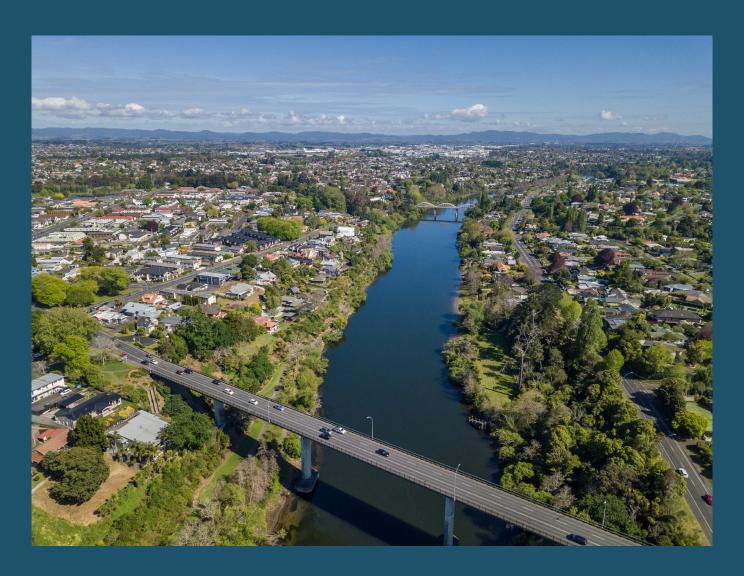
# National Environmental Standards for Granny Flats (Detached Minor Residential Units) and National Policy Statement for Natural Hazards





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### Introduction

This report summarises submissions received, outlines officials' recommendations in response to those submissions, and presents the Minister Responsible for RMA Reform's (the Minister's)<sup>1</sup> final decisions on the following national direction proposals:

- proposed National Environmental Standards for Granny Flats (NES-GF)
- proposed National Policy Statement for Natural Hazards (NPS-NH).

The proposed National Environmental Standards for Granny Flats will be renamed as National Environmental Standards for Detached Minor Residential Units (NES-DMRU). Any references to NES-GF should be regarded as referring to the same standards.

The proposals formed part of one of three packages notified in May 2025:<sup>2</sup> Package 1: Infrastructure and development (package 1).<sup>3</sup> A report summarising submissions and outlining officials' recommendations was prepared for the Minister in September 2025 in accordance with section 46A of the Resource Management Act 1991 (RMA). The Minister subsequently made some changes to the notified proposals before recommending making the NES-DMRU and NPS-NH to the Governor-General, who approved them on 15 December 2025. The NES-DMRU and NPS-NH were subsequently gazetted on 18 December 2025 and will come into effect on 15 January 2026.

The Minister is required to publicly notify any report prepared under section 46A (see sections 44(1)(b) and 52(3)(b) of the RMA) and provide any submitters on a national policy statement with a summary of officials' recommendations and a summary of the Minister's decision on the recommendations (including reasons for not adopting any recommendations) (see section 52(3)(c) of the RMA). This report fulfils those legal requirements.<sup>4</sup>

This report is structured in two parts.

- **Part 1** sets out officials' final recommendations and the Minister's final decisions on the proposals.
- Part 2 provides the original supporting analysis and recommendations that informed those
  decisions, as prepared under section 46A of the RMA for the Minister in September 2025.

The Prime Minister agreed that portfolio responsibility for statutory decisions on the listed national direction rests with the Minister Responsible for RMA Reform, rather than the Minister for the Environment as stated in the RMA. The Minister Responsible for RMA Reform can exercise these powers in accordance with section 7 of the Constitution Act 1986.

Statutory consultation on the proposals in package 1 (infrastructure and development) and package 2 (primary sector), and non-statutory consultation on package 3 (freshwater) ran from 29 May 2025 to 27 July 2025. Non-statutory consultation on package 4 (Going for Housing Growth) ran from 18 June to 17 August.

Ministry for the Environment. 2025. *Package 1: Infrastructure and development – Discussion document.*Wellington: Ministry for the Environment.

There is no equivalent requirement to provide each person who made a submission with a summary of the recommendations and the Minister's decisions for national environmental standards. However, a similar process has been followed for national environmental standards in packages 1 and 2 to give submitters visibility of decision-making and clarity about the changes.

# Summary of recommendations and Minister's decisions

Officials recommended a number of changes to the notified NES-GF and NPS-NH proposals, drawing on submitter feedback and further analysis of the proposals.

The Minister considered these recommendations and made final decisions on each national direction instrument. In some areas, this resulted in changes to the notified proposals.

Part 1 of this report includes the full set of recommendations provided to the Minister along with the final decisions made by the Minister. Where the Minister's decisions differ from the recommendations, reasons have been provided. Recommendations and supporting rationale in part 1 have been updated from what was originally provided to the Minister in September to reflect subsequent ministerial advice (as noted in the instrument summaries below and tables in part 1) or to correct minor and technical errors and enhance clarity. The original recommendations and accompanying rationale provided to the Minister are preserved in part 2 of this report, with minor and technical amendments made to address inaccuracies and improve clarity.

The proposal section of the tables in part 1 includes the proposed provisions published in: Ministry for the Environment. 2025. *Package 1: Infrastructure and development – Discussion document*. The recommendations section includes recommended changes to the notified proposal and specifies reasons for recommended changes and the options provided. Reference to 'no change' means a recommendation to retain the proposal as notified, whereas 'change' indicates a recommendation to change the notified proposal.

The final text of the instruments may vary from officials' recommendations as a result of legal drafting conventions.

A summary of officials' final recommendations and the Minister's final decisions is provided below for each instrument.

# **National Environmental Standards for Granny Flats**

Officials recommended the following:

- clarifying the application of the NES-GF to detached minor residential units (MRU) only
- specifying which rules and standards in district and unitary plans apply
- clarifying permitted activity standards that apply to each zone.

The Minister agreed to the recommendations.

### **National Policy Statement for Natural Hazards**

Officials recommended the following:

- adding a policy to avoid new development where natural hazard risk is assessed as 'very high'
- clarifying the definition of 'new development'
- amending the policy about off-site risks to direct they be managed proportionately through avoidance, mitigation or reduction.

The Minister agreed to most of the recommendations. The Minister did not agree to adopt the recommendation to amend the policy on climate change, or the recommendation to specify mātauranga Māori as a best available information source.

# Part 1: Recommendations and decisions tables

# Consolidated recommendations and decisions – New National Environmental Standards for Granny Flats (Detached Minor Residential Units)

#### Recommendations and decisions in relation to notified proposed provisions

The following recommendations were made in response to matters raised through submissions and in officials' overall assessment of the proposal.

The proposal section of this table includes the proposed provisions published in: Ministry for the Environment. 2025. *Package 1: Infrastructure and development* – *Discussion document.* The recommendations section includes recommended changes to the notified proposal and specifies reasons for recommended changes. Reference to 'no change' means a recommendation to retain the proposal as notified, whereas 'change' indicates a recommendation to change the notified proposal.

The final text of the instrument may vary from officials' recommendations as a result of legal drafting conventions.

The proposed name 'National Environmental Standards for Minor Residential Units' was changed to the 'National Environmental Standards for Detached Minor Residential Units' following a recommendation during drafting to make the scope of the NES clearer.

| PROPOSAL  |   | RECOMMENDAT                    | IONS AND DECISIONS FOR THE PROPOSI   | ED NES-GF (to be renamed as NES-DMRU)  |                            |
|---|---|--------------------------------|--|--|----------------------------|
| Application   | Proposed provisions   | Topic                          | Recommendations  | Reasons for recommendations  | Minister's decision        |
| Where does it apply?                                | This National Environment Standard (NES) is proposed to apply to MRUs in residential, rural, mixed-use, and Māori purpose zones across all of New Zealand.  | Where the proposal applies     | No change  1. Apply the National Environment Standards for Granny Flats (Minor Residential Units) (NES-GF) to minor residential units in residential, rural, mixed-use and Māori purpose zones across all of New Zealand.  | These zones already provide for residential activities, and minor residential unit (MRU) development would be consistent with the zone purpose.  While an MRU may not be considered the most efficient use of land in zones where higher density is enabled, applying the NES-GF to these zones is consistent with the policy intent to provide an enabling framework to build MRU, and provide for housing choice. Uptake of MRU in these zones is also not expected to materially impact on the development of higher-density development.   | Agreed with recommendation |
| All other provisions in district and regional plans | Other than as provided for in the NES, all other district and regional plan provisions are proposed to apply in relation to:  • subdivision;  • Resource Management Act 1991 section 6 matters of national importance (eg, management of risks from natural hazards);  • the specific use of the MRU (other than for residential activities);  • regional plan rules;  • papakāinga;  • earthworks; and | Provisions that apply in plans | Change  2. Amend the proposal to clarify that rules and standards in a district or unitary plan that deal with the following matters will continue to apply to minor residential units:  a. subdivision  b. section 6 matters of national importance  c. the use of the MRU (other than for residential activities)  d. papakāinga  e. earthworks  f. any other rule or standard that applies to the principal residential unit that manages effects relating to health and safety, including: | Providing an exhaustive list of the matters that can continue to apply alongside the NES-GF (rather than a non-exhaustive list) provides for site-specific contexts that could not be anticipated by the NES to be managed, while providing more clarity for implementation, especially when combined with topic 4 to explicitly rule out particular matters councils can regulate in relation to MRU.  The additional matters officials have recommended adding are not anticipated to have a material impact on how enabling the NES is, as MRU are often provided for as a permitted activity in district and unitary plans already. Examples of these additional matters include minimum floor level requirements to manage flooding effects, three waters connection requirements, and setbacks from significant infrastructure, including those set out in national standards such as the New Zealand Electrical Code of Practice for Electrical Safe Distances (NZECP 34:2001). Matters such as amenity values (eg, special character) are not intended to be captured. | Agreed with recommendation |

| PROPOSAL  | OSAL RECOMMENDATIONS AND DECISIONS FOR THE PROP |   |  | SED NES-GF (to be renamed as NES-DMRU) |  |  |
|---|---|---|--|--|--|--|
| Application Proposed provisions                                     | Topic   | Recommendations   | Reasons for recommendations  | Minister's decision                    |  |  |
| setbacks from tran-<br>lines, railway lines.<br>National Grid Yard. | and the   | i. any natural hazard risk ii. reverse sensitivity, including setbacks, from network utility operations electricity network assets, contaminated land, existing industrial activities, primary and intensive indoor primary production as defined in the National Planning Standards 2019 (national planning standards), or equivalent (where council have not yet implemented the national planning standards), or that are otherwise provided for in other national environmental standards iii. site-specific infrastructure requirements (including three waters connections) 3. Amend the proposal to clarify tha all other rules and standards in a district or unitary plan will not apply to minor residential units. 4. Amend the proposal to clarify tha all rules and standards in regional plans will continue to apply to minor residential units. | s a de la companya de |  |  |  |

| PROPOSAL                     |  | RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NES-GF (to be renamed as NES-DMRU) |   |  |  |  |                            |
|------------------------------|--|---|---|--|--|--|----------------------------|
| Definitions                  | Proposed provisions  | Topic   | Recommendations   | Reasons for recommendations  | Minister's decision  |  |                            |
| D1 Minor<br>residential unit | A self-contained residential unit that is ancillary to the principal residential unit and is held in common ownership with the principal residential unit on the same site.  | What the proposal applies to  | No change  5. Include a definition of 'minor residential unit' as defined in the national planning standards. | the proposed NES-GF applies only to minor residential units that are detached from the primary dwelling (see recommendation 24). | interpreting the proposed rules. The definitions in the national planning standards are proposed to be used as they are intended | interpreting the proposed rules. The definitions in the national planning standards are proposed to be used as they are intended | Agreed with recommendation |
| D2 Residential<br>unit       | A building(s) or part of a building that is used for a residential activity exclusively by one household, and must include sleeping, cooking, bathing and toilet facilities.   | What the proposal applies to  | No change  6. Include a definition of 'residential unit' as defined in the national planning standards.       |  | Agreed with recommendation   |  |                            |
| D3 Residential zones         | The following zone definitions from the National Planning Standards: Large lot residential zone Low density residential zone General residential zone Medium density residential zone High density residential zone. | Where the proposal applies  | No change  7. Include a definition as defined in the national planning standards.                             |  | Agreed with recommendation   |  |                            |
| D4 Rural zones               | The following zone definitions from the National Planning Standards: General rural zone Rural lifestyle zone Rural production zone Settlement zone.  | Where the proposal applies  | No change  8. Include a definition of rural zone as defined in the national planning standards.               |  | Agreed with recommendation   |  |                            |
| D5 Mixed use<br>zone         | The zone definition from the National Planning Standards for the Mixed-use zone.   | Where the proposal applies  | No change  9. Include a definition of 'mixed-use zone' as defined in the national planning standards.         |  | Agreed with recommendation   |  |                            |

| PROPOSAL RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NES- |  |                            |  | -GF (to be renamed as NES-DMRU) |                            |
|--|--|----------------------------|--|---------------------------------|----------------------------|
| Definitions  | Proposed provisions  | Topic                      | Recommendations  | Reasons for recommendations     | Minister's decision        |
| D6 Māori<br>purpose zone                                     | The zone definition from the National Planning Standards for the Māori purpose zone. | Where the proposal applies | No change  10. Include a definition of 'Māori purpose zone' as defined in the national planning standards.   |                                 | Agreed with recommendation |
| D7 Site  | The definition from the National Planning Standards for 'site'.                      | Permitted activity rule    | No change  11. Include a definition of 'site' in the proposal as defined in the national planning standards. |                                 | Agreed with recommendation |

| PROPOSAL<br>Permitted  |  | RE   | COMMENDATIONS AND DECISIONS FOR TH   | E PROPOSED NES-GF (to be renamed as NES-DN  | IRU)  |
|--|--|--|--|---|---|
| PA 1 One minor residential unit per site as a permitted activity | site in residential, rural, mixed-use and Māori purpose zones where they meet permitted activity standards, except | Permitted activity<br>rule<br>Where the<br>proposal applies<br>Leniency of rules | No change  12. Include a permitted activity rule which permits:  a. one minor residential unit per site in residential, rural, mixed-use and Māori purpose zones where they meet the permitted activity standards set out below, except where more lenient rules | Reasons for recommendations  The NES-GF has been designed to enable one small house for residential use that is associated with a principal residential unit on the same site. It does not manage the effects which might typically be considered for multiple dwellings, or development of vacant sites because of the assumed relationship between the principal and minor residential units. | Minister's decision  Agreed with recommendation |

| PROPOSAL   |   | RE   | RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NES-GF (to be renamed as NES-DMRU)  |   |                            |  |
|--|---|--|--|---|----------------------------|--|
| Permitted activity standards   | Proposed provisions   | Торіс  | Recommendations  | Reasons for recommendations   | Minister's decision        |  |
| PAS 1 Maximum internal floor area  | The maximum internal floor area is 70 square metres (m²).  The maximum internal floor area is measured on the inside of the enclosing walls or posts and columns.               | Permitted activity standards   | Change  13. Include a permitted activity standard that provides for:  a. a maximum internal floor area of 70 square metres; and  b. a definition for internal floor area that aligns with the corresponding changes to the Building Act 2004.  | To ensure internal floor area is defined in a way that is appropriate for an NES in the context of integrating clearly with RMA plans, and is consistent with applicable building standards and legislation.  | Agreed with recommendation |  |
| PAS 2 Number of<br>minor residential<br>units per site and<br>relationship to<br>principal<br>residential unit | One MRU per site, and the MRU is held in common ownership with a principal residential unit on the same site, except where more lenient rules apply in existing district plans. | What the proposal<br>applies to<br>Permitted activity<br>rule<br>Leniency of rules | Change  14. Withdraw the proposal for a permitted activity standard to provide for one minor residential unit per site where the minor residential unit is held in common ownership with the principal residential unit on the same site except where more lenient rules apply in existing district plans. | This permitted activity standard is no longer required as these requirements are already provided for in recommendations 5 (MRU definition), 12 (one MRU per site) and 20 (leniency).   | Agreed with recommendation |  |
| PAS 3 Maximum<br>building coverage<br>per site   | Maximum building coverage of 50% for MRUs and principal residential units collectively in residential, mixed-use and Māori purpose zones.                                       | Permitted activity standards   | 15. In relation to maximum building coverage standards:  No change  a. include a permitted activity standard that provides for a maximum building coverage per site of 50% in residential zones  Change  b. include a requirement for building coverage standards in mixed-use                             | Residential zones: This aligns with the medium density residential standards (MDRS) provision for 50% building coverage and is more enabling than the status quo in other council areas that have not implemented the MDRS.  Mixed-use zone: This addresses submitters' concerns that it is not appropriate to apply the same building coverage standard across all mixed-use zones as they provide for a different mix of activities and could be more or less enabling of residential activities. | Agreed with recommendation |  |

| PROPOSAL  |   | E PROPOSED NES-GF (to be renamed as NES-DM | POSED NES-GF (to be renamed as NES-DMRU)  |  |                            |
|---|---|--|---|--|----------------------------|
| Permitted activity standards                          | Proposed provisions   | Торіс                                      | Recommendations   | Reasons for recommendations  | Minister's decision        |
|   |   |  | zones to be managed by the underlying district or unitary plan  c. include a requirement for building coverage standards in Māori purpose zones to be managed by the underlying district or unitary plan.   | Māori purpose zones: This provides for the specifics of this zone to be determined with tangata whenua. This approach is consistent with the zone description in the national planning standards: "Areas used predominantly for a range of activities that specifically meet Māori cultural needs including but not limited to residential and commercial activities". |                            |
|   | No maximum building coverage in rural zones.  | Permitted activity standards               | No change  16. Include provision for building coverage standards in rural zones to continue to be managed by the underlying district plan.  | The intent of building coverage standards is to manage density on a site and stormwater runoff. This approach aligns with most district plans as most rural zones in district plans do not include a maximum building coverage standard as it is not necessary given the larger sizes of rural sites.  | Agreed with recommendation |
| PAS 4 Minimum<br>building setbacks<br>from boundaries | Setbacks in residential zones: 2 metres (m) from the front boundary, 2 m from side and rear boundaries. | Permitted activity standards               | No change  17. Include a permitted activity standard that provides for the following minimum building setbacks from boundaries:  a. 2 metres from the front, side and rear boundaries in residential zones. | Minimum building setbacks control development, ensure safe distances between dwellings and provide privacy. This recommendation aligns with the equivalent requirement in the Building and Construction (Small Stand-alone Dwellings) Amendment Bill (less permissive than the MDRS, but councils may retain more lenient standards).                                  | Agreed with recommendation |

| PROPOSAL   |   | RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NES-GF (to be renamed as NES-DMRU) |   |   |                            |  |
|--|---|---|---|---|----------------------------|--|
| Permitted activity standards   | Proposed provisions   | Торіс   | Recommendations   | Reasons for recommendations   | Minister's decision        |  |
|  | Setbacks in rural zones: 10 m from the front boundary, 5 m from side and rear boundaries. | Permitted activity standards  | No change  18. Include a permitted activity standard that provides for the following minimum building setbacks from boundaries:  a. 10 metres from the front boundary, 5 metres from the side and rear boundaries in rural zones. | While there was very mixed feedback on this proposal, officials consider the proposed standard is consistent with the policy objective and its principles, particularly to enable MRUs with appropriate safeguards for key risks and effects.   | Agreed with recommendation |  |
| PAS 5 Building<br>setbacks from the<br>principal<br>residential unit | The MRU must be at least 2 m from the principal residential unit.                         | Permitted activity standards  | No change  19. Include a permitted activity standard that provides for a minor residential unit to be set back at least 2 metres from the principal residential unit.   | Officials consider, on balance, it is appropriate to retain the proposed 2 metres setback to ensure consistency with the proposed changes to the Building Act 2004 through the Building and Construction (Small Stand-alone Dwellings) Amendment Bill. This will provide clarity for councils and plan users when implementing the policy package as a whole. Councils can still retain more lenient standards. | Agreed with recommendation |  |

| PROPOSAL RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NES-GF (to be renamed as NES-DMRU) |  |                   |  |   | U)                         |
|--|--|-------------------|--|---|----------------------------|
| Leniency of rules  | Proposed provision   | Topic             | Recommendation   | Reasons for recommendation  | Minister's decision        |
| R1   | District or unitary plans can have more lenient permitted activity standards for MRUs than those set out in the NES. | Leniency of rules | No change  20. Include provision for a rule which enables district or unitary plans to include more lenient permitted activity standards for minor residential units than those set out in the NES-GF. | Some councils already have standards for minor residential units that are more enabling than those in the proposed NES-GF. Therefore, it is important to ensure councils can retain these more lenient standards and this NES does not limit a greater scale of development of an MRU. This provision can be introduced under section 43B of the RMA. | Agreed with recommendation |

| PROPOSAL  Matters council |  | RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NES-GF (to be renamed as NES-DMRU) |  |   |                            |  |  |
|---------------------------|--|---|--|---|----------------------------|--|--|
| cannot apply to<br>MRUs   | Proposed provisions  | Topic   | Recommendation   | Reasons for recommendation  | Minister's decision        |  |  |
| R2                        | Councils cannot apply the following standards to MRUs:  • requiring individual outdoor space  • privacy, sunlight, glazing  • parking, access. | Matters councils cannot apply to MRU  | No change  21. Include a provision to ensure that rules in district or unitary plans which relate to the following matters do not apply to minor residential units:  a. minimum requirements for individual outdoor open space; and  b. minimum requirements for privacy, sunlight access, façade glazing or total area of glazing or parking. | Officials consider these matters do not need to be managed as the anticipated scale of effects are different to larger developments, and there is an assumed relationship with a principal residential unit.  Officials consider there are sufficient checks and balances across the proposal as a whole to provide an appropriate balance of enabling MRU within the site-specific contexts, while restricting matters councils cannot manage in relation to MRU so as not to unduly restrict MRU. | Agreed with recommendation |  |  |

| PROPOSAL Where a development does                        |   |                                   | RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NES-GF (to be renamed as NES-DMRU)   |  |                            |  |  |
|--|---|-----------------------------------|---|--|----------------------------|--|--|
| not meet one or more of the permitted activity standards | Proposed provision  | Topic                             | Recommendation  | Reasons for recommendation   | Minister's decision        |  |  |
| R3   | Existing district plan rules for MRU development apply where a development does not meet one or more of the permitted activity standards (ie, where a MRU is no longer a permitted activity under the NES). | When district<br>plan rules apply | No change  22. Include a rule that requires that any minor residential unit which does not meet one or more of the permitted activity standards in the NES-GF is no longer able to be considered under the NES-GF and must be considered under the relevant district or unitary plan. For avoidance of doubt, all rules and standards in regional plans will apply to MRU, whether they are subject to the NES-GF or relevant plan. | This ensures the proposed policy is simple and there is less complexity in implementation, particularly for councils and plan users. | Agreed with recommendation |  |  |

