes, sharing socio-demographic data and agreeing on the base assumptions for population growth. We will continue working together on an expanded set of metrics and assessments as required. Despite the current levels of co-operation and sharing we foresee that it may be difficult to “agree” on all data and projections.” Upper Hutt City Council

“Co-ordination of land development and infrastructure provision appears to be a “nice to have”... Poorly co-ordinated infrastructure, or under-provision of key services, is highly undesirable and at odds with the NPS’s overarching theme.” International Centre for Infrastructure Futures

“The Ministry would support a NPS on urban development that requires territorial authorities to collaboratively plan physical and social infrastructure (such as schools,

community centers and health facilities) as an integral component of urban development.” Ministry of Education

Enabling responsive planning (Objectives OD1 and OD2, Policies PD1–PD9)

Just under half of all submissions provided feedback on the objectives under Objective Group D ‘Responsive planning’ (OD1 and OD2) and the corresponding policies PD1–PD9. The majority of submissions on responsive planning (74 per cent) were received from local authorities, other local government, infrastructure providers and the development sector.

Objectives OD1 and OD2: Ensuring planning responsiveness

There was overall support from all submitters for the intention of the objectives in enabling urban development through planning decisions and planning responsiveness to market activity over the short, medium and long terms.

Contrasts in opinion on how they might be amended were again evident between local authorities and the development sector, with councils generally seeking better alignment with the purpose of the Resource Management Act 1991 (RMA) under OD1, while some developers submitted that OD1 was irrelevant or redundant given OA1 and OD2.

“Specifying different terms to cater to the market activity is difficult to achieve under current Schedule 1 RMA plan making provisions, let alone with the proposed streamlining or collaborative planning processes that may take even longer. Furthermore, the resource consent process is the tool available to allow for activity to be established where plan provisions do not allow it as a permitted activity. This tool has been used for more intensive development in rural areas of the Clutha District. Again the Council does not see the need for these objectives when other tools are available and where there is reliance on external matters for development to occur in certain timeframes.” Clutha District Council

Policies PD1–PD4: Responding to insufficient development capacity

General comments on Policies PD1 to PD4 included feedback that the National Policy Statement on Urban Development Capacity (NPS-UDC) provides no incentive for local authorities to respond quickly to insufficient capacity.

Submissions were particularly interested in Policy PD2, which requires local authorities to consider all options available to it under the Resource Management Act 1991 to enable sufficient development capacity. Submission points on Policy PD2 included:

- Both support for, and opposition to, the ability for councils to change provisions for notification of applications for resource consent. While councils welcomed this, infrastructure providers and developers were concerned about being excluded from this process as potentially affected parties.
- Submitters also commented that the policy as drafted fails to recognise the importance of strategic planning documents under the Local Government Act 2002, and the range of non-statutory mechanisms or options available under other acts, such as the Canterbury Earthquake Recovery Act 2011.
- Submissions provided feedback on the use of the words ‘customer-focused’ with regard to consenting processes. Some sought clarification on the intended meaning, while other

submitters felt that it would not impact on development capacity or change housing affordability. Some opposed the idea that developers should be considered ‘customers’.

“Changes to notification provisions of district plans and regional policy statements in order to enable sufficient development capacity, pursuant to policy PD2, may result in situations where parties who are affected by a proposal lose out on the opportunity to participate.”

KiwiRail Holdings Limited

“It is not clear on what kinds of enabling options are envisaged, nor how such consent conditions would help enable development capacity. Sections 108 and 220 RMA already provide for consent conditions and there is an established body of case law.” Environment Canterbury

Policies PD5 and PD6: Setting regional policy statement targets

Some submitters commented that the requirements should apply to business land as well as housing. Other submissions, particularly from local government bodies, supported the targets and the approach of not using the RMA consultation process in Schedule 1 to set these targets and put them in regional policy statements. (Some territorial authorities also wanted the ability to give effect to the RPS targets without going through the Schedule 1 process.)

“LGNZ supports the targets required in PD5 being incorporated into regional policy statements without using the RMA Schedule 1 process. LGNZ has consistently recommended the use of these provisions to expedite the planning process in relation to national policy instruments. Clearly the Housing Assessments and the targets would have to be set jointly with the local authorities having jurisdiction over a high growth area.” Local Government New Zealand

Policies PD7–PD9: Future land release and intensification strategy

In relation to the requirements of a future land release and intensification strategy under Policies PD7–PD9, there was general support for authorities to identify development capacity over the long term. Comments mainly focused on the status of such a strategy, the consultation process for its development, and the ability of plan changes to give effect to the strategy.

