

### He Marohi Kaupapa Here ā-Motu mō ngā Whakataunga Mōreareatanga ā-Taiao

### Proposed National Policy Statement for Natural Hazard Decision-making

**General summary** 

This is a summary of the proposed National Policy Statement for Natural Hazard Decision-making (NPS-NHD). The NPS-NHD aims to direct how decision-makers consider natural hazard risk in planning decisions relating to new development under the Resource Management Act 1991 (RMA). We seek your feedback on the proposed NPS-NHD by 20 November 2023.

#### The problem we want to solve

Aotearoa New Zealand is increasingly at risk from a range of natural hazards, including earthquakes, flooding and landslips. Severe weather events are becoming more frequent due to climate change. Building new developments like houses, office buildings, shops, roads and schools in areas at high risk from natural hazards increases risk to human life, community wellbeing, property, and infrastructure and may lead to adverse effects on the environment. It also exposes landowners, councils, the Crown and New Zealanders to increased social and economic costs. This issue was highlighted by the impacts of the severe weather events in 2023.

Local authorities have a responsibility to manage significant risks from natural hazards under the RMA. There is currently no national direction providing guidance on decision-making about natural hazard risk.

Currently the way local authorities identify natural hazards, assess risk and risk tolerance and make decisions on new development subject to that risk is variable throughout the country. Decision-makers sometimes attribute less weight to natural hazard risk than to other matters, such as the need for new infrastructure and housing.

### Government work programme to address natural hazard risk under the RMA

The Government has proposed a work programme to improve natural hazard risk management under the RMA. This programme involves the proposed:

- NPS-NHD (the focus of this consultation process)
- comprehensive National Direction for Natural Hazards, which will be developed over the next one to two years.

This will support local authorities to identify natural hazard risk in a consistent and rigorous way, understand the level of risk tolerance by a community or other party, and provide direction on making decisions on land use in hazard prone areas.

The Ministry for the Environment is working closely with the Toka Tū Ake EQC to develop the NPS-NHD and comprehensive National Direction for Natural Hazards.

The Natural and Built Environment Act (NBA) and the Spatial Planning Act (SPA), which will replace the RMA, are expected to help address issues with natural hazard management. The RMA will remain in force for seven to ten years during the NBA and SPA's transitional period. The Climate Change Adaptation Bill, which is being developed, will address climate adaptation funding and local adaptation planning, including managed retreat.

The proposed NPS-NHD is a necessary interim step because RMA planning and consenting practices will continue while comprehensive national direction is being developed and resource management reforms are being delivered and implemented.

The NPS-NHD will be included in the comprehensive National Direction for Natural Hazards and then transitioned into the National Planning Framework as part of the resource management reforms.

### Overview of the proposed National Policy Statement for Natural Hazard Decision-making

The proposed NPS-NHD would direct decision-makers to take a risk-based approach to natural hazards when making planning, resource consent and designation decisions relating to new development. Figure 1 provides an overview of the proposed NPS-NHD.

The proposed NPS-NHD includes one objective, which sets a clear direction:

The risks from natural hazards to people, communities, the environment, property, and infrastructure, and to the ability of communities to quickly recover after natural hazard events, are minimised.

Figure 1: Overview of the proposed National Policy Statement for Natural Hazard Decision-making

Assessing the level of natural hazard risk

- · Identify the level of natural hazard risk as high, moderate or low
- · Natural hazard risk is based on the likelihood, consequence, and tolerance of natural hazard events

Addressing the level of natural hazard risk

Low natural hazard risk

Enable development where the natural hazard risk is low

Moderate natural hazard risk

Reduce risk to as low as reasonably practicable

High natural hazard risk

Avoid new development unless the risk can be reduced to at least tolerable levels\*

**Guiding principles** 

- Apply the precautionary approach and use best available information
- · Apply the most effective mitigation measures to reduce risk
- · Engage with Māori for proposals on specified Māori land

Alignment of a planning decision with the NPS-NHD

Will be a factor in the overall decision-making process for that planning decision

## **Scope of the proposed National Policy Statement for Natural Hazard Decision-making**

The NPS-NHD will ensure that local government considers the risk of all natural hazards (including the effects of climate change) when making decisions relating to all new developments.

The NPS-NHD would ensure that natural hazard risk is included as a matter of control and a matter of discretion for all restricted discretionary and controlled activities, to enable decision-makers to consider natural hazard risk in as many consenting decisions as possible.

The NPS-NHD would only apply to new resource consents. This means it would not affect existing resource consents, existing use rights and activities currently permitted in district and regional plans.

#### Assessing natural hazard risk

The NPS-NHD, will require decision-makers to assess natural hazard risk based on the following criteria:

- first, the likelihood of a natural hazard event occurring (either an individual natural hazard event
  or a combination of natural hazard events), and the consequence of a natural hazard event
  occurring, including potential loss of life, serious injury, adverse effects on the environment, and
  potential serious damage to property and infrastructure; and
- second, tolerance to a natural hazard event, including the willingness and capability of those
  who are subject to the risk (such as a community, Māori, or the Crown) to bear the risk of that
  natural hazard (including its cost) and any indirect risks associated with it.