#### Other recommendations

These recommendations relate to matters raised through submissions or to clarify the proposal.

| RECOMMENDA                         | ATIONS   |  |                            |
|------------------------------------|--|--|----------------------------|
| Topic                              | Recommendation   | Reasons for recommendation   | Minister's decision        |
| What the proposal applies to       | 23. Rename the proposed National Environmental Standards for Granny Flats as the National Environmental Standards for Minor Residential Units.     | This is consistent with the term 'minor residential unit' in the national planning standards and supports the policy intent that the proposed NES-GF is intended to provide more affordable housing options and choice for all New Zealanders.   | Agreed with recommendation |
| What the proposal applies to       | 24. Include a provision to clarify that the NES-GF only applies to detached MRU.   | The permitted activity standards of the proposed NES-GF have not been developed to consider the effects from extensions to the primary dwelling or attached MRU. Providing this clarity will support effective implementation, is consistent with the policy intent and aligns with the proposed changes through the Building and Construction (Small Stand-alone Dwellings) Amendment Bill.   | Agreed with recommendation |
| Permitted activity standards       | 25. Include a definition of building coverage which uses the same definition used in the national planning standards.                              | This definition is needed to assist in interpreting the proposed rules and standards in the NES-GF. The definition in the national planning standards is proposed to be used to improve national consistency of the planning system.   | Agreed with recommendation |
| Permitted<br>activity<br>standards | 26. Include a provision requiring minimum building setbacks from boundaries in mixed-use zones in district and unitary plans apply to MRUs.        | This addresses submitters' concerns that it is not appropriate to apply the same minimum building setbacks from boundaries standard across all mixed-use zones as they provide for a different mix of activities and could be more or less enabling of residential activities.   | Agreed with recommendation |
| Permitted<br>activity<br>standards | 27. Include a provision requiring minimum building setbacks from boundaries in Māori purpose zones in district and unitary plans to apply to MRUs. | This addresses submitters' concerns that it is not appropriate to apply the same minimum building setbacks from boundaries standard across Māori purpose zones, and provides for the specifics of this zone to be determined with tangata whenua. This approach is consistent with the zone description in the national planning standards: "Areas used predominantly for a range of activities that specifically meet Māori cultural needs including but not limited to residential and commercial activities". | Agreed with recommendation |

# Consolidated recommendations and decisions - New National Policy Statement for Natural Hazards

#### Recommendations and decisions in relation to notified proposed provisions

The following recommendations were made in response to matters raised through submissions and in officials' overall assessment of the proposal.

The proposal section of this table includes the proposed provisions published in: Ministry for the Environment. 2025. *Package 1: Infrastructure and development – Discussion document.* The recommendations section includes recommended changes to the notified proposal and specifies reasons for recommended changes. Reference to 'no change' means a recommendation to retain the proposal as notified, whereas 'change' indicates a recommendation to change the notified proposal.

The final text of the instrument may vary from officials' recommendations as a result of legal drafting conventions.

| PROPOSAL RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NPS-NH |   |                       |   |   |                            |
|--|---|-----------------------|---|---|----------------------------|
| Application  | Proposed provisions   | Topic                 | Recommendations   | Reasons for recommendations   | Minister's decision        |
| Specified natural hazards                                      | The National Policy Statement for Natural Hazards (NPS-NH) applies to the following hazards:  • flooding;  • landslips;  • coastal erosion;  • coastal inundation;  • active faults;  • liquefaction; and  • tsunami. | Scope and definitions | No change  1. Retain the definition of specified natural hazards. | The seven specified hazards were selected based on the availability of consistent national-level data, which enables some standardisation of the risk assessment approach. Other hazards — such as volcanic activity or geothermal risks — require highly localised responses or are already addressed through other legislation (eg, the Building Act 2004 for ground shaking and wind). Further clarification on the scope of each hazard will be provided in non-statutory guidance. | Agreed with recommendation |

| PROPOSAL  |  |                          | RECOMMENDATIONS A  | ND DECISIONS FOR THE PROPOSED NPS-NH   |                            |
|---|--|--------------------------|--|--|----------------------------|
| Application   | Proposed provisions  | Topic                    | Recommendations  | Reasons for recommendations  | Minister's decision        |
| Does not apply to<br>Infrastructure<br>and primary<br>production  | The NPS-NH applies to all activities managed under the Resource Management Act 1991 (RMA) except primary production and infrastructure.  | Scope and<br>definitions | No change  2. Retain the proposal limiting the application of the NPS-NH so it excludes infrastructure (as defined in the RMA) and primary production (as defined in the National Planning Standards 2019).                | Inclusion of infrastructure and primary production would require tailored policies to recognise the nuance of risk assessment and response for these activities. Tailored policies would represent a material change to the proposal, which would require further consultation so has not been recommended.                            | Agreed with recommendation |
| The New Zealand<br>Coastal Policy<br>Statement 2010<br>(NZCPS) prevails<br>when there is<br>inconsistency | It applies to all environments and zones including coastal environments.  The New Zealand Coastal Policy Statement 2010 prevails, where there is inconsistency in policy direction with regard to managing natural hazard risk in the coastal environment. | Scope and definitions    | No change  3. Retain the proposal for the New Zealand Coastal Policy Statement 2010 (NZCPS) to prevail where there is inconsistency in policy direction regarding managing natural hazard risk in the coastal environment. | Officials recommend that the NZCPS prevails because it provides clear, specific direction for managing coastal hazards, including a precautionary approach and long-term climate change planning. This ensures certainty for councils and applicants and maintains strong protection for the unique values of the coastal environment. | Agreed with recommendation |
| NPS is not<br>limiting  | Nothing in this NPS limits local authorities from managing natural hazard risk beyond the application of the NPS. The NPS-NH does not prevent local authorities from having policy on other natural hazards, activities, or the environment.               | Scope and definitions    | No change  4. Retain the proposal that the NPS-NH does not limit local authorities from managing natural hazard risk from other natural hazards, activities, or with other consequences.                                   | There was high support for this policy from submitters.  | Agreed with recommendation |

| PROPOSAL                                 | RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NPS-NH  |                           |   |   |                            |
|--|--|---------------------------|---|---|----------------------------|
| Definitions                              | Proposed provisions  | Торіс                     | Recommendations   | Reasons for recommendations   | Minister's decision        |
| D1 Significant risk from natural hazards | The NPS-NH discussion document proposes a definition of 'significant risks from natural hazards' as used in the NPS NH based on a risk matrix for classifying risk levels based on likelihood and consequence.  A significant risk was one assessed as 'medium', 'high' and 'very high' using the risk matrix, as applied to assessments of individual sites, considering damage to property, and potential for injury or fatalities.  This risk matrix includes consequence and likelihood thresholds for a continuum of risk levels ranging from very high to low.  The consequence and likelihood thresholds for each risk classification are also defined by the matrix included in the discussion document. | Defining significant risk | No change  5. Retain the definition of significant risk and the settings in the risk matrix.  | The proposed definition is based on a common understanding of significance – that is, something large or important enough to warrant attention. A significant risk from natural hazards is one that requires some form of management, including mitigation or risk reduction, even if the response is relatively light touch. | Agreed with recommendation |
| D2 New development                       | Means development:   | Scope and definitions     | Change  6. Amend the definition of 'new development' in D2 so it includes:  a. new buildings and structures on vacant sites and sites that already contain buildings or structures; and  b. extensions, and replacement of existing buildings and structures on sites that already contain buildings or structures. | The proposed change responds to strong submitter feedback that it is necessary for the NPS-NH to apply to development scenarios where redevelopment or intensification of existing developed sites is occurring.  | Agreed with recommendation |

| PROPOSAL                                  |   |                     | RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NPS-NH   |   |                            |  |
|---|---|---------------------|---|---|----------------------------|--|
| Objectives                                | Proposed provisions   | Topic               | Recommendations   | Reasons for recommendations                                   | Minister's decision        |  |
| OB1 Embedding a<br>risk-based<br>approach | An objective that could be expressed as: In order to avoid, mitigate and reduce risks arising from natural hazards on subdivision, use and development, local authorities apply: a risk-based approach to managing natural hazard risks; and land use or use controls that are proportionate to the level of natural hazard risk. | Risk-based approach | No change  7. Retain the objective for embedding a risk-based approach consistent with the intent of OB1. | There was strong support for the objective across submitters. | Agreed with recommendation |  |

| PROPOSAL RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NPS-NH |  |                     |   |  |                            |
|--|--|---------------------|---|--|----------------------------|
| Policies   | Proposed provisions  | Topic               | Recommendations   | Reasons for recommendations  | Minister's decision        |
| P1 Risk assessments  | <ul> <li>When assessing natural hazard risk for an activity in planning and consenting, local authorities must consider:</li> <li>1) the likelihood of a natural hazard event occurring;</li> <li>2) the consequences of a natural hazard event for the activity;</li> <li>3) existing and proposed mitigation measures; and</li> <li>4) residual risk.</li> </ul> | Risk-based approach | No change  8. Retain the intent of policy P1 risk assessment. | The policy is well supported. Additional explanation can be provided through non-statutory guidance. | Agreed with recommendation |

| PROPOSAL                     |  |   | RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NPS-NH   |   |   |  |
|------------------------------|--|---|---|---|---|--|
| Policies                     | Proposed provisions  | Topic   | Recommendations   | Reasons for recommendations   | Minister's decision   |  |
| P2 Climate change timeframes | The potential impacts of climate change on natural hazards are to be considered at least 100 years into the future.  | Requiring<br>consideration of<br>climate change | <ol> <li>Change</li> <li>Amend policy P2 to provide for consideration of climate change as part of the risk assessment process.</li> <li>Amend policy P2 so the potential effects of climate change on natural hazards are to be considered at least until 2100, or 100 years into the future where projections are available.</li> <li>Amend policy P2 to make it clear that decision-makers should use the most up-to-date projections and guidance on climate change scenarios.</li> </ol> | There was broad support from submitters for a policy requiring consideration of climate change well into the future.  The recommendation clarifies that the policy is intended to be given effect during the risk assessment process. Providing two alternative time periods better reflects the currently available projections and provides flexibility as these are updated over time. | Disagreed with recommendation to amend the notified proposal. This was on the basis that the policy as consulted on is sufficient. The proposed change is not necessary and is likely to cause confusion and/or result in disproportionate responses. |  |
| P3 Proportionate management  | Local authorities must proportionately manage natural hazard risk, including significant risk, when making planning and consenting decisions on new subdivision, use and development, based on the level of natural hazard risk. | Proportionate<br>management                     | Change  12. Amend policy P3 to clarify that:  a. the responses available to manage significant natural hazard risk include avoiding, mitigating and reducing the natural hazard risk  b. proportionately managing natural hazard risk means applying more restrictive planning responses as the level of risk increases.  13. Add a policy to the proposal to require that new subdivision, use and development, where natural hazard risk is assessed as very high, must be avoided.         | A significant number of submissions sought stronger, clearer policy direction on the meaning of proportionate management.  Officials recommend clarifying the intent to apply more restrictive responses as level of risk increases, and a specific directive that new development should be avoided where natural hazard risk is assessed as very high using the risk matrix.            | Agreed with recommendation  |  |

| PROPOSAL   |   |                                    | RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NPS-NH   |   |   |
|--|---|------------------------------------|---|---|---|
| Policies   | Proposed provisions   | Topic                              | Recommendations   | Reasons for recommendations   | Minister's decision   |
|  |   |                                    | 14. Amend the application of the risk matrix so it applies to the definition of very high natural hazard risk.                                      |   |   |
| P4 Best available information  | Local authorities must use best available information when making planning decisions managing natural hazard risk.                                    | Use the best available information | Change  15. Amend policy P4 of the proposal to clarify that mātauranga Māori is a potential source of information.                                  | The changes will provide greater clarity about what information is considered best available information, which will improve consistency in its application.    | Disagreed with recommendation to amend the notified proposal. This was on the basis that the policy as consulted on is sufficient.  Amending the policy to specify particular information sources is not necessary and may result in unintended outcomes. |
| P5 Significant risk<br>from natural<br>hazards not<br>exacerbated on<br>other sites            | New subdivision, use and development, including mitigation measures, must not exacerbate significant natural hazard risk on other sites or locations. | Proportionate<br>management        | Change  16. Amend policy P5 to require that any increase in significant off-site risk is managed proportionately and avoided, mitigated or reduced. | The revised approach provides greater flexibility for local authorities and better aligns with the policy intent of identifying and managing significant risks. | Agreed with recommendation  |
| P6 Continue with<br>risk assessment<br>processes where<br>information is<br>limited or unclear | Local authorities must continue with risk assessment processes where information is uncertain or incomplete.  | Use the best available information | No change  17. Retain policy P6 requiring risk assessment processes to continue where information is limited or unclear.                            | There was broad support for this policy.  | Agreed with recommendation  |

| PROPOSAL                             | RECOMMENDATIONS AND DECISIONS FOR THE PROPOSED NPS-NH                          |                  |   |   |                            |  |
|--------------------------------------|--|------------------|---|---|----------------------------|--|
| Implementation measures              | Proposed provisions  | Topic            | Recommendation  | Reasons for recommendation  | Minister's decision        |  |
| IM1<br>Implementation<br>time frames | No required timeframe to 'give effect to' the NPS in plan changes is proposed. | Other key issues | No change  18. Retain the IM1 proposal to not specify a timeframe to give effect to the NPS-NH. | Part C: Implementation in the Report on Submissions and Recommendations contains more detailed information about proposed implementation. | Agreed with recommendation |  |

#### Other recommendations

This recommendation relates to matters raised through submissions and clarifies the proposal.

| RECOMMEND!          | RECOMMENDATIONS   |  |                            |  |  |  |
|---------------------|---|--|----------------------------|--|--|--|
| Topic               | Recommendation  | Reasons for recommendation   | Minister's decision        |  |  |  |
| Explanatory<br>note | Change  19. Include an explanatory note confirming that the NPS-NH does not override existing use right protections under section 10 of the Resource Management Act 1991. | Submitters queried whether the NPS-NH would override existing use protections in section 10, particularly in scenarios where rebuilding is required after a natural hazard event. Providing an explanatory note will help avoid implementation issues. | Agreed with recommendation |  |  |  |

# Part 2: Section 46A RMA Report and recommendations

Minor and technical corrections, including formatting and style adjustments, have been made to the section 46A RMA report and the recommendations originally provided to the Minister Responsible for RMA Reform in September 2025. Additionally, minor and technical revisions have been made to enhance clarity.

After the report was provided to the Minister, the proposed name 'National Environmental Standards for Minor Residential Units' was changed to the 'National Environmental Standards for Detached Minor Residential Units' resulting from a recommendation during the drafting process.

# Proposed National Environmental Standards for Granny Flats and National Policy Statement for Natural Hazards

**Report on Submissions and Recommendations** 

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# **Executive summary**

#### **Purpose**

The proposed National Environmental Standards for Granny Flats (NES-GF) (to be renamed National Environmental Standards for Minor Residential Units (NES-MRU)) aims to increase the supply of small houses for all New Zealanders, creating more affordable housing options and choice, and to reduce regulatory requirements for minor residential units (MRU). It will do this by allowing one MRU per site as a permitted activity on residential, rural, mixed-use and Māori purpose zoned land. This means no resource consent would be required, provided specific standards are met.

The proposed National Policy Statement for Natural Hazards (NPS-NH) aims to guide decision-makers to manage natural hazard risks for new development through a risk-based and proportionate approach, using the best available information. The proposal aims to support decision-makers to avoid inappropriate use and subdivision in risky locations, thereby limiting the increase of people and property exposed to hazards and so limiting costs to New Zealand.

#### **Background**

The proposed NES-GF and NPS-NH are part of a broader programme to change and inform development of national direction under the resource management system. They form part of one of four packages: Package 1: Infrastructure and development (package 1).

The proposals contribute towards the Government's wider resource management reform programme. They are complemented by the Fast-track Approvals Act 2024, targeted amendments to the Resource Management Act 1991 (RMA)<sup>5</sup> and the development of a new resource management system.

Statutory consultation on package 1 ran from 29 May 2025 to 27 July 2025.6

#### Officials' recommendations

This report outlines the key matters raised through statutory consultation on the proposed NES-GF and NPS-NH and includes officials' recommended amendments to the notified proposals. Officials' recommendations are informed by submissions and further analysis of the proposals. They are intended to support the effective implementation of the proposed new national direction and help achieve their intended outcomes.

The minor residential units content in the report considers public feedback received in 2024 on options to make it easier to build granny flats.<sup>7</sup>

Resource Management (Freshwater and Other Matters) Amendment Act 2024 and the Resource Management (Consenting and Other System Changes) Amendment Act 2025.

Statutory consultation on package 2 (primary sector) and non-statutory consultation on package 3 (freshwater) also ran from 29 May 2025 to 27 July 2025. Non-statutory consultation on package 4 (Going for Housing Growth) ran from 18 June to 17 August.

Refer to: Ministry of Business, Innovation & Employment and Ministry for the Environment. 2024. Making it easier to build granny flats: Discussion document; Ministry of Business, Innovation & Employment and Ministry for the Environment. 2024. Making it easier to build granny flats: Summary of submissions. Retrieved 26 November 2025.

Consolidated recommendations are provided in the following appendices:

- Appendix A: Consolidated recommendations New National Environmental Standards for Granny Flats (Minor Residential Units)
- **Appendix B:** Consolidated recommendations New National Policy Statement for Natural Hazards.

## Introduction

This report provides recommendations to the Minister Responsible for RMA Reform on the proposed new National Environmental Standards for Granny Flats (NES-GF) (to be renamed National Environmental Standards for Minor Residential Units (NES-MRU)) and new National Policy Statement for Natural Hazards (NPS-NH), notified on 29 May 2025, in accordance with section 46A(1)(c) of the Resource Management Act 1991 (RMA).

This report is in three parts.

**Part A** provides an overview of the two proposals and the consultation and submissions process.

**Part B** provides a summary of key issues raised by submitters at an instrument level; sets out officials' analysis of the submissions and subject matter of the proposal; and outlines officials' key recommendations to amend the notified proposal.

**Part C** provides a summary of submissions made on general implementation of national direction in packages 1 and 2. It also discusses implementation options available specifically for the NES-GF and the NPS-NH.

### 1. Part A: Overview

### 1.1 Proposals

### 1.1.1 Proposed National Environmental Standards for Granny Flats and National Policy Statement for Natural Hazards

The proposals to create the National Environmental Standards for Granny Flats (NES-GF) (to be renamed National Environmental Standards for Minor Residential Units (NES-MRU)) and National Policy Statement for Natural Hazards (NPS-NH) under section 46A(1) and (2) of the Resource Management Act 1991 (RMA) were outlined in *Package 1: Infrastructure and development – Discussion document*, <sup>8</sup> along with the attached proposed provisions. <sup>9</sup>

# 1.1.2 Proposed national direction in Package 1:Infrastructure and development –Discussion document

Other proposals to create or amend national direction in *Package 1: Infrastructure and development – Discussion document* included:

- a new National Policy Statement for Infrastructure
- amendments to the National Policy Statement for Renewable Electricity Generation 2011
- amendments to the National Policy Statement on Electricity Transmission 2008 (proposed to be renamed as the National Policy Statement for Electricity Networks)
- amendments to the Resource Management (National Environmental Standards for Electricity Transmission Activities) Regulations 2009 (proposed to be renamed as the National Environmental Standards for Electricity Network Activities)
- amendments to the Resource Management (National Environmental Standards for Telecommunication Facilities) Regulations 2016
- new National Environmental Standards for Papakāinga.