- Submitters were unclear on the role of the strategy in the overall planning framework. Local authorities asked for clarity on where responsibility for preparing the strategy rests – with either regional councils or with territorial local authorities – and whether the strategy is intended to sit alongside statutory RMA plans, the 30-year infrastructure plan, and long-term plans.
- Some submissions, particularly from the development sector and infrastructure providers’ responses, were concerned that PD9, the consultation process for preparing the future land release and intensification strategy, requires councils to ‘take into account the views’, rather than requiring consultation with parties affected by the strategy.

“It is not clear if the land release and intensification strategy is a document prepared under the RMA or the LGA and if it is to be a strategy that is prepared by the regional council or local councils. This strategy should be prepared under the LGA by local councils as part of the spatial planning requirement.” Hill Young Cooper Ltd

“Ngāi Tahu considers it is critically important that the views of relevant stakeholders, iwi authorities and those potentially affected by any change in use have an opportunity to be heard. Consultation with affected parties is a key principle of the resource management framework and the NPS should be consistent with this framework.” Ngāi Tahu Property Limited

“The council suggests the policy could be reworded under the second bullet point to state “Consider the views, supported by evidence from...”. Robust evidence underpins many of the objectives in the proposed NPSUDC which should apply to all stakeholders implementing PDs 5-9.” Auckland Council

Implementation programme

The consultation document included a proposed package of non-statutory guidance and other implementation support, and asked the public for feedback. Over 60 submissions covered the implementation programme in their response, with local government bodies and developers the most inclined to refer to guidance and implementation in their submissions.

The key themes that arose in responses included the:

- need for guidance for assessments and monitoring under the policies PB1 and PB5
- need for government to provide data
- broader role of central government in implementation of the National Policy Statement on Urban Development Capacity (NPS-UDC).

General guidance and skills development

Submissions called for guidance on a number of matters in the NPS-UDC, specifically around:

- responsibilities of local authorities that do not have a medium or high growth urban area within their jurisdiction;
- The land release and intensification strategy, particularly around its legal weight, the process for achieving the required “flexible implementation”, and the process for determining sequencing of urban development;
- Coordination and consultation, in particular what coordination and consultation is required to implement PB4 (the process for developing the assessments) and Policy PD9 (which relates to the production of a future land release and intensification strategy).

A number of submissions also requested that central government help address any skills and capability gaps for local authorities to successfully deliver the NPS-UDC.

“Successful implementation of the NPS-UDC will require a specific level of capacity, coordination, skills, resources and expertise among local authorities... NZAIA, therefore, welcomes the idea of developing a package of non-statutory guidance to help council implement the proposed NPS.” New Zealand Association for Impact Assessment

“Provide detailed direction in a Ministry for the Environment guidance document on how local authorities should carry out consultation under policies PB4 and PD9.” New Zealand Airports Association

Guidance on assessments

Developers and local government bodies were most inclined to refer to, and support, the need for guidance on preparing a housing assessment. The largest proportion of support for and comment on business land assessment guidance was received from local government bodies and business/industry submissions. Requests for guidance on the requirements under Policies PB1–PB4 for housing assessment and business land assessment included:

- a consistent approach across all authorities, with suggestions including templates and established methodologies for preparing the assessments

- technical guidance to be provided at the same time the NPS-UDC becomes operative.

“Scope for legal challenge could be reduced where the NPS provides consistent sources of data, methodology for capacity models, and a consistent format for Housing and Business land assessments.” Queenstown Lakes District Council

Data and guidance on monitoring

Local authorities noted that the NPS-UDC would require them to source a number of datasets for monitoring that they do not currently have access to. Many of the comments relating to data for carrying out assessments and monitoring included a request for Government to source those datasets centrally and provide it to local authorities at an appropriate disaggregated level. Other requests for guidance relating to the monitoring requirements under Policy PB5 included:

- that central government provide access to the relevant data sources as a priority, to ensure consistent data across local authorities and level access
- guidance on how to interpret the data, in particular how to interpret price signals.