<sup>\*</sup>In some circumstances, new commercial and infrastructure developments may be approved in high natural hazard risk areas

In assessing the level of natural hazard risk, the NPS-NHD would direct decision-makers to use the best available information at the time of making a planning decision to assess natural hazard risk. It would not require them to update their natural hazard information, modelling, or mapping, because this can be an expensive and time-consuming.

The NPS-NHD would then require decision-makers to categorise the level of risk as either:

- high natural hazard risk: Areas where a natural hazard risk is intolerable. For example, areas
  where a natural hazard event would cause loss of life, significant degree of injury or property or
  infrastructure damage, exceeding the capacity of the community to recover
- moderate natural hazard risk: Areas where the level of risk exceeds the low-risk category, but
  the risk is not intolerable. For example, a natural hazard event would cause some damage but be
  unlikely to cause intolerable loss of life, significant injury or significant damage to property or
  infrastructure
- **low natural hazard risk:** The natural hazard risk is generally acceptable. For example, the level of risk is similar to the level of many everyday risks that people face and accept.

#### Addressing natural hazard risk

The NPS-NHD would direct decision-makers to take specific actions when making decisions about new developments based on their assessment of the level of risk. Decision-makers must:

- avoid new development in high natural hazard risk areas, unless the level of risk can be reduced to at least a tolerable level
- reduce the level of natural hazard risk as low as reasonably practicable in moderate natural hazard risk areas
- enable development in low natural hazard risk areas.

The NPS-NHD would support communities by enabling new commercial or infrastructure development in high-risk areas in some circumstances.

The NPS-NHD would direct decision-makers to take a precautionary approach where they don't have full information.

In order to reduce the level of risk, the NPS-NHD directs decision-makers on what risk reduction measures they should adopt. This encourages decision-makers to adopt the most effective risk reduction approach and supports the use of nature-based solutions and comprehensive area-wide solutions.

#### Applying the NPS-NHD: An example

Kevin, who owns a property in an urban area, has now gathered information and talked to his local council to understand the known likelihood, consequences and tolerance of natural hazard risk as it applies to his proposed development decision- making. These discussions have established that some parts of Kevin's site have 'high natural hazard risk'. This is based on the likelihood of there being frequent flood events that would cause serious damage to a building in this location, and serious injury to occupants, and that level of risk would be considered intolerable.

Other areas of the site have risk that is not intolerable, but still not acceptable. Kevin won't be able to develop in those areas with intolerable risk because it is unlikely effective works to reduce risk to tolerable levels can be taken. Kevin can proceed with development in areas where there is less than intolerable risk but will need to undertake mitigation risk reduction works (such as raised floor levels and ensure access to the street after a flood), that will remain effective for the lifetime of the proposed development, to reduce risk to as low as reasonably practicable.

### Recognising and providing for Māori rights and interests

A disproportionate amount of Māori land is exposed to natural hazard risk. It is important to recognise the disproportionate impact the NPS-NHD could potentially have on Māori by further limiting their ability to use their land. However, it is also important to protect Māori individuals and communities from natural hazard risk.

The proposed NPS-NHD seeks to acknowledge and deliver on the principles of Te Tiriti o Waitangi, to protect Māori communities and uphold tino rangatiratanga by requiring decision-makers to engage early and involve tangata whenua when making decisions on new developments on specified Māori land where there is a high or moderate natural hazard risk.

Māori will be involved in assessing the tolerance of a natural hazard event in relation to a new development on specified Māori land.

## Interaction between the need for housing and protection from natural hazards

The NPS-NHD would not affect the requirement for local authorities to provide at least sufficient development capacity as required in the National Policy Statement Urban Development (NPS-UD) or the Medium density residential standards (MDRS) in the Resource Management Act. In order to minimise disruption and complexity for local authorities, the proposed NPS-NHD will not require changes to the intensification planning instruments that local authorities are progressing to support the implementation of the NPS-UD and MDRS.

#### **Implementation**

The proposed NPS-NHD would have legal effect on the date of commencement. From this date, decision-makers must have regard to this NPS-NHD when considering resource consent applications (including subdivisions) and designations, and must give effect to the NPS-NHD in private plan changes.

As soon as reasonably practicable, every local authority must give effect to the NPS-NHD by updating their policy statements and plans.

To support the implementation of the proposed NPS-NHD, the Government intends to work with iwi, hapū and Māori and local government in preparing guidance to help local authorities implement the policies in the proposed NPS-NHD.

# **Help shape the National Policy Statement for Natural Hazard Decision-making**

Read the discussion document for full details on the proposals, the problems we are trying to solve and the options we have considered.

You can provide a submission through Citizen Space, our consultation hub, by either following the feedback form or by uploading your own written submission.

We would prefer that you don't email or post your submission to us as this makes our analysis more difficult. However, if you need to, email your written submission to naturalhazardRMA@mfe.govt.nz. Submissions close at 11.59pm on 20 November 2023.

#### What happens next

When the consultation period has ended, officials will analyse and summarise submissions. Officials will provide final policy advice to the Government on the preferred options later this year.

Submissions will inform the final drafting of the NPS-NHD and further decisions required from Cabinet later this year.