Reports and recommendations to the Minister Responsible for RMA Reform (the Minister) on the above proposed instruments will be prepared separately as part of the Government's wider programme of resource management reform.

Ministry for the Environment. 2025. . Wellington: Ministry for the Environment.

Attachment 1.6: Proposed provisions – New National Environmental Standards for Granny Flats (Minor Residential Units) Regulations. Attachment 1.8: Proposed provisions – New National Policy Statement for Natural Hazards.

#### 1.1.3 Other proposed national direction

The proposed infrastructure and development national direction is complemented by additional proposals in *Package 2: Primary sector – Discussion document*<sup>10</sup> and *Package 3: Freshwater – Discussion document*,<sup>11</sup> which are being considered separately and will collectively support wider resource management reform.

# 1.2 Overview of consultation and submissions process

The Ministry for the Environment publicly consulted on the proposed NES-GF and NPS-NH – alongside other proposed new and amended infrastructure and development, primary sector and freshwater national direction<sup>12</sup> – from 29 May 2025 to 27 July 2025, in accordance with section 46A of the RMA.

The Ministry for the Environment sent pre-notification letters on 5 May 2025 to all post-settlement governance entities and other Māori groups with which the Ministry holds arrangements related to the RMA. These letters provided detailed information on the intended national direction proposals for infrastructure and development, primary sector and freshwater. An invitation was extended to all groups to discuss the proposals.

Customary marine title groups on the Land Information New Zealand register<sup>13</sup> were also given early notice of the proposed targeted amendments to the New Zealand Coastal Policy Statement 2010 (in the context of the wider national direction programme) and invited to hui to discuss the proposal during both the pre-statutory and statutory consultation periods.

The Ministry for the Environment conducted public engagement on the national direction proposals. This involved hosting four webinars, and seven themed forums with an opportunity for discussion. Post-settlement governance entities were also invited to attend two online hui.

A total of 726 submitters provided feedback on Package 1: Infrastructure and development and Package 2: Primary sector. Of these submitters, 179 provided feedback on the proposed NES–GF and 233 provided feedback on the proposed NPS–NH.

# 1.2.1 Collating, processing and analysing submissions

Officials collated submissions received through CitizenSpace – the Ministry for the Environment's consultation platform<sup>14</sup> – and the consultation email inbox and worked with an external provider to process and analyse submissions across three different software platforms: Croissant, Excel and NVivo. Officials and the external provider analysed the submission data

<sup>&</sup>lt;sup>10</sup> Ministry for the Environment. 2025. . Wellington: Ministry for the Environment.

<sup>&</sup>lt;sup>11</sup> Ministry for the Environment. 2025. . Wellington: Ministry for the Environment

<sup>&</sup>lt;sup>12</sup> The Department of Conservation publicly consulted on matters relating to the New Zealand Coastal Policy Statement as part of this process.

This included Ngā Hapū o Ngāti Porou, the Supervisors of Tamaitemioka and Pohowaitai from Ngāi Tahu, and Ngāti Kahungunu hapū in the Wairarapa.

<sup>&</sup>lt;sup>14</sup> Submitters could provide feedback on the platform via a survey and/or by uploading a file.

to show overall themes and common topics across all submissions. The full text of each submission was available to officials while summary analysis was being undertaken.

## 1.3 Prior consultation on granny flats

The Government consulted on changing the rules around building granny flats from 17 June to 12 August 2024 through the discussion document *Making it easier to build granny flats*, which included proposals under both the RMA and the Building Act 2004. <sup>15</sup> Almost 2,000 submissions were received, and a summary of submissions was published in October 2024. <sup>16</sup> In preparing this report, submissions received in 2024 have been considered alongside new submissions received in 2025. The summary of submissions is provided in appendix C.

## 1.4 Officials' recommendations

This report outlines key issues raised in submissions from statutory consultation on the proposed NES-GF and NPS-NH and considers those raised as part of the 2024 consultation on granny flats. It outlines officials' recommended changes to the objectives, policies and implementation requirements of the proposed national direction in response to those issues.

Officials considered Part 2 of the RMA<sup>17</sup> and relevant Treaty settlements when preparing the report and recommendations.

The recommendations address both substantive and technical matters, supporting the implementation and intent of the proposed NES-GF and NPS-NH. Minor changes may not be fully analysed in the main body of the report, but are captured in the lists of consolidated recommendations provided in appendices A and B.

The lists of consolidated recommendations provide a clear and direct connection to the notified proposed provisions of the NES-GF and NPS-NH, helping to inform and support the decision-making process.

# 1.5 Decision-making

This report includes officials' recommendations to change the proposed NES-GF and NPS-NH provisions (as notified on 29 May 2025), in accordance with section 46A of the RMA.

The Minister Responsible for RMA Reform must consider the report and recommendations before making changes to the NES-GF or NPS-NH.

The report will be updated with the Minister's decisions and publicly released around the time the Minister makes recommendations to the Governor-General on the NES-GF or NPS-NH.<sup>18</sup>

<sup>&</sup>lt;sup>15</sup> Ministry of Business, Innovation & Employment and Ministry for the Environment. 2024. *Making it easier to build granny flats: Discussion document*. Retrieved 26 November 2025.

Ministry of Business, Innovation & Employment and Ministry for the Environment. 2024. Making it easier to build granny flats. Summary of submissions. Retrieved 26 November 2025.

<sup>&</sup>lt;sup>17</sup> As required by s46A(3) of the RMA.

The report and recommendations for national environmental standards are required to be publicly notified before the Governor-General is recommended to make the national environmental standards (see section 44(1)(b) of the RMA). The report and recommendations for a national policy statement are

### 1.6 Limitations and constraints

# 1.6.1 Collating, processing and analysing submissions

The high number of proposed instruments, combined with multiple submission channels, introduced complexity for quantitative analysis. Submissions often addressed multiple instruments and included numerous submission points. Additionally, submitters could identify with more than one submitter type (eg, business, individual, industry), further complicating categorisation.

A large proportion of submitters opted to submit a file rather than or in addition to the survey. This significantly increased the complexity of analysing these submissions.

#### 1.6.2 Level of detail

This report is not intended to provide a detailed summary of all issues raised through submissions. Feedback from submitters has been summarised by topic – aligning with the topics outlined in *Package 1: Infrastructure and development – Discussion document* for the proposed NES-GF and NPS-NH where possible – and officials have made generalisations for brevity.

Issues raised by submitters that officials considered were minor were addressed in the consolidated recommendations table but were not included in a full in-depth analysis within the body of the report.

required to be publicly notified as soon as practicable after the NPS is approved by the Governor-General (see section 52(3)(b) of the RMA).

# 2. Part B: Proposed National Environmental Standards for Granny Flats (Minor Residential Units)

### 2.1 Proposal overview

Housing affordability is a key issue in New Zealand. There is an increasing demand and lack of supply of small houses, and regulatory barriers which increase the time and cost to build them. The proposed National Environmental Standards for Granny Flats (Minor Residential Units) (NES-GF) (to be renamed as National Environmental Standards for Minor Residential Units (NES-MRU)) intends to help address these issues by enabling one small, detached, self-contained, single-storey house (minor residential unit (MRU)) per site for residential use as a permitted activity (ie, no resource consent required). The intent of the proposed NES-GF is to enable an increased supply of small houses, creating affordable housing options and choice. The proposed NES-GF uses the definition of a 'minor residential unit' in the National Planning Standards 2019 (national planning standards). The proposal is for the NES-GF to apply in residential, rural, mixed-use and Māori purpose zones, where specified permitted activity standards are met.

### 2.2 Context and prior consultation

The Government has committed to amending the Building Act 2004 and resource consent system to make it easier to build granny flats, requiring only an engineer's report.<sup>20</sup> Public consultation ran from 17 June to 12 August 2024, with nearly 2,000 submissions received.<sup>21</sup> A summary of submissions was published in October 2024.<sup>22</sup>

Based on feedback, the Government decided to progress the NES-GF under the RMA. The updated proposal was included in *Package 1: Infrastructure and development – discussion document* and aligns with the changes under the Building Act 2004 through the Building and Construction (Small Stand-alone Dwellings) Amendment Bill (the Stand-alone Dwellings Bill).<sup>23</sup> Submissions from both 2024 and 2025 have informed the development of this report.

Defined as "a self-contained residential unit that is ancillary to the principal residential unit, and is held in common ownership with the principal residential unit on the same site". Ministry for the Environment. 2019. *National planning standards*. Wellington: Ministry for the Environment. p 60.

New Zealand National Party & New Zealand First Coalition Agreement, p 9.

<sup>&</sup>lt;sup>21</sup> Ministry of Business, Innovation & Employment and Ministry for the Environment. 2024. *Making it easier to build granny flats: Discussion document*. Wellington: Ministry of Business, Innovation & Employment.

Ministry of Business, Innovation & Employment and Ministry for the Environment. 2024. Making it easier to build granny flats: Summary of submissions. Wellington: Ministry of Business, Innovation & Employment.

The Bill amends the Building Act 2004, the Plumbers, Gasfitters, and Drainlayers Act 2006, the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987.

The Stand-alone Dwellings Bill is currently before Parliament and expected to pass by the end of 2025. Though progressing separately, these legislative changes are designed to work together.

# 2.3 Summary of submissions

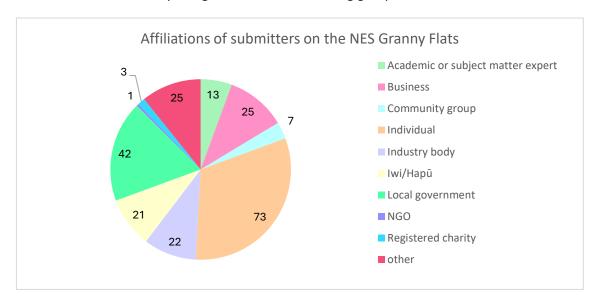
## 2.3.1 Overview of submissions

#### **2.3.1.1 2024** consultation

A total of 1,970 submissions were received from a range of submitters on the 2024 discussion document, *Making it easier to build granny flats*. About a third of submissions were received from those who identified as 'homeowners'. The next greatest number of submissions came from builders, followed by architects and designers. A full breakdown of submitters is provided in the previous summary of submissions document prepared in 2024.<sup>24</sup>

#### 2.3.1.2 2025 consultation

A total of 179 submitters provided feedback on the proposal to introduce the NES-GF. Submitters can be broadly categorised into the following groups.<sup>25</sup>



## 2.3.2 Key submission topics

Key topics raised in submissions on the proposed instrument include:

- scope of the proposed NES-GF (what it applies to and where)
- provisions in district and regional plans that will continue to apply
- matters councils cannot apply to MRU
- the proposed permitted activity rule

Ministry of Business, Innovation & Employment and Ministry for the Environment. 2024. *Making it easier to build granny flats. Summary of submissions*. Retrieved 26 November 2025. p 2.

The sum of all groups shown in the graph does not correspond to the total number of submitters on this instrument as submitters could select multiple affiliation options.

- proposed permitted activity standards
- leniency of rules in district or unitary plans
- when existing district plan rules apply to MRU
- other matters relating to the proposed NES-GF.

These topics are discussed in further detail below.

# 2.4 Analysis of proposal and submissions

# 2.4.1 Topic 1: Scope – what the proposed NES-GF applies to

#### 2.4.1.1 Proposal

The proposed NES-GF applies to MRU that are defined in the national planning standards as being "a self-contained residential unit that is ancillary to the principal residential unit and is held in common ownership with the principal residential unit on the same site".

#### 2.4.1.2 Key issues from submissions

Most submitters were supportive of the proposal that MRU has the same meaning as in the national planning standards. Some submitters, especially homeowners, and iwi, hapū and Māori organisations considered this definition would be a barrier to the policy achieving its intended outcome of increasing the supply of smaller, affordable housing as the requirement of common ownership with the principal residential unit may limit uptake to people who already own their own homes rather than addressing broader issues of affordability. They noted that it may not adequately provide for tiny homes, renters, or Māori ownership on whenua Māori (Māori land) with multiple owners.

Some submitters expressed concern that the term 'granny flats' implies the proposal is limited to familial or intergenerational use.

A number of councils queried whether the term 'minor residential unit' can apply to both a unit that is attached to a principal residential unit and a detached residential unit and requested clarity around whether or not the NES-GF would also apply to an attached unit.

#### 2.4.1.3 Analysis of submissions and proposal

The intent of the proposed NES-GF is to enable an increased supply of small houses, creating affordable housing options and choice for all New Zealanders.

The definition of an MRU in the national planning standards generally aligns with the proposed policy intent and Coalition agreement, <sup>26</sup> and is a term already used and understood in the resource management system. However, officials agree with submitters that the definition of an MRU is not clear as to whether it also provides for attached MRU. Adding an additional bedroom or an attached MRU is generally considered differently in most district plans

New Zealand National Party & New Zealand First Coalition Agreement, p 9.

compared with detached MRU, and the proposed permitted activity standards have not been developed with this in mind. Officials recommend clarifying that the proposed NES-GF only provides for detached MRU. This will ensure consistency with the policy intent and align with the Stand-alone Dwellings Bill and support implementation.

This means if homeowners want to build an attached MRU, it would need to be assessed under the standard RMA plan rules and would likely require a building consent under the Building Act 2004 as the building consent exemption in the Stand-alone Dwellings Bill would not apply.

Providing for separate ownership between the principal unit and MRU, as sought by some submitters (including those wanting provisions for tiny homes), would undermine the intent of the NES-GF. The NES-GF has been designed to enable small homes for residential use that are associated with a principal residential unit on the same site. It has therefore not been designed to manage effects that might typically be assessed when considering separate ownership of each unit (eg, future subdivision) or matters such as privacy, outdoor space or other similar standards when considering separate ownership of each unit (covered in topic 4).

While the NES-GF may go some way in supporting Māori housing outcomes where it applies, it is not designed to address the broader challenges related to building papakāinga and other Māori housing (including on Māori land). Targeted national environmental standards (NESs) to enable development of papakāinga are proposed as part of Package 1: Infrastructure and development.

Officials acknowledge submitters' concerns regarding the term 'granny flats' in that it may result in a perception that the proposed NES-GF is limited to familial or intergenerational use. Officials recommend the proposed NES-GF is renamed as the National Environmental Standards for Minor Residential Units (NES-MRU) as it is consistent with the term 'minor residential unit' in the national planning standards and supports the policy intent that the proposed NES-GF is intended to provide more affordable housing options and choice for all New Zealanders.

Officials do not recommend any changes to the definition of MRU. Officials recommend clarifying that the application of the NES-GF only applies to detached MRU, as this is consistent with the policy intent, and aligns with the Stand-alone Dwellings Bill.

#### 2.4.1.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the numbered recommendations in the consolidated recommendations table in appendix A.

#### **Key recommendations**

Rename the proposed National Environmental Standards for Granny Flats (NES-GF) as the National Environmental Standards for Minor Residential Units (NES-MRU) (see recommendation 23)

Clarify the NES-GF only applies to detached minor residential units (MRU) (see recommendation 24)

Make no further changes to the definition of MRU (see recommendation 5)

# 2.4.2 Topic 2: Scope – where the proposed NES-GF applies (zones)

#### **2.4.2.1** Proposal

The NES-GF is proposed to apply to MRU in residential, rural, mixed-use and Māori purpose zones as defined in the national planning standards<sup>27</sup> across all of New Zealand.

#### 2.4.2.2 Key issues from submissions

The majority of submitters supported the NES-GF applying in the proposed zones. The key issues identified in submissions opposing application of the NES-GF to these zones were the following concerns.

- The proposal may not align with other national direction and other legislative requirements such as the National Policy Statement on Urban Development 2020 and the medium density residential standards (MDRS) if it is applied in medium and high density zones, and the National Policy Statement on Highly Productive Land 2022 (NPS-HPL) if applied in rural zones.
- Enabling MRU in all parts of these zones could result in reverse sensitivity effects<sup>28</sup> from established activities (eg, noise from ports, airports, railway lines, infrastructure and other similar activities).
- In mixed-use zones, submitters were concerned about reverse sensitivity effects from neighbouring industrial and commercial activities.
- In rural zones, submitters were concerned about reverse sensitivity from horticulture activities, impact on rural character and fragmentation of rural land uses.

#### 2.4.2.3 Analysis of submissions and proposal

While an MRU may not be considered the most efficient use of land in zones where higher density is enabled, applying the NES-GF to these zones is consistent with the policy intent to provide an enabling framework to build MRU and provide for housing choice. Uptake of MRU in these zones is also not expected to materially impact on the development of higher-density development.

As defined in the national planning standards, these zones include:

all residential zones: large lot residential, low density residential zone, general residential zone, medium density residential zone, high density residential zone

all rural zones: general rural zone, rural production zone, rural lifestyle zone, settlement zone

<sup>•</sup> the mixed-use zone; and

the Māori purpose zone.

Reverse sensitivity refers to the effects of sensitive activities on nearby existing activities. It arises when an established use is causing adverse environmental impact to nearby land, and a new, benign activity is proposed for the land. The 'sensitivity' is that, if the new use is permitted, the established use may be required to restrict its operations or mitigate its effects so as not to adversely affect the new activity (Ngatarawa Development Trust Limited v The Hastings District Council W017/2008 [2008] NZEnvC 100 (14 April 2008)).

Officials consider there is low risk that building an MRU will have a significantly negative impact on highly productive land or result in land fragmentation, particularly since the proposed NES-GF allows only one MRU per site and requires a principal residential unit on the site, and subdivision will continue to be regulated by district plan rules.

Officials recommend the proposed NES-GF applies to residential, rural, mixed-use and Māori purpose zones, as defined in the national planning standards, across all of New Zealand.

Submitters raised concerns about councils' ability to mitigate the adverse effects of reverse sensitivity in both rural and mixed-use zones. Analysis and recommendations on the adverse effects of reverse sensitivity in rural and mixed-use zones are covered in topic 3.

#### 2.4.2.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix A.

#### **Key recommendation**

Apply the NES-GF to minor residential units in residential, rural, mixed-use and Māori purpose zones across all of New Zealand (see recommendation 1)

# 2.4.3 Topic 3: Scope – provisions in district and regional plans that continue to apply

#### 2.4.3.1 **Proposal**

Other than as provided for in the NES-GF, all other district and regional plan provisions are proposed to apply in relation to MRU development. These include rules for:

- subdivision
- RMA section 6 matters of national importance <sup>29</sup>

<sup>&</sup>lt;sup>29</sup> Under the RMA, section 6 on matters of national importance provides:

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall recognise and provide for the following matters of national importance:

<sup>(</sup>a) the preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development:

<sup>(</sup>b) the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development:

<sup>(</sup>c) the protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna:

<sup>(</sup>d) the maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers:

<sup>(</sup>e) the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga:

<sup>(</sup>f) the protection of historic heritage from inappropriate subdivision, use, and development:

<sup>(</sup>g) the protection of protected customary rights:

<sup>(</sup>h) the management of significant risks from natural hazards.

- the specific use of the MRU (other than for residential activities)
- regional plan rules
- papakāinga
- earthworks
- setbacks from transmission lines, railway lines and the National Grid Yard.

#### 2.4.3.2 Key issues from submissions

Many submitters supported the proposal to exclude certain matters from regulation under the NES-GF, particularly those relating to section 6 of the RMA. Several iwi, hapū and Māori submitters noted that the NES-GF should not override section 6 matters. Submitters noted that section 6 should continue to apply to MRU as they are already managed by district and regional plans, and provide for necessary site-specific context which could not be anticipated through the NES-GF.

Some submitters considered other amenity-based matters in district plans should continue to apply, including rubbish and recycling storage, wall/roof colour and reflectivity, and external surface finishes.

The New Zealand Planning Institute's (NZPI's) 2025 submission noted that the NES-GF must integrate clearly with existing district plan rules for MRU to ensure smooth implementation of the NES-GF. Some submissions, notably from councils and RMA practitioners, sought clarity regarding how relevant rules, standards and overlays should be treated in district plans that apply to an MRU, but are not included in the list of matters that will continue to apply in RMA plans.

Wellington City Council (WCC) supported the proposed NES-GF, provided councils can set and apply additional permitted activity standards that are not the ones prescribed in the NES-GF proposal or excluded as matters councils cannot regulate in relation to MRU (see topic 4). For example, three waters connection requirements to ensure safe and sanitary connections to three waters infrastructure. WCC noted that, for clarity, the NES should state the NES-GF does not override requirements relating to designations or heritage orders.

