



Cabinet

Minute of Decision

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Resource Management System Reform: Update on Policy Decisions and Further Engagement

Portfolio Environment

On 15 November 2021, following reference from the Cabinet Priorities Committee, Cabinet:

Background

- 1 **noted** that there is broad consensus that the current resource management system (system) introduced by the Resource Management Act 1991 (RMA) has not adequately protected the natural environment or enabled development where needed, or provided Māori with an effective enough role in the system;
- 2 **noted** that in December 2020, Cabinet agreed to proceed with resource management reform (reform) on the basis of the recommendations of the Resource Management Review Panel (Randerson Panel) [CAB-20-MIN-0522];
- 3 **noted** that an exposure draft of the National and Built Environments Bill (exposure draft) was referred to the Environment Committee in June 2021 for an inquiry, to provide the public with an early opportunity to provide input on key aspects of the future system;
- 4 **noted** that the Environment Committee reported back the findings of its inquiry to the House of Representatives on 1 November 2021;

Previous and current engagement

- 5 **noted** that the Randerson Panel held 11 hui across regional centres to consult on their 'Issues and Options' paper;
- 6 **noted** that the Ministry for the Environment (MfE) held two further rounds of hui in March/April 2021 and July 2021;
- 7 **noted** that direct engagement with Post Settlement Governance Entities (PSGEs) started in March 2021 to discuss how their settlement arrangements will be carried over into the new system;

- 8 **noted** that this is a separate engagement process that will continue right through to the introduction of the full Natural and Built Environments Bill (full Bill);
- 9 **noted** that MfE is providing [REDACTED] in funding to [REDACTED] this fiscal year for engagement on the reform programme, including regular meetings with MfE officials;
- 10 **noted** that Cabinet has agreed that select committee processes will be the primary method engagement for stakeholders and the general public in the reform process, and that this has been occurring with public submissions to the Environment Committee on the exposure draft [CAB-20-MIN-0522];
- 11 **noted** that, additionally since early 2021, there has been direct engagement with a Local Government Chief Executive's forum, use of expert practitioners, and attendance at local government forums;
- 12 **noted** that the Local Government Resource Management Reform Steering Group was established in September 2021 and comprises local elected members and council chief executives (or other senior officers) from across the range of councils, and staff from Local Government New Zealand, Taituarā – Local Government Professionals Aotearoa, and MfE;

Need for further engagement

- 13 **noted** that, despite the significant engagement already undertaken, there are strong expectations from Māori, local government, and sector stakeholders for more concrete details to be released on reform proposals, and for engagement on these proposals before they are finalised;
- 14 **agreed** that officials undertake such further engagement to ensure that final policy decisions are better informed and more robust;
- 15 **noted** that the further engagement will include takutai moana groups who have, or are seeking, recognition of customary rights under the Marine and Coastal Area (Takutai Moana) Act 2011, so as to help ensure these rights are carried over into the new system;
- 16 **agreed** that the objectives of the engagement are to:
- 16.1 provide an update for Māori, local government, and sector stakeholders on where the government is up to in the reform of the resource management system, and on next steps in the reform – in other words, have a discussion on current thinking;
 - 16.2 present a fuller view of the key components of the system designed to date, including the role of Māori and local government within the new resource management system, from the national to the local level;
 - 16.3 respond to and build on feedback received to date;
 - 16.4 provide a general overview of the reform to audiences who have a limited understanding or limited engagement to date, and support preparation for submissions on the full Bill to a select committee in 2022;

Bringing together the architecture of the new system

17 **noted** that the Ministerial Oversight Group (MOG) established by Cabinet to progress the reform has been making in-principle decisions additional to the scope of the exposure draft, and that a record of these decisions is at Appendix 2, attached to the submission under CPC-21-SUB-0026;

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19 **noted** that MOG in-principle decisions have now been consolidated into meaningful engagement material that outlines much of the future system architecture, by way of a draft discussion document, attached as Appendix 4 to the submission under CPC-21-SUB-0026;

20 **approved** the release of the discussion document as the basis of engagement;

21 **authorised** the Minister for the Environment to make minor textual, editorial, design, and technical changes to the discussion document, where appropriate, before engagement begins;

Duration of engagement, and next steps

22 **agreed** to a direct engagement process with Māori, local government, and stakeholders on progress made to date, beginning in November 2021, with MfE receiving feedback until the end of February 2022;

23 **noted** that this engagement will not affect the separate ongoing process of bilateral engagement with PSGEs on upholding settlements and other arrangements;

24 **noted** that the MOG is expected to review progress in March 2022, including the outcome of the engagement process, take final in-principle policy decisions for the reform, and clarify steps towards the legislation introduction date;

25 **noted** that if policy decisions remain unresolved after the MOG has reviewed progress, the Minister for the Environment will come back to Cabinet to seek further direction;

Interactions with existing engagement processes

26 **noted** that the engagement process will be coordinated to the extent practicable with other engagement processes currently underway across government, including the Three Waters process and the Future of Local Government review;

27 **noted** that this engagement will run parallel to existing engagement processes (including weekly meetings of [REDACTED] with MfE officials, and the Environment Committee inquiry into the exposure draft), and will inform final policy decisions in March 2022;

Addressing Māori rights and interests in freshwater

28 **noted** that the Minister for the Environment and Associate Minister for the Environment (Hon Kiri Allan) have provided an assurance that the exposure draft would not preclude any potential options for addressing Māori freshwater rights and interests and their consideration as part of ongoing discussions with iwi, hapū, and Māori, and that this will continue to be the case in the pre-Christmas engagement process;

Transition and implementation

- 29 **noted** that a well-managed transition and effective implementation are critical to the success of the new resource management system;
- 30 **noted** that a future Cabinet paper will provide further information on the programme for establishing and implementing the new system.

Michael Webster
Secretary of the Cabinet

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