“Whilst not particular to a guidance document, the Council submits that consideration should also be given to the creation of common data sources on key measures for councils to access, or a data portal providing access to a range of data that can be provided centrally.” Wellington City Council

“The Council submit that it would be more efficient for the Government to access and collate this data itself in the format that it wants and to distribute it to the relevant local authorities to analyse and make decisions.” New Plymouth District Council

The role of central government in implementation

Submissions viewed the role of central government in a number of ways. Submitters asked that central government interact with the local government sector and other stakeholders in preparing the above guidance. In addition, submissions across stakeholder groups recognised a role for Government in:

- providing scrutiny and oversight of implementation
- coordinating cross-agency collaboration.

“In the event councils fail to provide sufficient capacity (eg fail to pursue a plan change) there are remedies under the RMA (for example, the Minister intervening under s24A-25A). Todd Property considers these should be expressly provided for in the NPS. This would ensure a level of accountability and clearly signal the options that are available (and that may be used) in the event that development capacity is not appropriately addressed.” Todd Property Group

Matters outside the NPS-UDC

Approximately half the submissions commented on non-National Policy Statement (NPS) matters; that is, matters that are either outside the intended scope of the proposed National Policy Statement on Urban Development Capacity (NPS-UDC) and/or matters that are more appropriately addressed outside of the Resource Management Act 1991 (RMA).

Broadly, the common themes identified by respondents to the consultation document³ included:

- integration of planning statutes and spatial planning
- addressing the demand side of housing affordability
- land banking
- other supply considerations
- infrastructure
- reverse sensitivity.

This section provides a short summary of key submission points against each of these themes.

Integration with planning statutes and spatial planning

Some submitters viewed regional spatial planning as the best mechanism to plan for growth across a region, and coordinate the release of land. The same submitters felt that the NPS-UDC should not remove the flexibility for councils to take an approach suitable for their local context.

Some submissions called for a revision of the Local Government Act 2002 and the Land Transport Management Act 2005, to ensure projects providing for growth are prioritised.

“LGNZ urges the Government to work with local government on the legislative changes needed to enable spatial planning with necessary statutory weight. This points to the need to look at the relationship between the core planning statutes: Resource Management Act, Local Government Act and Land Transport Management Act.” Local Government New Zealand

Demand

A number of submitters commented that development capacity or the supply of land for development on its own would not address the affordability issue, and that policies to address demand are also necessary.

“Although well intentioned, Government should focus on demand side measures (e.g. population, lending, taxation and regional policy) which have a proportionately stronger influence on housing than supply side measures such as land supply and house numbers.” Whanganui District Council

Supply

Submissions, particularly from local authorities, were concerned that the NPS-UDC focuses on development capacity without recognising the constraints on supply caused by land banking by a few large landowners. Submitters commented that there is difficulty in compelling developers to bring land to market and that land banking is an undermining factor in maintaining land affordability. Some submissions asked for the NPS-UDC to consider incentives for developers to bring land to market.

Aside from land banking, submissions recognised a number of other supply factors, including:

- infrastructure funding

³ Ministry for the Environment and Ministry of Business, Innovation and Employment, 2016

- skills and capacity in the building and construction sector
- restrictive covenants.

“Land banking needs to be tackled as part of any strategy. There is not much point creating extra supply if the landowners are unwilling to release that land... If landowners remain unwilling to release that land the Council is forced to identify additional land, which can be less ideal in terms of location and sequencing leading to poorer, less efficient outcomes.” Rotorua Lakes Council

“Other economic drivers not addressed by the NPS, which affect the availability and price of housing at a given point in time could be explored by Central government to assist local government to ensure enough land is supplied for urban development. For example... impact of the second home or investor market, the effect high building costs and the structure of the building industry has on housing production, the impact of restrictive covenants which prevent intensification or require greater restrictions than what Council requires, and the role of housing speculation, low interest rates, and tax free gains on investment in terms of impacting supply.” Hamilton City Council

Infrastructure

The most commonly referenced out-of-scope theme was infrastructure, in particular funding for infrastructure and a lack of coordination across relevant agencies. Local authorities identified that the provision of infrastructure is often out of their control, and without investment in those areas in parallel to policy direction through the NPS-UDC, increases in development capacity would not have the intended effect. Comments included that the NPS-UDC would add pressure in situations where a local authority may be approaching funding limits or capacity limits of infrastructure assets, and that alternative funding mechanisms should be investigated by central government. For example:

“To ensure that the NPS UDC meets its aims, Water NZ considers that alternative funding arrangements for infrastructure, such as a contribution from central government to regionally significant infrastructure should be investigated.” Water New Zealand

Developers also noted an issue where proposals to provide infrastructure at their cost is declined when the site identified for development does not align with the consenting local authority’s growth strategy.