Some submitters considered that the following additional matters should continue to apply in district plans regardless of the NES-GF:

- natural hazards that are not covered by section 6 of the RMA, including requirements such as minimum floor levels to manage the effects of flooding<sup>30</sup>
- stormwater management, hydraulic neutrality and permeability standards
- infrastructure servicing (including three waters), and that MRU could be restricted where there are servicing limitations
- three waters infrastructure connection requirements
- provisions to protect nationally and regionally significant infrastructure, including the distribution network<sup>31</sup>

 $<sup>^{\</sup>rm 30}$  Natural Hazards Commission Toka Tū Ake and NZPI.

<sup>&</sup>lt;sup>31</sup> Orion New Zealand Limited, MainPower New Zealand Limited, Powerco.

- managing reverse sensitivity effects, including setbacks from:
  - contaminated soils
  - wastewater treatment plans
  - airports and ports to manage effects from noise<sup>32</sup>
  - and as requested by Taituarā Local Government Professionals New Zealand (Taituarā):
    - intensive indoor primary production;
    - commercial forestry;
    - mining and mineral extraction activities;
    - o refuse transfer stations and landfills;
    - o sites of energy generation and significant hazardous facilities;
    - o State Highways in the rural zones (where the speed environment is highest)
- the specific siting of the MRU in relation to the principal unit<sup>33</sup>
- vegetation clearance.

Regardless of what matters are included in the proposed list of matters that councils can continue to regulate in relation to MRU, many submitters requested as much clarity as possible regarding which rules in district plans would and would not apply to managing MRU.

NZPI's 2025 submission recommended including a list of matters in the proposed NES-GF that will continue to apply and will not be regulated by the NES-GF, including all natural hazards (including those not covered by section 6 of the RMA), and rules and standards that manage effects from reverse sensitivity<sup>34</sup> such as noise controls around airports, and those matters listed in the submission by Taituarā listed above. NZPI and a few other submitters also requested specific wording changes for clarity. This included referencing 'rules and standards' rather than 'provisions' so as to not capture objectives and policies, and to clarify how specific infrastructure activities are described to ensure relevant infrastructure assets are captured.

#### 2.4.3.3 Analysis of submissions and proposal

Based on feedback from submissions, officials consider there is a need for the NES-GF to be clearer in relation to:

- when the NES-GF prevails over district plan rules
- when other matters in district and regional plans continue to apply and what those matters are
- how this relates to matters councils will not be able to manage in relation to MRU (see topic 4).

<sup>&</sup>lt;sup>32</sup> Invercargill Airport, Auckland Airport and NZ Airports Association, Selwyn District Council, NZPI.

<sup>33</sup> Selwyn District Council.

Reverse sensitivity refers to the effects when a new land use is established near an existing activity and the existing land use causes adverse effects on the new land use. It arises when an established use is causing adverse environmental impact to nearby land, and a new, benign activity is proposed for the land. The 'sensitivity' is that if the new use is permitted, the established use may be required to restrict its operations or mitigate its effects so as not to adversely affect the new activity. See *Ngatarawa Development Trust Limited v The Hastings District Council* W017/2008 [2008] NZEnvC 100, 14 April 2008.

As proposed, officials recommend the NES-GF will prevail over equivalent rules and standards in district plans that are covered in the NES-GF (see topic 7). Providing for councils to retain more lenient permitted activity standards for those rules in the NES-GF (eg, an internal floor area larger than 70 square metres, or more lenient boundary setbacks) will ensure the NES-GF does not limit more enabling rules when they are provided in plans.

#### District plans should continue to manage some effects alongside the NES-GF

As proposed, officials recommend all regional plan rules will continue to apply. This is intended to ensure all relevant regional requirements are met (eg, on-site wastewater systems to manage discharges to land, water and air).

As proposed, officials recommend that certain matters in district plans should continue to apply to MRU to ensure site-specific context is considered. This is because all different scenarios in which a particular matter may apply could not be anticipated and provided for through the NES. Officials consider that the intent behind the list of matters consulted on was broadly right. However, officials agree with submissions that some additional matters should be explicitly addressed to appropriately respond to site-specific effects and risks.

There is a need to strike a balance in specifying these matters that should continue to apply, while ensuring these matters do not unduly restrict the development of MRU. Alongside the proposed list, officials also propose to be clear about which matters **cannot** be managed through the district plan (ie, those that may unduly restrict MRU) (see topic 4). This combination will provide greater clarity for councils in implementing the NES-GF.

Matters that submitters requested should continue to be managed by district plans appear to largely seek to manage reverse sensitivity effects (eg, setbacks from existing commercial and industrial activities), construction requirements for MRU for health and safety purposes (such as minimum floor levels), and site-specific infrastructure requirements (including three waters connection requirements).

After considering the additional matters submitters suggested, officials recommend the following additional matters should apply in district plans in relation to MRU:

Any other rule or standard that applies to the principal residential unit that manages effects relating to health and safety, including:

- natural hazards not covered by section 6 of the RMA (such as minimum floor level requirements to manage flooding effects)
- reverse sensitivity
- site-specific infrastructure requirements (including three waters connections).

In relation to the inclusion of reverse sensitivity, the intent is that this would capture submitters' concerns for managing key reverse sensitivity effects from:

- regionally and nationally significant infrastructure (eg, setbacks from the distribution network, and to align with other NESs)
- noise from airports and ports

- contaminated land as defined in the national planning standards<sup>35</sup>
- existing industrial activities,<sup>36</sup> primary production activities<sup>37</sup> and intensive indoor primary production activities<sup>38</sup> as defined in the national planning standards, or equivalent (where councils have not yet implemented the national planning standards).

Officials consider the NES-GF should not override rules and standards on these matters as they are important to manage site-specific matters that cannot be anticipated appropriately in the NES-GF. Officials consider the proposed addition of 'any other rule or standard that applies to the principal residential unit that manages effects relating to health and safety' addresses submitters' concerns and appropriately captures the types of effects to manage key risks that we cannot anticipate at a national level. Officials consider it is appropriate that MRU are subject to the same requirements as the principal residential unit to ensure known adverse effects and risks can be managed. Specifying the types of matters that plans will continue to manage will provide greater clarity for councils in implementing the NES-GF, district plan users and those wishing to build an MRU.

Conversely, this recommendation is not intended to capture amenity-based values, for example, special character, the impacts of visual amenity on neighbours, rubbish and recycling storage, wall/roof colour and reflectivity, and external surface finishes or similar.

While officials consider the recommended list of matters that RMA plans will continue to manage in relation to MRU are appropriate, they cannot anticipate every scenario where an MRU could be constructed. Therefore councils will likely need to make some judgement calls in certain scenarios for matters that are not explicitly provided for in this list of matters that will continue to be managed through district plans.

In practice, officials do not anticipate that the recommended additional matters will have a material impact on how enabling the NES-GF is, as many of these matters are already provided for through permitted activity standards within district plans to ensure local risks are managed. There will be some instances where a resource consent will be required; however, officials consider this will likely be an appropriate opportunity to consider applications and their potential effects.

35 Contaminated land means:

land that has a hazardous substance in or on it that—

- (a) has significant adverse effects on the environment; or
- (b) is reasonably likely to have significant adverse effects on the environment.

- (a) any aquaculture, agricultural, pastoral, horticultural, mining, quarrying or forestry activities; and
- (b) includes initial processing, as an ancillary activity, of commodities that result from the listed activities in a);
- (c) includes any land and buildings used for the production of the commodities from a) and used for the initial processing of the commodities in b); but
- (d) excludes further processing of those commodities into a different product.

Industrial activity means: "an activity that manufactures, fabricates, processes, packages, distributes, repairs, stores, or disposes of materials (including raw, processed, or partly processed materials) or goods. It includes any ancillary activity to the industrial activity".

<sup>&</sup>lt;sup>37</sup> Primary production means:

<sup>&</sup>lt;sup>38</sup> Intensive indoor primary production means: "primary production activities that principally occur within buildings and involve growing fungi, or keeping or rearing livestock (excluding calf-rearing for a specified time period) or poultry".

Specifying the list of matters that can be provided for will support greater workability for councils in implementing the NES-GF and those wishing to build an MRU. In practice, it will also prevent a range of 'other rules' (such as those related to amenity effects, or other development controls) from applying, particularly when coupled with explicit matters councils cannot regulate in relation to MRU (see topic 4).

#### Minor drafting changes

NESs can only include rules, standards and methods, and not objectives and policies. Officials recommend replacing the reference to 'provisions' with 'rules and standards' as 'provisions' would also include objectives and policies in plans. This change will provide clarity on which types of provisions in plans can and cannot be considered.

Officials recommend adopting the intent of Transpower's suggested changes to clarify that 'setbacks' include setbacks from transmission lines as provided for in the National Grid Yard and all electricity network assets as defined in other NESs. This includes transmission lines, distribution lines and non-line assets. This also provides greater clarity in relation to the interaction of the proposed NES-GF with other national direction.

#### 2.4.3.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix A.

#### **Key recommendations**

Amend the proposal to clarify the list of rules and standards that will continue to apply to activities for minor residential units in district, unitary or regional plans regardless of the proposed permitted activity status of minor residential units in the NES-GF (see recommendations 2, 3 and 4)

# 2.4.4 Topic 4: Matters councils cannot apply to minor residential units

#### **2.4.4.1** Proposal

The NES-GF proposes to restrict councils' ability to apply standards to MRUs that set requirements for:

- individual outdoor space
- · privacy, sunlight and glazing
- parking and access.

This was introduced as a new proposal through the 2025 proposed NES-GF and was not included in the 2024 proposal.

#### 2.4.4.2 Key issues from submissions

There were mixed views on the appropriateness of not allowing councils to manage these matters through an NES. Some submitters, particularly local councils and RMA practitioners, considered some or all these matters should continue to be managed by councils in relation to MRU. South Taranaki District Council expressed concern that the proposed standards

could affect future subdivision of MRU where the associated effects have not been adequately considered.

Waikato District Council supported rules in the NES-GF preventing parking and access standards being included in district plans for MRU but did not support this proposal for other matters. Waikato District Council and Tauranga City Council noted that the MDRS includes standards for these matters and queried why the proposed NES-GF is not consistent with the MDRS.

NZPI and the Resource Management Law Association considered glazing should continue to be regulated by councils to manage reverse sensitivity effects (ie, to provide for acoustic insulation). Similarly, Horticulture New Zealand disagreed with the proposal as consideration of these matters is needed to manage reverse sensitivity effects on primary production activities.

Te Korowai o Ngāruahine Trust considered that these matters should continue to be managed by councils to ensure MRU are healthy.

While this was not a specific proposal as part of the 2024 discussion document, many submitters from the 2024 consultation considered all these proposed matters should be provided for in the NES-GF.

#### 2.4.4.3 Analysis of submissions and proposal

The intent of this proposal is to ensure the uptake of MRU is not unduly limited by certain district plan standards.<sup>39</sup> The proposed NES-GF has been designed to enable small homes for residential use where there is an assumed relationship between the principal and minor residential units. The requirement to limit councils' ability to set rules and standards for these matters is considered appropriate because both the principal residential unit and the MRU are intended to be held in common ownership. Therefore, it is assumed that the MRU will be designed to accommodate privacy, sunlight, parking and access in accordance with its intended use.

Officials' recommendations on topic 3 will go some way towards addressing submitters' concerns, particularly regarding reverse sensitivity effects (eg, acoustic insulation requirements to mitigate noise effects). Officials also note the proposal to restrict councils from managing glazing is intended to relate to the percentage of glazing across the MRU façade as opposed to technical specifications such as acoustic insulation requirements.

While a few submitters noted some of the standards proposed to not apply to MRU – such as outdoor living space and glazing – are included in the MDRS, officials note those MDRS standards were developed in the context of allowing up to three dwellings, up to three storeys high. The scale of effects associated with MRU are expected to be much lower. Officials consider these matters could be unnecessarily restrictive in the development of MRU, and that they do not need to be managed due to the assumed relationship between the principal and minor residential units.

Officials also note that other legislation, such as the Building Act 2004, the Residential Tenancies Act 1986 and the Residential Tenancies (Healthy Homes Standards) Regulations

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The ability to make this type of rule is available under section 43A(1)(c) of the RMA, which enables national environmental standards to restrict the making of a rule in a district plan on matters specified in a national environmental standard. Section 43A refers to a plan and this is defined in section 43AA (interpretation) as meaning a regional plan or district plan.

2019, manages some issues raised by submitters regarding building integrity, safety and quality (eg, requirements for double glazing, insulation, heating).

Officials consider that there are sufficient checks and balances across the proposal, particularly as addressed through topic 3. Officials do not recommend any changes to this aspect of the proposal.

#### 2.4.4.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix A.

#### **Key recommendations**

The proposed NES-GF will restrict councils' ability to apply standards to MRUs that set requirements for:

- individual outdoor space
- · privacy, sunlight, and glazing
- parking and access (see recommendation 21)

## 2.4.5 Topic 5: Permitted activity rule

#### **2.4.5.1** Proposal

The proposal is to include a permitted activity rule which permits **one** MRU per site in relevant zones, except where more lenient rules and standards apply in existing district plans.

#### 2.4.5.2 Key issues from submissions

Many submitters considered more than one MRU should be permitted per site, especially on rural sites, and some considered this would better support Māori housing outcomes. Iwi, hapū and Māori submitters noted their general support for the intent of the proposal and specifically for its potential benefits for intergenerational living. However, iwi, hapū and Māori submitters cited the need for more than one additional dwelling and referred to the need for new national direction for papakāinga.

#### 2.4.5.3 Analysis of submissions and proposal

The NES-GF has been designed to enable one small house for residential use that is associated with a principal residential unit on the same site. It does not manage the effects which might typically be considered for multiple dwellings, or development of vacant sites, because of the assumed relationship between the principal and minor residential units. For this reason, officials do not recommend changes to this proposed rule.

As noted in topic 1, while the NES-GF may go some way in supporting Māori housing outcomes where the NES-GF applies, it is not designed to address the broader challenges related to building papakāinga and other Māori housing (including on Māori land). Officials note a targeted NES to enable papakāinga is proposed as part of Package 1: Infrastructure and development.

#### 2.4.5.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix A.

#### **Key recommendation**

Include a permitted activity rule which permits one MRU per site (see recommendation 12)

# 2.4.6 Topic 6: Permitted activity standards

#### **2.4.6.1** Proposal

The proposed permitted activity standards for MRU are:

- a maximum 70-square-metre internal floor area, measured on the inside of the enclosing walls or posts and columns
- 50 per cent maximum building coverage in residential zones, mixed-use zones and Māori purpose zones, with no maximum coverage in rural zones
- in residential zones, minimum front and side boundary setbacks of 2 metres
- in rural zones, minimum front boundary setbacks of 10 metres, and side and rear boundaries of 5 metres
- 2-metre setback from the principal residential unit.

#### 2.4.6.2 Key issues from submissions

#### Maximum internal floor area

Some submitters considered the effects of a smaller unit to be the same as those of a larger unit and suggested the MRU area should be increased to as much as 100 square metres, especially if the site could support a larger unit.

A few councils questioned why this size was chosen, as it is not representative of what is already permitted under district plans. (Most district plans that permit MRU enable these up to 60–100 square metres.)

Ashburton District Council noted that the use of 'internal floor area' is inconsistent with the definitions in the national planning standards for 'gross floor area' but acknowledged that the use of internal floor area is intended to be consistent with the Stand-alone Dwellings Bill. Tauranga City Council considers that using 'gross floor area' is more appropriate and would make it easier for councils to undertake compliance checks remotely through GIS platforms or through physical inspection without having to access the interior of the MRU.

#### Maximum building coverage per site

Most submitters, especially councils, considered that existing district plan rules for building coverage should continue to apply.

Some submitters noted it is useful the proposed standard of 50 per cent aligns with the MDRS, but others raised concerns about the impact on stormwater and flooding, and recommended a lower maximum building coverage of 45 per cent or 40 per cent. Some smaller councils

considered a 50 per cent building coverage standard is best suited to larger councils where the MDRS apply, and not smaller councils with different local contexts.

Some submitters queried how the building coverage standard calculation would take into account other buildings on the site (eg, sheds and other structures). Tauranga City Council recommended the wording of the building coverage standard should align with the MDRS "50 per cent of the net site area" to clarify how all structures on a site should be considered in calculating building coverage.

There was some support for having no maximum building coverage in rural zones.

#### Minimum building setbacks from boundaries

Many submitters considered that existing district plan rules should continue to apply.

**Residential zones**. Feedback from submitters on this proposed standard was mixed. Some submitters agreed that the proposed setbacks should align with the Stand-alone Dwellings Bill to enable granny flats (2 metres from all boundaries). Others considered it should align with the MDRS (1.5 metres front boundary; 1 metre side and rear boundaries). Some submitters, mostly councils, suggested greater setbacks, while others preferred having no setbacks.

**Rural zones**. Responses were very mixed on setbacks in rural zones. Feedback from councils highlighted how existing setbacks in rural zones are variable, with a few councils noting setbacks in existing district plans are significantly larger than those proposed. Some submitters expressed concern that the proposed setbacks would not appropriately manage reverse sensitivity effects. A few councils suggested that the NES-GF should include a new standard for a maximum distance from the principal resident unit. A few submitters suggested the NES-GF should include a standard for a minimum lot size in rural zones.

**Mixed-use and Māori purpose zones.** Some submitters raised concerns that the proposal was unclear regarding which setbacks were proposed to apply to mixed-use and Māori purpose zones. Several councils noted how mixed-use zones differ across the country. Some are more enabling of industrial activities while others are more enabling of a compatible mix of commercial and residential activities, resulting in a different scale of reverse sensitivity effects depending on the specific mix of uses enabled by the zone.

#### Building setbacks from the principal residential unit

Most submitters supported the proposed 2-metre minimum setback from the principal residential unit. Some councils considered this standard should be reduced to 1 metre or 1.5 metres to provide a more efficient use of land and to manage shading effects on neighbours.

#### 2.4.6.3 Analysis of submissions and proposal

#### Maximum internal floor area

No change is recommended for the maximum internal floor area of 70 square metres as this aligns with the Stand-alone Dwellings Bill and addresses feedback from submissions received

in 2024 seeking that the proposal should provide for MRU larger than 60 square metres (as outlined in the Coalition Agreement<sup>40</sup>) to support comfortable and accessible living.

Officials recommend making the internal floor area description in the NES consistent with how it is defined in the Stand-alone Dwellings Bill to support integration between the building consent and resource consent systems, and in a way that can be integrated with RMA plans.

# Maximum building coverage per site and minimum building setbacks from boundaries

#### Residential zones

**Building coverage:** Officials recommend retaining the 50 per cent building coverage standard as this aligns with the MDRS provision for 50 per cent building coverage and is more enabling than the status quo in other council areas that have not implemented the MDRS. Officials recommend including the national planning standards definition of 'building coverage' ("means the percentage of the net site area covered by the building footprint") to provide consistency and clarity for councils and plan users, removing the ambiguity submitters identified.

**Minimum building setbacks from boundaries:** No change is recommended to this proposal. Minimum building setbacks control development, ensure safe distances between dwellings and provide privacy. The proposed standard aligns with the equivalent requirement in the Stand-alone Dwellings Bill. While this proposed standard is less permissive than the MDRS, more lenient standards in plans can be used.

#### Rural zones

**Building coverage:** No change is recommended to this proposal. The intent of the building coverage standards is to manage density on a site and stormwater runoff. Most rural zones in district plans do not include a maximum building coverage standard as it is not necessary given the larger sizes of rural sites.

Minimum building setbacks from boundaries: No change is recommended to this proposal. While there was very mixed feedback on this proposal, officials consider the proposed standard is consistent with the proposed policy objective and its principles, particularly to enable MRU with appropriate safeguards for key risks and effects. While the proposed setbacks are slightly less enabling than the proposed options in the 2024 discussion document, these changes address submissions that raised concerns about reverse sensitivity (ie, the incompatibility between residential development and primary production activities). Councils will be able to retain more lenient standards in district plans.

#### Mixed-use zone

**Building coverage and minimum building setbacks from boundaries:** Officials recommend building coverage and minimum building setbacks from boundaries standards in mixed-use zones are managed by the underlying district plan rather than standards in the NES-GF. This addresses submitters' concerns that it is not appropriate to apply the same standards across all mixed-use zones as they provide for a different mix of activities and could be more or less enabling of residential activities more generally. This specifically helps address reverse sensitivity effects from neighbouring activities.

New Zealand National Party & New Zealand First Coalition Agreement, p 9.

#### Māori purpose zone

Building coverage and minimum building setbacks from boundaries. Officials recommend that building coverage and minimum building setbacks from boundaries standards in Māori purpose zones are managed by the underlying district plan rather than standards in the NES-GF. This addresses submitters' concerns that it is not appropriate to apply the same standards across Māori purpose zones as they provide for a range of different activities. This also provides for the specifics of the zone to be determined with tangata whenua. This approach is consistent with the zone description in the national planning standards: "Areas used predominantly for a range of activities that specifically meet Māori cultural needs including but not limited to residential and commercial activities".

#### Minimum building setbacks from the principal residential unit

No change is recommended to this proposal. While a few councils recommended a smaller minimum setback, officials consider on balance it is appropriate to retain the proposed 2-metre minimum setback to ensure consistency with the Stand-alone Dwellings Bill. This will provide clarity for councils and plan users when implementing the proposal as a whole. Councils can still retain more lenient standards.

#### 2.4.6.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix A.

#### **Key recommendations**

#### Maximum internal floor area

Include a permitted activity standard that provides for a maximum internal floor area of 70 square metres and is consistent with how the term is defined in the Stand-alone Dwellings Bill (see recommendation 13)

#### Maximum building coverage per site

Residential zones: Include a permitted activity standard that provides for a maximum building coverage per site of 50 per cent (see recommendation 15)

Rural zones: Building coverage to be managed by the underlying district plan (see recommendation 16)

Mixed-use zone and Māori purpose zones: Building coverage standards in mixed-use Māori purpose zones are managed by the underlying district plan (see recommendation 15)

#### Minimum building setbacks from boundaries

Residential zones: Include a permitted activity standard of 2 metres from the front, side and rear boundaries (see recommendation 17)

Rural zones: Include a permitted activity standard of 10 metres from the front boundary, and 5 metres from the side and rear boundaries (see recommendation 18)

Mixed-use zone and Māori purpose zones: Officials recommend setbacks for mixed-use and Māori purpose zones in district plans apply to MRUs (see recommendations 26 and 27)

#### Minimum building setbacks from the principal residential unit

Include a permitted activity standard that provides for an MRU to be set back at least 2 metres from the principal residential unit (see recommendation 19)

## 2.4.7 Topic 7: Leniency of rules

#### **2.4.7.1** Proposal

The proposal is for the NES-GF to enable district or unitary plans to include more lenient permitted activity standards for MRU than those specifically set out in the NES-GF.

#### 2.4.7.2 Key issues from submissions

Overall, most submitters supported allowing district plan provisions to be more enabling than those in the proposed NES-GF.

Some iwi, hapū and Māori submitters noted any more lenient provisions need to reflect applicable statutory interests and iwi and hapū management plans.

Some submitters, notably architects and designers, generally did not support councils having more leniency as this adds complexity and may provide councils with too much control over the NES-GF and how it may be applied.

Some councils and the Natural Hazards Commission considered that they should be able to implement more stringent provisions, particularly in the case of mitigating against environmental impacts and managing natural hazards.

#### 2.4.7.3 Analysis of submissions and proposal

Some councils already have standards for MRU that are more enabling than those in the proposed NES-GF. District plans that have incorporated the MDRS are also more enabling and, in certain circumstances, will overlap with the proposed NES-GF permitted activity standards. It is important to ensure councils can retain these more lenient standards and the NES-GF does not limit a larger size MRU where provided for in a district plan. Officials therefore do not recommend any changes in relation to leniency of district or unitary plan rules.

The Natural Hazards Commission's suggestion to allow councils to have more stringent standards to manage the effects of natural hazards is out of scope of the proposed NES-GF. However, the broader issue of how the proposed NES-GF addresses natural hazards not covered by section 6 of the RMA has been addressed through topic 3 of this report, where officials recommend that rules and standards to manage the effects of natural hazards in district plans continue to apply.

#### 2.4.7.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix A.

#### **Key recommendation**

Include a rule which enables district or unitary plans to be able to include more lenient permitted activity standards for minor residential units than those set out in the NES-GF (see recommendation 20)

# 2.4.8 Topic 8: When existing district plan rules apply to MRU

#### **2.4.8.1** Proposal

The proposal is for existing district plan rules for MRU development to apply where a development does not meet one or more of the permitted activity standards and is no longer a permitted activity under the NES-GF.

#### 2.4.8.2 Key issues from submissions

Homeowners, iwi, hapū and Māori and most councils generally considered existing district plan provisions should apply if one or more of the permitted activity standards cannot be met. There was slightly more support from industry submitters for a restricted discretionary resource consent pathway to be included in the NES-GF. Some submitters considered that where a development does not meet one of more of the standards, it should be dealt with on a case-by-case basis – either a resource consent should be required, or the existing district plan rules should apply, depending on what is more appropriate.

#### 2.4.8.3 Analysis of submissions and proposal

Officials do not recommend changes to the proposed approach. Developing a consenting pathway where an MRU does not meet one or more standards would require development of matters of discretion which were not included in the notified proposal (thus out of scope). It would be overly complex in how it would integrate with existing district plans. The proposed NES-GF provides more simplicity in implementation, particularly for councils and plan users.

#### 2.4.8.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix A.

#### **Key recommendation**

Include a rule that requires that any MRU which does not meet one or more of the permitted activity standards in the NES-GF is no longer able to be considered under the NES-GF and must be considered under the relevant district or unitary plan (see recommendation 22)

# 2.4.9 Other issues

# 2.4.9.1 Natural hazards and interaction with the proposed National Policy Statement for Natural Hazards

A key theme from submissions across all stakeholder groups was that the proposed NES-GF would not adequately account for local contexts, particularly in relation to natural hazards that are not covered by section 6 of the RMA. These concerns have been addressed in topic 3.

Some submitters also queried how the proposed NES-GF would interact with the proposed National Policy Statement for Natural Hazards (NPS-NH). The NPS-NH directs local authorities to apply a risk-based approach to new subdivision, use and development, and requires consent authorities to consider natural hazard risk and apply proportionate management

when deciding resource consent applications. The recommended change to the definition of 'new development' means that MRUs now fall within the scope of the NPS-NH. In practice, the NPS-NH will only apply where an MRU requires a resource consent, but in those cases, it will guide decision-making. Further explanation of how these instruments interact can be provided in non-statutory guidance.

#### 2.4.9.2 Infrastructure

Submitters raised concerns that the current proposal has no requirement to assess infrastructure capacity before development. They noted that this creates risks of overloaded water, wastewater and stormwater systems and electricity network assets. This can reduce service levels (eg, low water pressure, overflows). Additionally, it could place a strain on transport networks, which can reduce safety. Councils expressed concern that they may then be required to fund costly upgrades.

Submitters raised concerns around the burden of funding for necessary infrastructure upgrades and suggested a mandatory notification of new connections would allow councils to better manage infrastructure demands.

Officials consider that it is unlikely the scale of uptake of MRU in one geographic area in a short period of time will be significant enough to overburden the networks. The Stand-alone Dwellings Bill includes a requirement that a homeowner must obtain a Project Information Memorandum (PIM), which will provide a vehicle for councils to make an assessment regarding connection to local infrastructure and place conditions on these infrastructure connections. Provisions in the Stand-alone Dwellings Bill will also provide councils with information about MRU and enable them to charge development contributions. Officials do not recommend any changes to the proposal on this matter.

#### 2.4.9.3 Interaction with other national direction instruments

Submitters raised concerns around the lack of alignment with other national direction instruments – notably, the proposed National Policy Statement for Highly Productive Land (NPS-HPL), the proposed National Policy Statement for Infrastructure (NPS-I) and the proposed National Environmental Standards for Papakāinga (NES-P). Officials' analysis related to the NPS-HPL is provided in topic 2.

In terms of the proposed NPS-I, officials note the proposed NES-GF will clarify where key infrastructure will continue to be managed through district plans to ensure the NES-GF does not override these requirements (topic 3).

In relation to the proposed NES-P, while some permitted activity standards across both instruments differ, officials consider this is appropriate given the difference in the purpose and scale of MRU and papakāinga developments.

#### 2.4.9.4 Whether the NES-GF should apply retrospectively

A few submitters sought clarity on whether the proposed NES-GF would apply retrospectively to existing MRU that have been built prior to the NES-GF taking legal effect.

The NES-GF will only apply to MRU constructed from the commencement of the NES-GF. This is consistent with the RMA and aligns with the Stand-alone Dwellings Bill, which states that the MRU must be new and stand-alone. This also allows for risks such as natural hazards to be managed by district and regional councils and reduces complexity for compliance and

monitoring. This is in keeping with the Legislation Design and Advisory Committee (LDAC) Guidelines, which note that legislation should generally not have retrospective effect, unless exceptional circumstances apply whereby retrospectivity may entirely benefit those affected, or address a matter essential to public safety (LDAC Guidelines, chapter 12).

# 2.4.9.5 How the NES-GF interacts with designations, bylaws, heritage orders and covenants

**Designations:** Section 43D of the RMA specifies how NESs interact with designations. These requirements will therefore apply to the NES-GF.

**Bylaws:** Section 43E of the RMA specifies that an NES may state whether more stringent and/or lenient bylaws prevail over the NES. Since many bylaws do not relate to MRU, officials consider it is low risk that more stringent bylaws can prevail over the proposed NES-GF. Therefore, officials do not recommend any changes.

**Protection of historic heritage and heritage orders:** A few submitters considered historic heritage, heritage orders and special character need to be protected. Officials note that under section 6 of the RMA, historic heritage will continue to be protected as it is a matter that will continue to be managed by RMA plans. The RMA is clear around the effect of heritage orders, so officials consider the NES-GF does not need to duplicate these provisions. Regarding special character, the NES-GF will override special character provisions in district plans where they are not giving effect to section 6 of the RMA.

**Covenants:** A few submitters suggested the NES-GF should be able to override covenants that prevent development of MRU. As this would affect existing agreements in relation to private property, as well as the operation of the Property Law Act 2007, this is out of scope of this proposal, and officials do not recommend any amendments to the proposed NES-GF. Therefore, any site-specific covenants will continue to apply.

#### 2.4.9.6 Implementation, compliance and monitoring

Some council submissions expressed concerns about the resourcing required for implementation, compliance and monitoring and how this will be funded. Specifically, submitters raised concerns around the notification process and requirements to notify councils on where and how many MRU are being built. Officials do not recommend making any changes to the proposal as the Stand-alone Dwellings Bill includes requirements for mandatory information-sharing with councils and the ability for councils to charge development contributions.

#### 2.4.9.7 Recommendations

**Key recommendations** 

No changes recommended

## 2.4.10 Other considerations

#### 2.4.10.1 Part 2 RMA

#### Context

Officials are required to consider Part 2 matters of the RMA when preparing reports and making recommendations on proposals for amendments to NES (refer to section 46A (3)). Part 2 includes section 5 (purpose), section 6 (matters of national importance), section 7 (other matters) and section 8 (Treaty of Waitangi).

#### **Assessment**

#### Section 5 – purpose of the RMA

Officials consider the proposal to be consistent with section 5 as the protections proposed enable small-scale housing and use of existing land efficiently, while safeguarding key environmental risks through providing clarity where key matters in regional and district plans rules will continue to apply to MRU (see topic 3). Officials note a resource consent may still be required for these matters, to ensure effects are appropriately managed.

#### Section 6 – matters of national importance

The proposal will recognise and provide for relevant matters under section 6 of the RMA as these matters will continue to be managed under RMA plans. The proposed NES-GF will not override these requirements, and will be managed by the relevant district plan for consideration alongside the NES-GF.

#### Section 7 – other matters to have particular regard to

The proposal is consistent with section 7, particularly section 7(b), (c), (f), (g) and (i), because the proposed NES-GF:

- supports the use of existing land efficiently, and removes consenting and cost burdens where permitted activity standards (and other relevant standards in RMA plans) are met
- has the potential to enhance the quality of the environment (in particular the built environment) through a focus on appropriately locating MRU where the benefits of the development will be realised
- minimises the impact of land fragmentation as MRU are only permitted where there is a
  principal residential unit on the site, and any future subdivision will be regulated through
  district plan provisions.

# 2.4.11 Section 8 – Treaty of Waitangi

#### 2.4.11.1 Submissions

The following key issues were identified from iwi/hapū/Māori submissions.

 Overall, iwi, hapū and Māori organisations were supportive of the proposed NES-GF. In particular, submitters supported the policy and potential to improve housing availability and affordability for Māori, especially in rural settings. However, some submitters raised concerns about the potential for the RMA section 6 matters of national importance to be overridden by this policy proposal. Submitters commented that more than one MRU should be allowed on a site, especially in rural settings when the land size is larger.

- Submitters noted that more than one MRU per site could support papakāinga development.
- Submitters noted MRU should be allowed in instances where there is no existing principal residential unit, or where there is an existing marae on site.
- Submitters stated that ownership requirements must allow for Māori ownership where there could be multiple owners.
- Submitters during the 2025 consultation commented that the NES-GF should align with the NES-P where possible.

#### 2.4.11.2 Analysis

Māori who want to develop housing face issues of cost and time to consent small, simple houses. The proposed NES-GF may help address the regulatory and consenting challenges for developing on Māori land,<sup>41</sup> and for papakāinga<sup>42</sup> and kaumātua housing,<sup>43</sup> in contexts where the proposed NES-GF applies. This proposal therefore has the potential in these circumstances to:

- make it easier for Māori land trusts, whānau and other Māori groups to build affordable housing at a reduced cost, and support intergenerational living
- increase housing stock likely to be taken up by Māori renters.

The proposed NES-GF is not designed to address the broader challenges related to building papakāinga and other Māori housing (including on Māori land). For example, the proposals may not always fit with the characteristics of collectively owned Māori land (eg, where the minor residential unit may not necessarily be held in common ownership with the principal unit). Officials consider that the proposed NES-P is the appropriate NES to address some of these matters.

In the context of the proposed NES-GF, there are two key Treaty principles the Crown should consider – the principles of equity and active protection.

- **Equity:** The proposed NES-GF would contribute to the improvement of housing outcomes for Māori by supporting intergenerational living where the requirements of the NES-GF apply (assisting with issues of overcrowding) and supporting Māori renters through providing more housing options.
- **Active protection:** The proposed NES-GF would enable Māori to develop MRU on Māori land and for papakāinga and kaumatua housing where the requirements of the NES apply.

#### 2.4.11.3 Recommendations

**Key recommendations** 

No changes recommended

<sup>&</sup>lt;sup>41</sup> Includes Māori customary land and Māori freehold land (as defined by Te Ture Whenua Māori Act 1993).

<sup>&</sup>lt;sup>42</sup> Can be described as communal settlements on ancestral Māori land.

<sup>&</sup>lt;sup>43</sup> Housing specifically provided for kaumātua (elders).

## 2.4.12 Treaty settlement considerations

#### 2.4.12.1 Context

The Crown has made a number of commitments to individual iwi through Treaty of Waitangi settlements. Officials have considered relevant settlements when preparing the proposed NES-GF. When deciding on the recommendations in this report, decision-makers for the NES-GF will also need to consider Treaty settlement legislation, as highlighted further below.

#### 2.4.12.2 Analysis

Officials have not identified any specific impacts of the proposed NES-GF on Treaty settlement legislation. The overall impact of the proposed NES-GF on Treaty settlements is likely to be minor, because the proposal does not:

- prevent councils from upholding their statutory acknowledgment commitments for consenting and plan-making
- directly affect planning processes that involve post-settlement governance entities (PSGEs) and joint entities.

There may be some impact as the proposed NES-GF can override district plan rules and mechanisms that notify PSGEs through resource consent processes. However, MRU are unlikely to have any significant impact, as they are unlikely to be built on areas of cultural or historical significance, because MRU require an existing principal residential unit to be exempt from resource consent processes.

RMA section 6 matters will continue to be regulated by councils, in particular "the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga" and "the protection of protected customary rights" in section 6(e) and 6(g) respectively.

#### 2.4.12.3 Recommendations

**Key recommendations** 

No changes recommended

## 2.4.13 Other Acts and provisions

#### 2.4.13.1 Context

As noted in section 2.2, corresponding changes to the Building Act 2004 are being progressed to action the Government's Coalition commitment<sup>44</sup> to make it easier to build MRU.

The proposed changes to the Building Act 2004, Plumbers, Gasfitters, and Drainlayers Act 2006, Local Government Act 2002 and Local Government Official Information and Meetings Act 1987 are being progressed through the Stand-alone Dwellings Bill. The Stand-alone Dwellings Bill is due to be passed by the end of 2025.

 $<sup>^{44}</sup>$   $\,$  New Zealand National Party & New Zealand First Coalition Agreement, p 9.

# 2.4.13.2 Submissions and analysis

Submitters strongly supported alignment with the Stand-alone Dwellings Bill. Officials have made recommendations throughout this report to align with relevant requirements in the Stand-alone Dwellings Bill where appropriate.

### 2.4.13.3 Recommendations

**Key recommendations** 

No changes recommended

# 3. Part B: Proposed National Policy Statement for Natural Hazards

# 3.1 Proposal overview

The proposed National Policy Statement for Natural Hazards (NPS-NH) aims to improve the management of natural hazard risk by providing direction to decision-makers around how they should meet their existing obligations under Part 2 of the Resource Management Act 1991 (RMA) to manage significant risk from natural hazards. The proposed NPS-NH was outlined in *Package 1: Infrastructure and development – Discussion document* released in May 2025.

The proposed NPS-NH directs decision-makers to:

- take a risk-based approach for new development by considering the potential impacts of specified natural hazards on proposed new development
- proportionately manage new development based on natural hazard risk (ie, limit new development at higher levels of risk and enable new development where risk is low) and
- use the best information available to assess natural hazard risk.

The combination of a risk-based approach and proportionate management encourages consideration of risk reduction measures (eg, raising floor levels, installing retaining walls or using landscape features such as swales to divert flood water) when making decisions on resource consent applications. The overall aim of the proposal is to maximise development while minimising losses from natural disasters (in terms of injury, loss of life, social disruption and property damage) by getting the right kind of development in the right location.

The proposed NPS-NH applies to seven hazards: flooding, landslips, coastal erosion, coastal inundation, active faults, liquefaction and tsunami; and the proposal does not apply to infrastructure and primary production. The proposed NPS-NH is not limiting, meaning that local authorities should still apply any existing policy approaches they have to manage the risk of natural disasters to infrastructure and primary industry activity, and that local authorities can use the approach to manage any hazard, not just those listed.

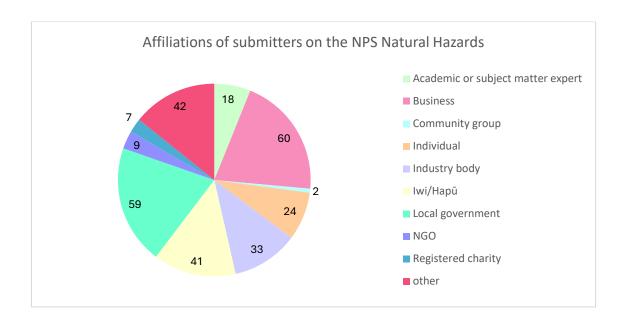
The proposed NPS-NH is a step towards more comprehensive national direction for natural hazards in the future. It will have an immediate influence on resource consent decision-making and plan changes (see part C), without requiring decision-makers to give effect to it in their existing plans before the RMA is replaced.

# 3.2 Summary of submissions

# 3.2.1 Overview of submissions

A total of 233 submitters provided feedback on the proposal to introduce the NPS-NH. Submitters can be broadly categorised into the following groups.<sup>45</sup>

The sum of all groups shown in the graph does not correspond to the total number of submitters on this instrument as submitters could select multiple affiliation options.



# 3.2.2 Key submission topics

Key topics raised in submissions on this instrument include:

- proportionate response to risks
- managing risks on other sites
- defining risk levels
- · assessing risk levels
- requiring consideration of climate change
- use of the best available information
- scope and definitions
- interactions with other instruments and policy.

# 3.3 Analysis of proposal and submissions

Most submissions on the proposed NPS-NH broadly supported the proposal. The most significant theme emerging from submissions was a call for clearer and stronger policy direction.

# 3.3.1 Proportionate response to risks

#### **3.3.1.1** Proposal

The proposed NPS-NH directs decision-makers to respond proportionately to natural hazard risk, meaning that when risk is higher, stronger constraints on development are appropriate. Conversely, when risk is low, development should be enabled. The purpose of the proportionate approach is to ensure that new development likely to be badly damaged by natural hazards does not progress, and that any limitation placed on new development is justified. The proposed NPS-NH does not direct the type of response required for specific classifications of risk (ie, whether development should be avoided entirely or if risk reduction methods should be applied).

This topic relates to proposed Policy 3 – Proportionate management of the NPS-NH framework.

#### 3.3.1.2 Key issues from submissions

Submitters overwhelmingly supported proportionately managing natural hazard risks, with several commenting that the approach is already used by some local authorities.

Many submitters called for clearer terminology and definitions to support consistent application of the proportionate management policy.

Several submitters sought stronger direction on appropriate responses for different risk levels, particularly regarding the level of risk that would justify avoiding (that is, saying "no" to) new development.

#### 3.3.1.3 Analysis of submissions and proposal

Officials see benefit in providing the clarity and direction requested by submitters on the proposed proportionate response to risk. The approach is in line with the policy intent and makes it more likely that the proposed NPS-NH will have the intended effect.