Reverse sensitivity

Eighteen submissions, primarily from business/industry, development sector, and infrastructure providers submitter groups, expressed concern that the NPS-UDC does not specifically address reverse sensitivity issues. Their concerns stemmed from an interpretation that the requirements under the NPS-UDC would likely create incompatible land uses in proximity to existing or future operations such as farming activities, utility network assets and manufacturing.

“ENA concerns that it would be helpful for development of national direction on this issue, particularly where the proposed RMA reforms and NPS are effectively promoting fast planning and consenting processes with few limitations. ENA expect that conflict between existing infrastructure assets and new housing development is more likely to occur in those circumstances.” Electricity Networks Association

“In providing land for Development Capacity, it is important to consider how adjoining land is zoned, or how it has been developed and how it will be impacted by development

of the subject land. This is important to overall urban form, and will ensure integrated urban development.” Property Council New Zealand.

Appendix 1 – Stakeholder categories

Stakeholder category	List of submitters
Advocacy	<p>Anonymous</p> <p>Architectural Centre</p> <p>Community Housing Aotearoa</p> <p>Environment and Conservation Organisations of New Zealand</p> <p>ICOMOS New Zealand</p> <p>Mt Victoria Residents' Association Inc.</p> <p>New Zealand Association for Impact Assessment</p> <p>New Zealand Automobile Association</p> <p>Royal Astronomical Society of New Zealand</p> <p>Save our Hills</p> <p>Temple View Project The Church of Jesus Christ of Latter-day Saints</p> <p>Water New Zealand</p>
Business/ industry	<p>Brookdale Limited</p> <p>Business NZ</p> <p>Federated Farmers of New Zealand (Auckland Province)</p> <p>Fonterra Co-operative Group Limited</p> <p>Foodstuffs (NZ) Limited, Foodstuffs North Island Limited and Foodstuffs South Island Limited</p> <p>Greater East Tamaki Business Association Inc.</p> <p>Horticulture New Zealand</p> <p>Advanced Management Systems Limited (Noel Reid)</p> <p>Poultry Industry Association of New Zealand (PIANZ) and The Egg Producers Federation of New Zealand (EPPFNZ)</p> <p>Progressive Enterprises Limited</p> <p>Tourism Industry Aotearoa</p> <p>Wellington Chamber of Commerce</p>
Central government agencies	<p>Canterbury District Health Board</p> <p>Institute of Geological and Nuclear Sciences Limited (GNS Science)</p> <p>Ministry of Education</p>
Development sector	<p>Aggregate and Quarry Association of New Zealand</p> <p>Auranga (Karakā and Drury Ltd)</p> <p>Boffa Miskell Limited</p> <p>CDL Land New Zealand Limited</p> <p>Fulton Hogan Residential Land Development</p> <p>Goodman (NZ) Limited</p> <p>Heritage Estates Limited</p> <p>Jon Mapes Land Solutions Ltd</p>

Stakeholder category	List of submitters
	<p>Karaka Centre Limited, Karaka Lakes Limited, Karaka Harbourside Estate Limited and Frank and Juliet Reynolds</p> <p>Kiwi Property Group Limited</p> <p>Landlink Limited</p> <p>New Zealand Council of Shopping Centres</p> <p>Ngāi Tahu Property Limited</p> <p>Ockham Residential</p> <p>Property Council of New Zealand</p> <p>Retirement Villages Association of New Zealand Incorporated and Ryman Healthcare Limited</p> <p>Rural Contractors New Zealand Inc.</p> <p>SmartGrowth Property Developers Forum</p> <p>Summerset Group Holdings Limited</p> <p>Todd Property Group</p> <p>Urban Economics</p>
Individual	<p>Allison Tindale</p> <p>Anonymous</p> <p>Benjamin Ormsby</p> <p>Benjamin van den Eykel</p> <p>Colin Jones</p> <p>David Lawry</p> <p>John Dare</p> <p>Keith Maddison</p> <p>Linda Conning</p> <p>Malcolm Hunt</p> <p>Matthew Paetz</p> <p>Mr Paul Douglas</p> <p>Ms Noelene Buckland</p> <p>Nicola J Vryenhoek</p> <p>Noel Williams</p> <p>Peter Findlay</p> <p>Yvonne Weeber</p>
Infrastructure providers	<p>Electricity Networks Association</p> <p>Fulton Hogan Limited</p> <p>Genesis Energy</p> <p>KiwiRail Holdings Limited</p> <p>New Zealand Airports Association</p> <p>New Zealand Council for Infrastructure Development</p> <p>New Zealand Fire Service Commission</p> <p>New Zealand Telecommunications Forum</p>