The following changes are recommended to address requests for clarity:

- refining the proposed policy to explicitly reference the planning responses that should be used to deliver a proportionate response – namely avoiding, mitigating and reducing risk
- clarifying that a proportionate approach means applying increasingly restrictive planning responses as the level of risk increases.

A significant number of submissions sought stronger policy direction. To respond to this, an additional policy could be introduced to clarify that new development should be avoided where natural hazard risk is assessed as 'very high' using the risk matrix included in the proposed NPS-NH. According to the proposed risk matrix, 'very high' natural hazard risk is defined as:

- a **catastrophic consequence** with a likelihood of 2 per cent annual exceedance probability (AEP) (a 1-in-50-year event) or
- a major consequence with a likelihood of 10 per cent AEP (a 1-in-20-year event).

A new policy to 'avoid very high natural hazard risk' is recommended to complement the proposed proportionate management policy. It will clarify that new development should not go ahead if it is assessed as being at the highest levels of risk. Risk assessments will consider any mitigations proposed to reduce the risk, and applicants should work with local authorities prior to applying for a resource consent to understand the risks and potential mitigations that could be included in the project design.

Officials' view is that if a new development is designed with features to mitigate risk but is still assessed as being at very high risk, members of the public are unlikely to want to purchase, inhabit or invest in those buildings. Such new development would be likely to face high insurance premiums or may be uninsurable in the near future.

Decision-makers have discretion to refuse to grant a resource consent where the risk is assessed as lower than very high, if that decision is proportionate.

Policies and rules in existing plans<sup>46</sup> which avoid new development at a risk level below the very high threshold will continue to apply. Decision-makers will need to have regard to the NPS-NH policies as well as policies in existing plans under section 104(1)(b) when determining resource consent applications. Officials expect that, in the event of inconsistency or conflict, the NPS-NH policies will likely be given greater weight because they represent the most recent policy direction for natural hazards. The NPS-NH is not intended to limit the way plans manage risks below the 'very high' threshold.

#### 3.3.1.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix B.

#### **Key recommendations**

Amend policy P3 to clarify that:

- the responses available to manage significant natural hazard risk include avoiding, mitigating and reducing the natural hazard risk
- proportionately managing natural hazard risks means applying more restrictive planning responses as the level of risk increases (see recommendation 12)

Add a policy to the proposal to require that new subdivision, use and development, where natural hazard risks are assessed as very high, must be avoided (see recommendation 13)

Amend the application of the risk matrix so it applies to the definition of 'very high' natural hazard risk (see recommendation 14)

## 3.3.2 Managing risks on other sites

#### **3.3.2.1** Proposal

The proposal includes a policy that new subdivision, use and development, including mitigation measures, must not exacerbate significant natural hazard risk on other sites or locations. The policy is intended to provide a consistent approach for managing natural hazard risks both on and off site and provide clarity that mitigation measures must not increase risk on adjoining sites.

This topic relates to proposed Policy 5 of the NPS-NH framework – significant risk from natural hazards not exacerbated on other sites.

#### 3.3.2.2 Key issues from submissions

Most submitters supported the principle that new development should not increase natural hazard risk on other sites and many pointed out that the RMA already provides for this approach.

Some submitters raised concerns that the policy could result in decision-makers needing detailed risk assessment information and modelling to determine that a risk had not increased.

<sup>&</sup>lt;sup>46</sup> 'Plan' means a regional or district plan as defined by section 43AA of the RMA.

Some submitters thought small increases in risk, or those associated with broader public benefits, may not need to be entirely avoided. Several submitters sought clarification on the meaning of the term 'exacerbates', and some submitters questioned whether limiting the policy to only 'significant' off-site risks was too narrow and suggested a broader application.

#### 3.3.2.3 Analysis of submissions and proposal

Given the complexity and evolving nature of natural hazard risk management, officials consider that a strict 'no increase' approach to off-site risk could result in decision-makers requiring detailed risk assessment information and mitigation to address any potential increase in risk, no matter how small. Implementation challenges with New Zealand Coastal Policy Statement 2010 policies, which includes similar 'no increase' policy, supports this analysis.

Officials recommend changing the proposed policy to require that any increase in significant off-site risk be managed proportionately through avoiding, mitigating or reducing the risks. This reinforces the overall policy intent for risk to be managed proportionately and reduces the potential for decision-makers to request detailed risk assessment information, no matter how small the potential increase in risk.

Most buildings (including those permitted by a district plan) will still require building consent under the Building Act 2004, which precludes consent being granted if the building or major alteration is likely to accelerate, worsen or result in a natural hazard on another property. However, some minor works and structures that could fall within the proposed exclusion from the NPS (see section 3.3.7.2 for the 'new development' definition) are also exempt from building consent under the Building Act 2004. These proposed exclusions from the NPS-NH are limited to activities that are inherently low risk and unlikely to materially increase off-site hazard risk.

Requiring consideration of off-site hazard risk at the resource consent stage generally enables that risk to be factored into the initial design of a proposal, and proposed Policy 5 captures a wider range of activities than the Building Act 2004. The proposed NPS-NH exclusions are intended to avoid disproportionate compliance costs for activities with negligible hazard implications, while maintaining the overall policy intent of managing natural hazard risk for new subdivision, use and development.

There is limited justification for allowing increased off-site risk based on broader public benefits as the proposed NPS-NH is not intended to apply to infrastructure.

Finally, because the proposed definition of 'significant risks from natural hazards' includes medium risk, extending the policy to cover risks below this threshold would be overly burdensome and is not recommended.

#### 3.3.2.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix B.

#### **Key recommendations**

Amend policy P5– significant risk from natural hazards not exacerbated on other sites – to require that any increase in significant off-site risk is managed proportionately and avoided, mitigated or reduced (see recommendation 16)

# 3.3.3 Defining risk levels

#### **3.3.3.1** Proposal

The proposal includes a definition of 'significant risks from natural hazards' based on a risk matrix which considers likelihood and consequence (refer to figure 1).<sup>47</sup>

A significant risk is one assessed as 'medium', 'high' and 'very high' using the risk matrix, as applied to proposals at individual sites. This assessment considers consequences of damage to property, and potential for injury or fatalities for that proposal.

The consequence and likelihood thresholds for each risk classification are defined by the matrix. The thresholds provide a continuum of risk levels ranging from very high to low.

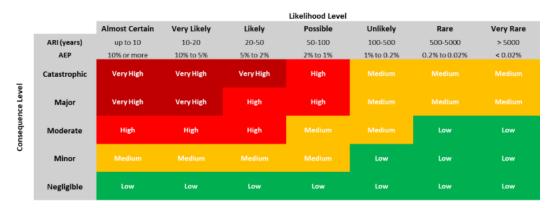


Figure 1: Proposed NPS-NH risk matrix

#### 3.3.3.2 Key issues from submissions

Submitters were broadly supportive of the inclusion of a risk matrix and providing a definition of significant risk; however, some submitters sought changes to the settings of the risk matrix, including to the definitions of likelihood and consequence and to the risk classifications within the matrix itself. A few submitters suggested using the matrix to define two classifications: 'significant' and 'non-significant' risk.

Other key issues raised by submitters included:

- the limited value of the proposed risk matrix without stronger direction being included in the proportionate management policy, and without guidance on what suitable risk responses should be
- confusion about how to apply the risk matrix and concern that it could be applied inconsistently across New Zealand, and confusion as to whether risk classification includes proposed and existing mitigation measures
- the potential negative effect of the risk matrix on development capacity and increasing the resource consent burden for applicants, particularly because 'medium risk' is proposed to be quite broad
- confusion around what level of risk, if any, decision-makers should be managing risk to.

<sup>&</sup>lt;sup>47</sup> See the consolidated recommendations table in appendix B for full details of the proposal.

#### 3.3.3.3 Analysis of submissions and proposal

Managing significant risks from natural hazards is a matter of national importance in the RMA (Part 2, section 6(h)). In practice, this provision has been interpreted inconsistently. The intent of defining 'significant risks from natural hazards' in the NPS-NH is to reduce uncertainty around the term's meaning. In the proposed NPS-NH, the term is used in the proportionate management policy, and to determine when off-site natural hazard risks must be managed.

Some submitters suggested that some of the proposed 'high' risk classifications should be classified as 'very high'. Officials do not recommend changing the classifications or definitions in the risk matrix. The classifications and definitions were based on expert advice and made more risk tolerant to reflect the Government's priority to enable development.

In the case of likelihood of risk definitions, officials have tried to allow some flexibility in awarding risk classifications and corresponding responses, while also aligning with national and international practice and expert advice. There is no common agreement on the exact time periods that should be assigned to each likelihood term, with submitters making slightly different recommendations. Officials do not consider that changes will materially improve the policy.

Some submitters sought inclusion of infrastructure and natural environment in the consequence definitions. As these are out of scope of the NPS-NH, they have not been included in the required calculation of risk. The 'not limiting' policy ensures that decision-makers can take a more comprehensive approach than that set out in the NPS-NH if they wish, and this could allow assessment of these and any other relevant consequences.

Officials do not recommend changing the definition of significant risk so that medium risk is excluded. The definition is based on a common understanding of 'significance' – that is, something important enough to warrant attention. A 'significant risk' is therefore one requiring some form of management, including mitigation or risk reduction. Inclusion of medium risk within the definition, when taken in conjunction with the proportionality policy and best available information policy, will guide decision-makers toward less restrictive and less onerous responses for medium risks, while still allowing discretion. It will fall on decision-makers to ensure the policy is applied in ways that avoid unnecessary consent burden.

Officials do not recommend removing the different risk classifications and only showing where the risk is 'significant' versus 'non-significant'. Retaining a range of risks classifications above the significant threshold is important in enabling the proportionate management policy and recognises that higher levels of risk require more restrictive management responses.

Some submitters said that it is not clear what level of risk decision-makers should be managing risk down to (ie, if a proposal is assigned a high-risk classification, must the risk be reduced to low by using mitigation measures?). Officials consider that changes to the proposed proportionate management policy provide greater clarity on this matter and are specifically designed to give decision-makers flexibility in how they response to risk. As such, officials recommend no changes to the definition of risk levels in response to this point.

Issues raised on the lack of directive policy responses to risk classifications and application of the risk matrix are responded to in the analysis on the proposed proportionate management approach policy. As a result of the recommendation to include a new policy requiring that new subdivision, use and development be avoided where natural hazard risk is assessed as very high, officials also recommend updating the use of the risk matrix so that it explicitly supports the definition of very high risk (see recommendation 14).

#### 3.3.3.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix B.

#### **Key recommendation**

Retain the definition of 'significant risk' and the settings in the risk matrix (see recommendation 5)

# 3.3.4 Assessing risk levels

#### **3.3.4.1** Proposal

The proposed NPS-NH requires decision-makers to use a risk-based approach to manage natural hazard risks in subdivision, use and development.<sup>48</sup> When assessing natural hazard risk for an activity, decision-makers must consider:

- the likelihood of a natural hazard event occurring
- the consequences of a natural hazard event for the activity
- existing and proposed mitigation measures
- residual risk.

This topic relates to the proposed objective to embedding a risk-based approach, and Policy 1 – risk assessments.

#### 3.3.4.2 Key issues from submissions

There was broad support for taking a risk-based approach to managing natural hazard risks. Several submitters made alternative suggestions to Objective 1, including approaches that were focused more on precaution, avoidance and restoration.

Most submitters supported the inclusion of the proposed risk assessment framework, but many considered that greater clarity was needed on what the desired outcomes were and how the process was intended to feed into decision-making.

Many submitters were concerned that without clear direction and consistent terminology, particularly in relation to appropriate mitigation and residual risks, there would be inconsistent application of the policy between decision-makers.

#### 3.3.4.3 Analysis of submissions and proposal

Proposed Policy 1 – risk assessment is intended to support a consistent approach to classifying risk and determining appropriate planning responses. The policies for the assessment process are intended to make it clear that risk levels are determined based on likelihood and consequence, and in doing that, mitigation measures, climate change and residual risk must be considered. Risk assessment is not a reflection of hazard exposure. For example, a development could be proposed in a location that is exposed to a hazard that could have major consequence, but because of the design of the new development (either as proposed or as a result of conditions added through the consent process), the risk is assessed as moderate.

<sup>&</sup>lt;sup>48</sup> See the consolidated recommendations table in appendix B for fullsome details on the proposal.

Officials consider that the intent of the policy is well supported and consider the final drafting of the NPS-NH can provide the clarity sought by submitters. Additional explanation and examples of mitigation and residual risk, which submitters sought further direction about, can be provided through non-statutory guidance.

#### 3.3.4.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix B.

#### **Key recommendations**

Retain the objective for embedding a risk-based approach consistent with the intent of OB1 (see recommendation 7)

Retain the intent of policy P1 – risk assessments (see recommendation 8)

# 3.3.5 Requiring consideration of climate change

#### **3.3.5.1** Proposal

The NPS-NH proposed that potential impacts of climate change on natural hazards should be considered at least 100 years into the future. This topic relates to proposed Policy 2 – climate change timeframes.<sup>49</sup>

#### 3.3.5.2 Key issues from submissions

There was strong support from submitters for this policy, but several submitters requested clear direction on how climate change information would be incorporated into the risk assessment process. Others noted that some climate change projection datasets are only available to 2100, making consideration of climate change impacts at least 100 years into the future difficult.

Many submitters requested clear direction on which climate change scenario(s) should be used to assess risk. Submitters stated that a lack of clear policy direction on which climate change scenario to use would result in inconsistent application of the policy and ineffective outcomes due to the potential for legal challenge and increased cost for decision-makers and communities.

#### 3.3.5.3 Analysis of submissions and proposal

Officials recommend amending Policy 2 – climate change timeframes – to clarify that the impacts of climate change must be considered as part of the risk assessment process.

Officials recommend that the potential effects of climate change on natural hazards must be considered at least until 2100, or 100 years into the future where projections are available, to align with modelling timeframes of different climate change factors.

Officials do not recommend requiring specific climate change projections be used in Policy 2. The projection that is most relevant will depend on the specific hazard being considered, and these are technical and subject to change.

<sup>&</sup>lt;sup>49</sup> See the consolidated recommendations table in appendix B for full proposal details.

Officials recommend amending the policy to make it clear that decision-makers should use the most up-to-date projections and guidance on climate change scenarios.

#### 3.3.5.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix B.

#### **Key recommendations**

Amend policy P2 to provide for consideration of climate change as part of the risk assessment process (see recommendation 9)

Amend policy P2 so the potential effects of climate change on natural hazards are to be considered at least until 2100, or 100 years into the future where projections are available (see recommendation 10)

Amend policy P2 to make it clear that decision-makers should use the most up-to-date projections and guidance on climate change scenarios (see recommendation 11)

## 3.3.6 Use the best available information

#### **3.3.6.1** Proposal

The proposal includes a policy requiring decision-makers to use the best available information when making planning decisions related to managing natural hazard risk.<sup>50</sup> The proposal also includes a policy making it clear that decision-makers must continue with risk assessment processes even if information is uncertain or incomplete.

This topic relates to proposed Policy 4 – Best available information – and Policy 6 – Continue with risk assessment processes where information is limited or unclear.

#### 3.3.6.2 Key issues from submissions

Submitters strongly supported requiring decision-makers to use the best available information in decision-making. Many called for clearer criteria to define best available information, and alignment with similar policies in other national policy statements. Local government, Māori and technical experts highlighted the need to explicitly recognise mātauranga Māori as a valid source of information.

Many submitters sought stronger direction on managing uncertainty, including a precautionary approach when information is incomplete. Some requested the proposed NPS-NH enable decision-makers to request further information from applicants, while others were concerned about placing too much burden on applicants. A few submitters supported the use of best available information but opposed making it mandatory.

#### 3.3.6.3 Analysis of submissions and proposal

Natural hazard information is continuously changing and improving. This policy seeks to ensure decision-making is based on the best information available at the time. This may mean using information which has not been incorporated into a resource management plan. To improve

<sup>&</sup>lt;sup>50</sup> See the consolidated recommendations table in appendix B for full details of the proposal.

certainty, officials recommend amending Policy 4 to clarify what constitutes best available information by explicitly including mātauranga Māori. This responds to strong feedback requesting this change and aligns the proposed NPS-NH with other existing or proposed national direction instruments that have similar policies. <sup>51</sup>

Officials do not recommend further change to clarify the steps decision-makers should take to improve information and reduce uncertainty. Existing RMA processes allow decision-makers to request further information; no additional policy is required.

To improve the consistency of implementation, further direction, as well as best-practice criteria for assessing the validity of information, could be provided through non-statutory guidance.

Policy 6 aims to enable decision-makers to act on available natural hazard information without delay, while potentially providing some protection from legal challenge due to data limitations. Officials consider that uncertain or incomplete information should not prevent decision-makers from continuing with risk assessment processes.

#### 3.3.6.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix B.

#### **Key recommendations**

Amend policy P4 of the proposal to clarify that mātauranga Māori is a potential source of information (see recommendation 15)

Retain policy P6 requiring risk assessment processes to continue where information is limited or unclear (see recommendation 17)

# 3.3.7 Scope and definitions

#### **3.3.7.1** Proposal

The NPS-NH is proposed to apply to the following hazards: flooding, landslips, coastal erosion, coastal inundation, active faults, liquefaction and tsunami.<sup>52</sup> While the scope is limited to specific hazards, the proposed NPS-NH does not prevent local authorities from having local policy on other natural hazards, activities or the environment.

The proposed NPS-NH is not intended to apply to infrastructure (as defined in the RMA) or to primary production (as defined in the National Planning Standards 2019 (national planning standards)) or to any activities ancillary to these activities.

The proposed NPS-NH was intended to apply to all new development and includes a definition of 'new development'.

The proposed NPS-NH is non-limiting, meaning nothing in it limits decision-makers from managing natural hazard risk beyond the application of the proposed NPS.

National Policy Statement for Freshwater Management (Part 1.6), New Zealand Costal Policy Statement (Policy 2, 3, 24).

See the consolidated recommendations table in appendix B for fulsome details

This topic relates to the applications and definition 2 of the proposed NPS-NH: specified natural hazards; activities and environments; infrastructure and primary production; the NPS is not limiting; and Definition 2 – New development.

#### 3.3.7.2 Key issues from submissions

#### Specified natural hazards

Submitters generally supported the approach of specifying which natural hazards the proposed NPS-NH applies to. Some submitters requested clearer definitions of the listed hazards, while others recommended expanding the scope to include additional hazards — particularly volcanic activity and wildfire. A number of submitters suggested using the broader RMA definition of natural hazards instead of listing specific hazards. A few submissions proposed limiting the NPS-NH to non-climate related hazards.

#### Exclusion of infrastructure and primary production

Submitters were divided on excluding infrastructure and primary production from the proposed NPS-NH. Some supported the exclusion of these activities, noting that development associated with these activities require tailored policy responses. Others opposed the exclusion, preferring a consistent approach across all land uses. Some submitters sought clarity on whether housing associated with primary production and social infrastructure would be included within the scope of the NPS-NH.

#### Definition of 'new development'

Submitters noted that the proposed definition of 'new development' created a gap by inadvertently excluding new buildings on sites with existing development. Submitters recommended broadening the definition to clearly capture activities that materially increase natural hazard risk, while avoiding unnecessary regulation of minor works. Suggestions included explicitly referencing subdivision, intensification and land-use changes that increase vulnerability, as well as clarifying when extensions and replacements fall within scope. Submitters also sought clarity on how the NPS-NH interacts with existing use rights under section 10 of the RMA, particularly for rebuilding after hazard events.

#### The NPS is not limiting

There was strong support, particularly from local government, for decision-makers to be able to manage natural hazard risk beyond the application of the NPS-NH, including by undertaking more comprehensive risk assessment than that in the proposed NPS-NH.

Several submitters did not support giving discretion to decision-makers to go beyond the application of the NPS-NH as doing so reduces the certainty provided by the proposal.

#### 3.3.7.3 Analysis of submissions and proposal

#### Specified natural hazards

Officials recommend no change to the proposed specified natural hazards. While cases were made for the inclusion of additional hazards such as wildfire, volcanic activity and geothermal activity, officials are concerned that there is insufficient guidance, data and information available for effective implementation without placing considerable burden on local authorities. Officials

also note that some of the additional hazards raised by submitters are already managed through other legislation (eg, the Building Act 2004 for ground shaking and wind).

In light of submissions, officials remain comfortable with mandatory application of the proposed NPS-NH to listed hazards and optional application to all others. Officials think this is an appropriate setting for the proposed NPS-NH until it is replaced by more comprehensive direction under the new resource management system.

Further clarification on the scope of each hazard will be provided in non-statutory guidance.

#### Exclusion of infrastructure and primary production

Developing tailored policies for infrastructure and primary production, as sought by submitters, would represent a material change to the proposal, which would require further consultation. Officials recommend not accepting the suggestion to amend the proposal and retaining the proposal to exclude infrastructure and primary production from applying to the NPS-NH. Officials note that definition of 'primary production' in the national planning standards does not include housing and temporary accommodation associated with primary production, and these activities would be subject to the proposed NPS-NH.

#### Definition of 'new development'

Officials agree with submitters that the proposed definition of 'new development' requires clarification. The definition as proposed would mean that new buildings or structures on sites with existing development on them would not be managed under the NPS-NH. This was not the intent. This gap was picked up by a large number of submitters seeking clarification that the definition applies to development on sites that have existing buildings as well as to vacant sites. We recommend changes to the proposal to correct this issue.

Officials acknowledge submitter feedback about the need to avoid unnecessary regulation of minor works. Consideration was given to use of qualifiers such as 'where the activity materially increases risk' to narrow the scope, and to including a list of low-risk exclusions such as fences, small decks and temporary structures. However, these options were not pursued for reasons that included interpretation challenges, duplication of the risk assessment process, and the potential for complexity and gaps in coverage. Instead, officials concluded that a proportionate policy response, which filters out low-risk activities through the risk-based framework, is the most effective and clear approach.

To support clarity and consistent implementation, officials recommend including an explanatory note advising that the proposed NPS-NH does not override existing use protections under section 10 of the RMA.

#### The NPS is not limiting

The direction from the proposed NPS-NH is intended to improve natural hazards management in New Zealand, while providing enough flexibility and discretion for decision-makers to account for local context. Officials consider the proposed flexibility is appropriate for national direction which is intended to be replaced in the future and consistency of application can be supported through non-statutory guidance.

#### 3.3.7.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix B.

#### **Key recommendations**

No change to specified natural hazards (see recommendation 1)

No change to limiting the application of the NPS-NH to exclude infrastructure (as defined in the RMA) and primary production (as defined in the national planning standards) (see recommendation 2)

Amend the definition of 'new development' in D2 so it includes:

- new buildings and structures on vacant sites and sites that already contain buildings and structures
- extensions, and replacement of existing buildings and structures on sites that already contain buildings and structures (see recommendation 6)

## 3.3.8 Interactions with other instruments and policy

#### **3.3.8.1** Proposal

The proposed NPS-NH intends for the New Zealand Coastal Policy Statement 2010 (NZCPS) to prevail where there is inconsistency in policy direction regarding managing natural hazard risk in the coastal environment.<sup>53</sup> This topic relates to the Application 2 – Activities and environments element of the proposed NPS-NH.

The proposed policies also establish a relationship between the proposed NPS-NH and the proposed National Policy Statement on Infrastructure (NPS-I), the proposed National Environmental Standards for Papakāinga (NES-P), the proposed National Environmental Standards for Granny Flats<sup>54</sup> (NES-GF) and proposed amendments to the National Environmental Standards for Commercial Forestry (NES-CF). However, no specific policies specify the relationship between these instruments.

The proposed NPS-NH also has interactions with other policy frameworks, such as the National Adaptation Framework (currently under development).

#### 3.3.8.2 Key issues from submissions

Many submitters supported the NZCPS prevailing over the proposed NPS-NH as the NZCPS is more directive and more specific for coastal environments, and has already been reflected in some plans.

Many submitters wanted clarity about the interactions between the proposed NPS-NH, the proposed NES-P and the proposed NES-GF.

<sup>&</sup>lt;sup>53</sup> See appended consolidated recommendations table for full details of the proposal.

The NES-GF is proposed to be renamed as the National Environmental Standards for Minor Residential Units.

In relation to the exclusion of infrastructure from the policies, submitters sought clarity on which infrastructure definition would be used to determine what was excluded and questioned why new definitions developed for the proposed NPS-I were not being used.

Some submitters requested recognition of local adaptation plans (LAPs) within the proposed NPS-NH to reflect community-agreed restrictions on future development.

#### 3.3.8.3 Analysis of submissions and proposal

Officials acknowledge the differing views of submitters regarding the NZCPS prevailing over the proposed NPS-NH within the coastal environment in the event of a conflict, which included calls for greater integration between the two instruments. Officials recommend that the NZCPS prevails because it provides clear, specific direction for managing coastal hazards, including a precautionary approach and long-term climate change planning. This ensures certainty for decision-makers and applicants and maintains strong protection for the unique values of the coastal environment. A more comprehensive review of management of natural hazard risks in the coastal environment will be undertaken as part of the next phase of resource management reform.

In respect of the NES-GF and NES-P, it is proposed that all natural hazard rules in district and regional plans will continue to apply. This will mean that where a granny flat or papakāinga requires a resource consent, the proposed NPS-NH will guide decision-making. Further explanation of how these instruments interact can be included in non-statutory guidance.

Regarding the exclusion of infrastructure from the scope of the proposed NPS-NH, officials confirm that the applicable definition of infrastructure is the one provided in the RMA. The definition of 'additional infrastructure' in the proposed NPS-I includes social infrastructure (eg, schools, hospitals), which should be subject to the NPS-NH as these facilities accommodate vulnerable populations, provide essential emergency and recovery functions, and represent significant public investment. Therefore, the RMA definition of infrastructure better aligns with the policy intent.

Regarding the relationship of LAPs, officials consider that incorporating them directly into the NPS-NH would create legal and operational challenges because LAPs are, at this stage, non-statutory and vary in scope and methodology. Future policy decisions through the National Adaptation Framework could alter how LAPs are integrated into statutory processes.

#### 3.3.8.4 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix B.

#### **Key recommendation**

Retain the proposal for the New Zealand Coastal Policy Statement 2010 (NZCPS) to prevail where there is inconsistency in policy direction regarding managing natural hazard risk in the coastal environment (see recommendation 3)

## 3.3.9 Other issues

#### 3.3.9.1 Key issues from submissions

#### Lack of policy addressing Māori rights, interests and values

Many submitters, particularly iwi/hapū, local government, industry bodies and expert/technical interest groups, were concerned by the lack of provision for Māori rights, interests and values in the proposed NPS-NH.

Some submitters considered that this was a critical gap in the proposed NPS-NH when compared with other instruments in the national direction package.

Others commented on the strong Treaty of Waitangi provisions in the NZCPS and raised questions about how the two instruments will interact, especially in coastal areas where both natural hazard risk and cultural values are significant.

Many submitters sought the inclusion of policies recognising mātauranga Māori, whenua Māori and Te Tiriti o Waitangi. Several submitters requested the proposed NPS-NH facilitate meaningful partnerships with Māori and decision-makers that uphold rangatiratanga, as well as meaningful engagement with iwi and hapū, particularly in relation to the incorporation of mātauranga Māori into the risk management process.

#### Implementation challenges

A common view across submissions was that the effectiveness of the proposed NPS-NH relies heavily on the level of support provided for implementation. Several key issues were raised, including resource constraints, data gaps and inconsistent approaches to application.

Most submissions from banks, insurers, local government, industry groups and expert bodies highlighted the need for comprehensive and nationally consistent natural hazards data. Submitters were concerned that without clear direction on implementation, local authorities could categorise natural hazards inconsistently, leading to inequitable outcomes that may disproportionately affect our vulnerable communities.

The disparities in natural hazard data, technical capability, and resourcing between regions was a clear concern expressed by local government. Many felt that funding mechanisms for decision-makers and adequate central government investment in improving hazards data were crucial for implementing the NPS-NH.

Most submitters sought clearer direction to inform a nationally consistent approach to risk management. This included comprehensive guidance on risk assessment methodology, matrix application, standard management responses and resolving information disputes.

#### Interaction with the environment and climate adaptation

Some submitters viewed the lack of consideration of impacts to the natural environment or how the environment intersects with the protection of people and property as a critical gap in the proposed NPS-NH.

Several submitters felt there was an important connection between natural hazards management and the restoration of te taiao that should be supported through the NPS.

Others also requested recognition and prioritisation of nature-based solutions (eg, restoring wetlands and widening river corridors).

The lack of clarity on how the proposed NPS-NH is intended to interact with the Climate Change Response Act 2002 and the National Adaptation Framework raised concerns from submitters around fragmentation of planning instruments and the unintended consequences of enabling isolated developments without a full understanding of the systemic risks to existing infrastructure, communities and vulnerable populations.

In particular, Te Kāhui Tika Tangata Human Rights Commission was concerned that the proposed policy:

does not go far enough to ensure the Government is meeting its statutory obligations or its human rights obligations, including under Te Tiriti o Waitangi, to minimise the impacts of natural/severe weather events and the overall impacts of climate change on communities (Tangata Whenua and Tangata Tiriti).

#### 3.3.9.2 Analysis of submissions and proposal

#### Lack of policy addressing Māori rights, interests and values

Officials acknowledge the concerns of submitters relating to inconsistencies in the policy approach across different instruments, particularly regarding Māori rights and interests. Officials also recognise that the NZCPS contains strong Treaty provisions that are not reflected in the proposed NPS-NH. Introducing new policies to address these matters would require further consultation to ensure transparency.

Officials note that the proposed NPS-NH includes a relationship clause stating that the NZCPS prevails in the coastal environment where there is inconsistency. While this provides clarity on the relationship between the two instruments, it does not fully resolve concerns about fragmented approaches to natural hazard risk management and cultural values across different environments. Officials will consider whether additional guidance is needed to improve integration across national direction and to ensure Māori rights and interests are consistently recognised.

Officials recommend the inclusion of mātauranga Māori as a valid source of natural hazard information in Policy 4 – best available information. Local government and technical experts supported the inclusion of this policy in order to avoid any doubt that mātauranga Māori is a valid source of information.

#### Implementation challenges

The improvement of access to natural hazard information is a key priority within the National Adaptation Framework, which is being progressed in parallel to the proposed NPS-NH. This will support more consistent implementation and equitable outcomes over time. It will take time to improve data, but the need to limit new, risky development is urgent and delaying the introduction of the NPS-NH until more robust information is available is not practical. The policies on best available information have been included to encourage decision-makers to take the most practical approach.

Clearer direction to support best practice and nationally consistent risk management will be provided through non-statutory guidance. There is currently no plan to provide funding or training to local government to implement the NPS-NH.

#### Interaction with the environment and climate adaptation

The proposed NPS-NH is a targeted policy that aims to promote more robust approaches to natural hazard risk management and decision-making around where and how new development goes ahead. It is being introduced ahead of wider resource management reform to address the continued proliferation of new development that is highly exposed to natural hazard risk. Submitters raised many valid points on the interactions between natural hazards, the environment and wider climate adaptation work that will be considered as part of future policy development.

A more comprehensive approach to management of natural hazard risks that focuses on integrating resource management approaches with the wider development of climate adaptation policy is proposed as part of the next phase of resource management reform.

#### 3.3.9.3 Recommendations

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix B.

#### **Key recommendations**

No further changes to the proposed approach for addressing Māori rights, interests and values, other than those recommended for Policy 4 – best available information (see recommendation 15)

Retain the IM1 proposal to not specify a timeframe to give effect to the NPS-NH (see recommendation 18)

## 3.3.10 Other considerations

#### 3.3.10.1 Part 2 RMA

#### Context

Officials are required to consider Part 2 matters of the RMA when preparing reports and making recommendations on proposals for amendments to national policy statements (refer to section 46A (3)). Part 2 includes section 5 (purpose), section 6 (matters of national importance), section 7 (other matters) and section 8 (Treaty of Waitangi).

#### **Submissions**

Officials did not identify any submissions that directly addressed the consistency of the proposed NPS-NH with Part 2 of the RMA.

#### **Analysis**

Officials consider that the proposed NPS-NH is strongly aligned with Part 2 of the RMA.

The proposed NPS-NH supports the wellbeing provisions in RMA section 5(2) by avoiding intolerable risk and directing development growth to occur in safer places. The proposed NPS-NH can reduce losses from natural disasters, in terms of injury, loss of life, social disruption and property damage, by ensuring new development is more resilient to natural disaster risk.

Short-term and long-term public and private costs (such as recovery costs, rebuilding and insurance) can be reduced through the effective implementation of the proposed NPS-NH.

Officials have carefully designed the policy to maximise development and to have minimal impact on delivering development capacity. Some proposed new development is likely to be declined following introduction of the policy, but officials think that this will be a very small proportion of resource consent applications. A more likely scenario is that some proposed developments cost more because decision-makers require robust measures to mitigate risk from natural hazards. The proponents of development can decide whether or not to progress the development considering the cost to address natural hazard risk.

Requirements for local government to enable a certain amount of future development will stay in place, and decision-makers must work out how to do this within the constraints imposed by natural hazards. This may mean building in different ways or locations.

The proposed NPS-NH implements RMA Part 2 section 6(h), which requires the recognition of and provision for the management of significant risks from natural hazards as a matter of national importance. The proportionate management approach proposed by the NPS-NH will ensure that new development in areas with higher levels of natural hazard risk is avoided or mitigated, and that new development in areas of low natural hazard risk is enabled. The proposed NPS-NH also aligns with section 7(i), which requires particular regard to be had to the effects of climate change by requiring risk assessments to incorporate climate change projections.

The proposed policies in the NPS-NH on proportionate management and defining significant risk provide more detail than currently exists for decision-makers on how to manage natural hazard risk. Submitters were broadly supportive of these policies, as described in earlier sections.

The proposed NPS-NH could be more strongly aligned with RMA Part 2, section 6(4) on the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu and other taonga. Amending the best information policy to explicitly include mātauranga Māori as a potential source of best available information is a helpful step, but the NPS-NH could better acknowledge long-term connections and understanding of the whenua.

Promoting new development in lower-risk locations and encouraging hazard-sensitive design will likely benefit Māori by encouraging safer papakāinga and Māori economic development (noting that the exclusion of primary production means that a large proportion of the Māori economy will not be subject to the NPS-NH). Despite this, the proposal may have a disproportionate impact on Māori communities, as Māori land is disproportionately located in areas with high natural hazard risk.

The proposals introduce policy that will enable improved decision-making on significant natural hazards risks, which will assist in protecting Māori rangatiratanga, use of their ancestral land, water and other taonga (section 8) and support safer housing/papakāinga on this land. Explicitly including mātauranga Māori as a source of 'best available information' for decision-making acknowledges long-term connections and understanding of the whenua and supports increased alignment of decision-making with iwi management plans (section 8).

#### **Key recommendation**

No further changes to the NPS-NH for consistency with Part 2 RMA

#### 3.3.10.2 Treaty settlement considerations

#### Context

The Crown has made a number of commitments to individual iwi through Treaty of Waitangi settlements. Officials have considered these relevant settlements when preparing the proposed NPS-NH. When deciding on the recommendations in this report, decision-makers for the NPS-NH will also need to consider settlement legislation, as highlighted further in this section.

#### Submissions

Submissions concerned with a lack of policy addressing Māori rights, interests and values are discussed above under section 3.3.9: Other issues. Submissions directly relating to the recognition of mātauranga Māori as a source of natural hazard information are discussed above in relation to Policy 4 – Best available information.

Separate to these, the following key issues were identified through submissions related to Treaty settlements.

- the need for the development of national direction instruments to follow a robust process of engagement and consultation with iwi. Proposed changes must uphold the Crown's Te Tiriti o Waitangi obligations and enable meaningful Māori participation from the outset.
- The NPS-NH must not erode the capacity of Māori to exercise their kaitiakitanga and tino rangatiratanga.
- Where natural hazards intersect with whenua Māori, culturally significant landscapes or freshwater systems, co-designed solutions that are rooted in mātauranga ā-iwi and risk science must be prioritised.
- When managing natural hazard risk, relevant settlement legislation (eg, Te Ture Whakatupua mō Te Kāhui Tupua 2025/Taranaki Maunga Collective Redress Act 2025), settlement mechanisms (eg, co-management tools) and iwi management plans should be utilised and highly influential.

Submissions from the Waikato councils and post-settlement governance entities emphasised the legislative status of the Waikato River, reaffirming Te Ture Whaimana o Te Awa o Waikato (the Vision and Strategy for the Waikato River) prevails over any inconsistent provision in a national policy statement.

#### **Analysis**

The commitments deriving from Treaty settlement legislation that are relevant to national direction take the following form:

- engagement obligations relating to the development of national direction (ie, policy process)
- direct obligations on RMA actors and mechanisms that relate to tangata whenua values and objectives for an identified taonga or the legal status of a taonga (eg, Te Awa Tupua, Whanganui River)
- obligations to actively involve identified Treaty partners in the local plan-making process and/or resource consents, through co-governance, decision-making or consultation.

The proposed policy does not explicitly provide for these matters, but officials' view is that it does not obstruct any of the commitments above.

Officials have reviewed settlement agreements and believe that the engagement process for the development of the NPS-NH is consistent with the Ministry's commitments.

The proposed NPS-NH does not amend the RMA, nor any decision-making and participation arrangements provided under Treaty settlements. The proposed NPS-NH does not limit the ability for local authorities to utilise relevant Treaty settlement legislation, co-management mechanisms and iwi management plans when managing natural hazard risk.

Recommended changes to Policy 4 – Best available information explicitly recognise mātauranga Māori as a source of natural hazards information. This can support the application of the NPS-NH where natural hazards intersect with whenua Māori, culturally significant landscapes or freshwater systems.

Te Ture Whaimana o Te Awa o Waikato is relevant to national direction that impacts infrastructure, development and primary sector activities, as these all have potential to impact the health and wellbeing of the Waikato River and its catchments. This is a statutory requirement across all RMA national direction and does not need to be restated in the NPS-NH.

#### **Recommendations**

Recommendations for this topic are summarised below and outlined in full in the consolidated recommendations table in appendix B.

#### **Key recommendations**

No further changes, other than those recommended for Policy 4 – Best available information (see recommendation 15)

## 4. Part C: Implementation

## 4.1 Context

This part discusses submissions made on general implementation of national direction in Package 1: Infrastructure and development (package 1) and Package 2: Primary sector (package 2). It also discusses implementation options available specifically for the proposed National Environmental Standards for Granny Flats (NES-GF) (to be renamed as National Environmental Standards for Minor Residential Units (NES-MRU)) and the proposed National Policy Statement for Natural Hazards (NPS-NH).

## 4.2 Implementation

## 4.2.1 Proposal overview

A series of implementation questions were raised in the discussion documents on packages 1 and 2 to gather feedback on implementation timeframes, particularly in relation to national policy statements (NPSs).

During public consultation on packages 1 and 2, submitters were specifically asked:

- Does 'as soon as practicable' provide sufficient flexibility for implementing this suite of NPS and the NZCPS?
- Is providing a maximum time period for plan changes to fully implement NPS to be notified sufficient?
  - If not, what would be better, and why?
  - If yes, what time period would be reasonable, and why? (eg, five years?)
- Is requiring all plan changes to fully implement an NPS before or at plan review reasonable?
- Are there other statutory or non-statutory implementation provisions that should be considered?

Options for implementing NPSs set out in the discussion documents for packages 1 and 2 included:

- providing a five-year timeframe from gazettal for making amendments to give effect to an NPS
- requiring all plan changes to fully implement the NPS before or at plan review in addition
  to specific implementation provisions in each proposal. The exception to this is the
  proposed National Policy Statement for Infrastructure and proposed changes to the
  National Policy Statement for Renewable Electricity Generation 2011 and National Policy
  Statement on Electricity Transmission 2008 (proposed to be renamed as the National
  Policy Statement for Electricity Networks), where only the default provisions of 'as soon as
  practicable' are to be applied.

 The discussion documents include further details of the implementation questions raised, which were the same in both packages 1 and 2.<sup>55</sup>

## 4.2.2 Key issues from submissions

Resource management practitioners from local government, Treaty partners and industry contributed useful feedback, ideas and suggestions to improve the implementation of packages 1 and 2. The key themes raised included:

- · implementation timing and system alignment
- flexibility and fairness
- clarity, definitions and guidance
- resourcing and cost sharing
- technical and legal considerations.

An overview of submissions raised in each theme is provided below. No specific analysis is included of these more general implementation issues. However, the submissions provided valuable information that has been taken into account when considering broader implementation of the package 1 and 2 instruments and will be informative for developing the new resource management system.

### 4.2.3 Overview of submissions

#### 4.2.3.1 Implementation timing and system alignment

Local government and some industry bodies raised concerns about the timing of national direction implementation and how the proposals aligned with resource management reform and new legislation in development. A summary of key themes from those submissions is provided below.

- Implementation should occur with the new system, not before, to avoid confusion and inefficiencies (Whanganui District Council, Waimakariri District Council).
- Implementing now, before further reform, would create more work and the costs would outweigh the benefits (Timaru District Council, Engineering New Zealand).
- It is better to implement through one comprehensive plan review or under the new system, but not both (Tauranga City Council).
- Implementation should align with a council's Long-Term Plan cycle and full plan review process (Waitaki District Council, Kāpiti Coast District Council).
- Without a clear line of sight to the new resource management system, there is a risk
  that these proposals will result in misalignment, inconsistencies and gaps (Waikato
  Regional Council, Horizons Regional Council and Bay of Plenty Regional Council,
  Environment Southland).