Stakeholder category	List of submitters
	Ports of Auckland Limited Powerco Limited Queenstown Airport Corporation Transpower New Zealand Limited Wellington Electricity Lines Limited
Iwi	Maungaharuru-Tangitū Trust Te Rūnanga o Ngāti Whātua Te Rūnanga o Ngāi Tahu
Local authorities (joint submitters colour coded)	Auckland Council*^ Bay of Plenty Regional Council Christchurch City Council Clutha District Council Dunedin City Council Environment Canterbury Southland District Council Environment Southland Far North District Council Napier City Council Hastings District Council Wairoa District Council Central Hawke's Bay District Council Hawke's Bay Regional Council Greater Wellington Regional Council Hamilton City Council Horowhenua District Council Hutt City Council Kapiti Coast District Council Marlborough District Council Nelson City Council New Plymouth District Council Otago Regional Council Palmerston North City Council Porirua City Council Queenstown Lakes District Council Rotorua Lakes Council Selwyn District Council Taranaki Regional Council Tasman District Council

Stakeholder category	List of submitters
	<p>Taupo District Council</p> <p>Tauranga City Council</p> <p>Upper Hutt City Council</p> <p>Waikato District Council</p> <p>Waikato Regional Council</p> <p>Waipa District Council</p> <p>Waitomo District Council</p> <p>Wellington City Council</p> <p>Buller District Council</p> <p>Grey District Council</p> <p>West Coast Regional Council</p> <p>Western Bay of Plenty District Council</p> <p>Westland District Council</p> <p>Whanganui District Council</p> <p>Whangarei District Council</p>
Other local government (joint submitters colour coded)	<p>Canterbury Mayoral Forum</p> <p>Heretaunga Plains UDS</p> <p>Future Proof Implementation Committee</p> <p>Greater Christchurch Urban Development Strategy Partnership</p> <p>Hibiscus and Bays Local Board*^</p> <p>Land Monitoring Forum</p> <p>Local Government New Zealand</p> <p>New Zealand Society of Local Government Managers (SOLGM)</p> <p>Ōrākei Local Board*^</p> <p>SmartGrowth</p> <p>Waiheke Local Board*^</p> <p>Whau Local Board*^</p>
Professional bodies	<p>Auckland District Law Society Inc.</p> <p>Hill Young Cooper Ltd</p> <p>Morgan Foundation</p> <p>New Zealand Institute of Landscape Architects Inc.</p> <p>New Zealand Law Society</p> <p>New Zealand Planning Institute</p> <p>New Zealand Society of Soil Science</p> <p>New Zealand Centre for Sustainable Cities</p> <p>Park Legal Limited</p> <p>Resource Management Law Association of New Zealand Inc.</p>

*^ as requested in the covering note to the Auckland Council submission, the four local board submissions were counted and considered as separate submissions.

Appendix 2 – Statistics New Zealand Classifications by local authority

Urban Area Classification	Local authorities (including councils that did not lodge a submission)
High growth	<ul style="list-style-type: none"> Auckland Council Bay of Plenty Regional Council Christchurch City Council Environment Canterbury (Regional Council) Hamilton City Council Otago Regional Council Queenstown Lakes District Council Selwyn District Council Tauranga City Council Waikato District Council Waikato Regional Council Waimakariri District Council Waipa District Council Western Bay of Plenty District Council
Medium growth	<ul style="list-style-type: none"> Greater Wellington Regional Council Horizons Regional Council Kapiti Coast District Council Lower Hutt City Council Manawatu District Council Nelson City Council New Plymouth District Council Palmerston North City Council Porirua City Council Taranaki Regional Council Tasman District Council Upper Hutt City Council Wellington City Council
Other councils (including those identified as “other Main Urban Areas”)	All other New Zealand local authorities

References

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