Local government submitters also advocated for bespoke, locally workable and flexible timeframes (eg, flexibility to implement the amended and new national direction instruments

Ministry for the Environment. 2025. Package 1: Infrastructure and development – Discussion document; Ministry for the Environment. 2025. Package 2: Primary sector – Discussion document. Retrieved 26 November 2025.

under the current or new system; flexibility to determine the sequencing of how national direction is implemented; and flexibility to amend regional policy statements and plans, except where section 55 of the RMA applies).

Some local government submitters supported the 'as soon as practicable' approach for implementing NPSs. Some suggested timeframes of 5 to 10 years for full implementation of NPSs.

#### 4.2.3.2 Clarity, definitions and guidance

Clear themes emerged in submissions from local government, industry bodies and businesses on what might lead to successful implementation of the various proposed national direction instruments, whether new or being amended. The following points were raised consistently by submitters.

- There is a lack of clarity in definitions and concepts, which will hinder implementation (Environmental Institute of Australia and New Zealand, Meridian Energy Limited, Clarus Limited, Royal Forest and Bird Protection Society of New Zealand Inc.).
- Guidance documents are essential to ensure national consistency and reduce confusion (Queenstown-Lakes District Council, Te Tumu Paeroa – Office of the Māori Trustee, Waitaki District Council).
- Guidance should clarify the hierarchy and relationships between conflicting national direction instruments (Powerco Limited, Bay of Plenty Regional Council).
- Guidance must be comprehensive and technical, especially for NPS instruments (Engineering New Zealand, Porirua City Council).
- Central government guidance is a minimum requirement to support successful implementation (Auckland Council, Kāpiti Coast District Council).

#### 4.2.3.3 Resourcing and cost sharing

Submissions from local government were consistent in their identification of resourcing and the need for cost-sharing with central government to ensure effective implementation. Within the local government submitter category, smaller territorial authorities raised concerns about disproportionate operational costs. Many local government submitters also raised concerns about implementation costs falling on ratepayers rather than on users only, irrespective of size, location or operational scope.

- Implementation requires resourcing from central government to support councils (Porirua City Council, Timaru District Council).
- Incentives to support implementation were suggested (Auckland Council).
- There should be flexibility for councils to determine the sequencing of how they implement national direction instruments (Auckland Council).
- Costs should be shared between local government and central government (Waikato District Council, Waimate District Council, Merdian Energy Limited).
- Smaller councils face disproportionate costs and need tailored support (Manawatū District Council, Mackenzie District Council).
- Monitoring and enforcement costs should not shift unfairly from users to ratepayers (Horizon Regional Council).

#### 4.2.3.4 Technical and legal considerations

Local government submitters were consistent in their identification of the following issues.

- Implementation must be consistent with Part 2 of the RMA.
- Current national direction instruments are inconsistent and lack technical robustness.
- Risk of legal challenges during implementation, especially if provisions are unclear or instruments conflict with each other – for example, if terms like 'as soon as practicable' are too vague to hold up in court.

#### 4.2.3.5 Other matters

Local government, industry bodies and business submitters made it clear in their submissions that implementation would be best enabled by:

- each national direction instrument being directive enough to enable timely implementation
- allowing local government the flexibility to initiate full implementation at the same time as when their plans undergo full plan reviews
- allowing local government enough time to complete any technical assessments, as some national direction instruments will require, prior to implementation
- allowing local government to update plans without recourse to RMA Schedule 1 planmaking processes
- pausing the implementation of these national direction instruments until the new resource management system is in place.

Submissions from local government noted the need for implementation to reflect their communities' need for transparency in decision-making.

## 4.3 Implementation of proposals

## 4.3.1 Implementation methods

Implementation of the proposed NES-GF (to be amended to NES-MRU) and NPS-NH can be through either:

- statutory implementation in the form of direction on how and when the proposals, or
  parts of the proposals, should take effect for example, particular parts of the national
  direction that must be considered by decision-makers; when/how required RMA plan
  amendments are to be progressed; and direction on who will use and implement the
  national direction, or
- **non-statutory implementation** in the form of guidance, workshops and capacity building to assist understanding and delivery of the proposals.

Sections 44A and 55 of the RMA outline the statutory implementation provisions for national environmental standards (NESs) and NPSs.

## 4.3.2 Statutory implementation of NES-GF

Once approved, the NES-GF will have immediate effect on development proposals. The new permitted activity rule will immediately mean that those minor residential units that meet the

minor residential unit (MRU) definition – and associated permitted activity standards and other relevant plan rules – will be able to proceed without a resource consent.

It will also have an immediate effect on plans, with rules in the NES-GF replacing those equivalent rules in plans (except where the leniency provision applies). Typically, local authorities would commence a plan change to amend inconsistencies between plans and the NES-GF, without using the RMA Schedule 1 process which applies to plan changes. The RMA requires a plan change to implement an NES to be undertaken as soon as practicable after an NES comes into effect. Plan changes to resolve conflicts with an NES using section 44A do not require a Schedule 1 process and can be progressed or implemented from the operative date for NES.

Once operative, the NES-GF would apply even if the plan change to implement it had not been completed.

The NES-GF proposal includes provision for the NES to enable rules in a plan to be more lenient than the provisions in the NES-GF. Following the introduction of the NES-GF, this would enable existing plans to retain only their more permissive or enabling rules for MRU than the equivalent rules in the NES-GF. In those situations, the plan rules which are more lenient than those in the NES-GF would apply instead of the rules in the NES-GF.

## 4.3.3 Statutory implementation of the NPS-NH

The NPS-NH will have an immediate effect on resource consent decisions, water conservation orders, and decisions on notice of requirements (for designations) and heritage orders.

The NPS-NH must be considered for all resource consent applications under section 104 and will directly apply to the determination of resource consents for discretionary and non-complying activities under section 104B. This means national direction will be a factor in consent decision-making, alongside the assessment of effects, any mitigation measures, other RMA plan provisions, and any other matter the decision-maker considers relevant and reasonably necessary to make a decision.

The RMA includes two options for how and when NPS provisions are implemented in RMA documents under section 55(2) and (2D). The option for an NPS to require direct insertion of specific policies into an NPS under section 55(2) was not exercised in the NPS-NH proposal so it is not available. The other option relates to a local authority-led plan change to implement an NPS 'as soon as practicable' after becoming operative under section 55(2D)(a). This would follow the plan change process set out in Schedule 1 of the RMA and involve public consultation on the proposed plan provisions, and an opportunity for submitters on the plan change to be heard at a public hearing. Decisions on the plan changes would also be subject to appeals at the Environment Court.

The typical plan change process has been impacted by a recent amendment to the RMA to stop council RMA plan-making processes. This amendment limits the ability for local authorities to undertake plan changes using Schedule 1 processes until 31 December 2027. This is discussed further below.

## 4.3.4 RMA Amendment Act 2025, Plan Stop provisions and implications for national direction implementation

In August 2025, the Government passed an amendment to the RMA that introduced a requirement to stop most plan-making under the RMA, unless it was subject to an exemption. The Plan Stop suspends the requirement to review plans and policy statements and prevents notification of new plan or policy statement changes or variations until the end of 2027, when the new resource management system will be in effect.

The Plan Stop allows automatic exemptions for plan or policy statement changes that relate to natural hazards, meaning that implementation of NPS-NH is not subject to the RMA amendment to stop council RMA plan-making processes (Plan Stop).<sup>56</sup>

The Plan Stop also provides an automatic exemption for plan or policy statement changes that implement requirements under new national policy statements, where those policy statements specify that its implementation – or parts of its implementation – are to occur through a planmaking process before 31 December 2027.

Councils can progress natural hazards related plan changes to implement the proposed NPS-NH if they wish (as an exemption is provided in the Plan Stop). However, there is no short-term requirement for comprehensive plan changes and the proposal did not include a date by which local authorities must give effect to the NPS-NH.

This does not affect private plan changes, which are still able to progress and will need to consider relevant national direction, including the NPS-NH.

## 4.4 Recommendations

No change is recommended to the proposed NPS-NH and NES-GF. The Plan Stop amendment provides for plan changes to be made to implement the NPS-NH, and the NES-GF can be implemented immediately.

#### Recommendations

No changes to the proposed NES-GF and NPS-NH are recommended further to those outlined in this report.

<sup>&</sup>lt;sup>56</sup> Ministry for the Environment. 2025. Plan Stop fact sheet. Wellington: Ministry for the Environment.

# Appendix A: Consolidated recommendations – New National Environmental Standards for Granny Flats (Minor Residential Units)

### Recommendations in relation to notified proposed provisions

The proposal section of this table includes the proposed provisions published in: Ministry for the Environment 2025. *Package 1: Infrastructure and development – Discussion* document. The recommendations section recommends changes to the notified proposal and specifies reasons for recommended changes.

The proposed National Environmental Standards for Granny Flats (NS-GF) are intended to be renamed as National Environmental Standards for Minor Residential Units (NES-MRU).

| PROPOSAL  | ROPOSAL RECOMMENDATIONS FOR THE PROPOSED NES-GF (to be renamed as NES-MRU)   |                                |   |  |                     |
|---|--|--------------------------------|---|--|---------------------|
| Application   | Proposed provisions  | Topic                          | Recommendations   | Reasons for recommendations  | Minister's decision |
| Where does it apply?  | This National Environment Standard (NES) is proposed to apply to MRUs in residential, rural, mixed-use, and Māori purpose zones across all of New Zealand.   | Where the proposal applies     | No change  1. Apply the National Environment Standards for Granny Flats (Minor Residential Units) (NES-GF) to minor residential units in residential, rural, mixed-use and Māori purpose zones across all of New Zealand.   | These zones already provide for residential activities and minor residential unit (MRU) development would be consistent with the zone purpose.  While an MRU may not be considered the most efficient use of land in zones where higher density is enabled, applying the NES-GF to these zones is consistent with the policy intent to provide an enabling framework to build MRU and provide for housing choice. Uptake of MRU in these zones is also not expected to materially impact on the development of higherdensity development.  | Yes   No            |
| All other<br>provisions in<br>district and<br>regional<br>plans | Other than as provided for in the NES, all other district and regional plan provisions are proposed to apply in relation to:  • subdivision;  • Resource Management Act 1991 section 6 matters of national importance (eg, management of risks from natural hazards);  • the specific use of the MRU (other than for residential activities);  • regional plan rules;  • papakāinga;  • earthworks; and  • setbacks from transmission lines, railway lines and the National Grid Yard. | Provisions that apply in plans | Change  2. Amend the proposal to clarify that rules and standards in a district or unitary plan, which deal with the following matters, will continue to apply to minor residential units:  a. subdivision  b. section 6 matters of national importance c. the use of the MRU (other than for residential activities)  d. papakāinga e. earthworks f. any other rule or standard that applies to the principal residential unit that manages effects relating to health and safety, including: i. any natural hazard risk | Providing an exhaustive list of the matters that can continue to apply alongside the NES-GF (rather than a non-exhaustive list) provides for site-specific contexts that could not be anticipated by the NES to be managed, while providing more clarity for implementation, especially when combined with topic 4 to explicitly rule out particular matters councils can regulate in relation to MRU.  The additional matters officials have recommended adding are not anticipated to have a material impact on how enabling the NES is, as MRU are often provided for as a permitted activity in district and unitary plans already. Examples of these additional matters include minimum floor level requirements to manage flooding | Yes   No            |

| PROPOSAL    |                     |       | RECOMMENDATIONS FOR THE PROPOSED NES-GF (to be renamed as NES-MRU)  |   |                     |  |
|-------------|---------------------|-------|---|---|---------------------|--|
| Application | Proposed provisions | Topic | Recommendations   | Reasons for recommendations   | Minister's decision |  |
|             |                     |       | ii. reverse sensitivity, including setbacks, from network utility operations, electricity network assets, contaminated land, existing industrial activities, primary and intensive indoor primary production as defined in the National Planning Standards 2019 (national planning standards) or equivalent (where councils have not yet implemented the national planning standards), or that are otherwise provided for in other national environmental standards  iii. site-specific infrastructure requirements (including three waters connections).  3. Amend the proposal to clarify that all other rules and standards in a district or unitary | effects, three waters connection requirements, and setbacks from significant infrastructure, including those set out in national standards such as the New Zealand Electrical Code of Practice for Electrical Safe Distances (NZECP 34:2001). Matters such as amenity values (eg, special character) are not intended to be captured. |                     |  |
|             |                     |       | <ul><li>plan will not apply to minor residential units.</li><li>4. Amend the proposal to clarify that all rules and standards in regional plans will continue to apply to minor residential units.</li></ul>  |   |                     |  |

| PROPOSAL RECOMMENDATIONS FOR THE PROPOSED NES-GF (to be renamed as N |   |                              |   | O NES-GF (to be renamed as NES-MRU)           | MRU)   |  |          |
|--|---|------------------------------|---|---|--|--|----------|
| Definitions  | Proposed provisions   | Topic                        | Recommendations   | Reasons for recommendations                   | Minister's decision  |  |          |
| D1 Minor<br>residential unit   | A self-contained residential unit that is ancillary to the principal residential unit and is held in common ownership with the principal residential unit on the same site.   | What the proposal applies to | No change  5. Include a definition of 'minor residential unit' as defined in the national planning standards. | definite to a to also meet and also also also | interpreting the proposed rules. The definitions in the national planning standards are proposed to be used as | interpreting the proposed rules. The definitions in the national planning standards are proposed to be used as | Yes   No |
| D2 Residential unit  | A building(s) or part of a building that is used for a residential activity exclusively by one household, and must include sleeping, cooking, bathing and toilet facilities.  | What the proposal applies to | No change  6. Include a definition of 'residential unit' as defined in the national planning standards.       |   | Yes   No   |  |          |
| D3 Residential zones   | The following zone definitions from the National Planning Standards:  Large lot residential zone  Low density residential zone  General residential zone  Medium density residential zone  High density residential zone. | Where the proposal applies   | No change 7. Include a definition as defined in the national planning standards.                              |   | Yes   No   |  |          |
| D4 Rural zones   | The following zone definitions from the National Planning Standards:  General rural zone Rural lifestyle zone Rural production zone Settlement zone.  | Where the proposal applies   | No change  8. Include a definition of rural zone as defined in the national planning standards.               |   | Yes   No   |  |          |
| D5 Mixed use zone  | The zone definition from the National Planning Standards for the Mixed-use zone.  | Where the proposal applies   | No change  9. Include a definition of 'mixed-use zone' as defined in the national planning standards.         |   | Yes   No   |  |          |

| PROPOSAL                 |  |                            | RECOMMENDATIONS FOR THE PROPOSED   | NES-GF (to be renamed as NES-MRU) |                     |
|--------------------------|--|----------------------------|--|-----------------------------------|---------------------|
| Definitions              | Proposed provisions  | Topic                      | Recommendations  | Reasons for recommendations       | Minister's decision |
| D6 Māori purpose<br>zone | The zone definition from the National Planning Standards for the Māori purpose zone. | Where the proposal applies | No change  10. Include a definition of 'Māori purpose zone' as defined in the national planning standards.   |                                   | Yes   No            |
| D7 Site                  | The definition from the National Planning Standards for 'site'.                      | Permitted activity rule    | No change  11. Include a definition of 'site' in the proposal as defined in the national planning standards. |                                   | Yes   No            |

| PROPOSAL Permitted activity                                      |                     |  | RECOMMENDATIONS FOR THE PROPOSED NES-GF (to be renamed as NES-MRU)   |  |                     |  |
|--|---------------------|--|--|--|---------------------|--|
| rules  | Proposed provisions | Topic  | Recommendations  | Reasons for recommendations  | Minister's decision |  |
| PA 1 One minor residential unit per site as a permitted activity |                     | Permitted activity rule  Where the proposal applies  Leniency of rules | No change  12. Include a permitted activity rule which permits:  a. one minor residential unit per site in residential, rural, mixed-use and Māori purpose zones where they meet the permitted activity standards set out below, except where more lenient rules apply in existing district plans. | The NES-GF has been designed to enable one small house for residential use that is associated with a principal residential unit on the same site. It does not manage the effects which might typically be considered for multiple dwellings, or development of vacant sites because of the assumed relationship between the principal and minor residential units. | Yes   No            |  |

| PROPOSAL   |   |  | RECOMMENDATIONS FOR THE PROPOSED NES-GF (to be renamed as NES-MRU)   |   |                     |
|--|---|--|--|---|---------------------|
| Permitted activity standards   | Proposed provisions   | Торіс  | Recommendations  | Reasons for recommendations   | Minister's decision |
| PAS 1 Maximum internal floor area  | The maximum internal floor area is 70 square metres (m²).  The maximum internal floor area is measured on the inside of the enclosing walls or posts and columns.               | Permitted activity standards   | Change  13. Include a permitted activity standard that provides for:  a. a maximum internal floor area of 70 square metres; and  b. a definition for internal floor area that aligns with the corresponding changes to the Building Act 2004.  | To ensure internal floor area is defined in a way that is appropriate for an NES in the context of integrating clearly with the RMA plans, and is consistent with applicable building standards and legislation.  | Yes   No            |
| PAS 2 Number of<br>minor residential<br>units per site and<br>relationship to<br>principal<br>residential unit | One MRU per site, and the MRU is held in common ownership with a principal residential unit on the same site, except where more lenient rules apply in existing district plans. | What the proposal<br>applies to<br>Permitted activity<br>rule<br>Leniency of rules | Change  14. Withdraw the proposal for a permitted activity standard to provide for one minor residential unit per site where the minor residential unit is held in common ownership with the principal residential unit on the same site except where more lenient rules apply in existing district plans. | This permitted activity standard is no longer required as these requirements are already provided for in recommendations 5 (MRU definition), 12 (one MRU per site) and 20 (leniency).   | Yes   No            |
| PAS 3 Maximum building coverage per site   | Maximum building coverage of 50% for MRUs and principal residential units collectively in residential, mixed-use and Māori purpose zones.                                       | Permitted activity standards   | 15. In relation to maximum building coverage standards:  No change  a. include a permitted activity standard that provides for a maximum building coverage per site of 50% in residential zones  Change  b. include a requirement for building coverage standards in mixed-use                             | Residential zones: This aligns with the medium density residential standards (MDRS) provision for 50% building coverage and is more enabling than the status quo in other council areas that have not implemented the MDRS.  Mixed-use zone: This addresses submitters' concerns that it is not appropriate to apply the same building coverage standard across all mixed-use zones as they provide for a | Yes   No            |

| PROPOSAL Parmitted activity                     | RECOMMENDATIONS FOR THE PROPOSED NES-GF (to be renamed as NES-MRU)                                      |                              |  |   |                     |  |  |
|---|---|------------------------------|--|---|---------------------|--|--|
| Permitted activity standards                    | Proposed provisions   | Topic                        | Recommendations  | Reasons for recommendations   | Minister's decision |  |  |
|   |   |                              | zones to be managed by the underlying district or unitary plan  c. include a requirement for building coverage standards in Māori purpose zones to be managed by the underlying district or unitary plan.  | different mix of activities and could be more or less enabling of residential activities.  Māori purpose zones: This provides for the specifics of this zone to be determined with tangata whenua. This approach is consistent with the zone description in the national planning standards: "Areas used predominantly for a range of activities that specifically meet Māori cultural needs including but not limited to residential and commercial activities". |                     |  |  |
|   | No maximum building coverage in rural zones.  | Permitted activity standards | No change  16. Include provision for building coverage standards in rural zones to continue to be managed by the underlying district plan.   | The intent of building coverage standards is to manage density on a site and stormwater runoff. This approach aligns with most district plans as most rural zones in district plans do not include a maximum building coverage standard as it is not necessary given the larger sizes of rural sites.   | Yes   No            |  |  |
| PAS 4 Minimum building setbacks from boundaries | Setbacks in residential zones: 2 metres (m) from the front boundary, 2 m from side and rear boundaries. | Permitted activity standards | No change  17. Include a permitted activity standard that provides for the following minimum building setbacks from boundaries:  a. 2 metres from the front, side and rear boundaries in residential zones | Minimum building setbacks control development, ensure safe distances between dwellings and provide privacy. This recommendation aligns with the equivalent requirement in the Building and Construction (Small Stand-alone Dwellings) Amendment Bill (less permissive than the MDRS, but councils may retain more lenient standards).   | Yes   No            |  |  |

| PROPOSAL   | RECOMMENDATIONS FOR THE PROPOSED NES-GF (to be renamed as NES-MRU)                        |                              |   |   |                     |  |
|--|---|------------------------------|---|---|---------------------|--|
| Permitted activity standards   | Proposed provisions   | Topic                        | Recommendations   | Reasons for recommendations   | Minister's decision |  |
|  | Setbacks in rural zones: 10 m from the front boundary, 5 m from side and rear boundaries. | Permitted activity standards | No change  18. Include a permitted activity standard that provides for the following minimum building setbacks from boundaries:  a. 10 metres from the front boundary, 5 metres from the side and rear boundaries in rural zones. | While there was very mixed feedback on this proposal, officials consider the proposed standard is consistent with the policy objective and its principles, particularly to enable MRUs with appropriate safeguards for key risks and effects.   | Yes   No            |  |
| PAS 5 Building<br>setbacks from the<br>principal<br>residential unit | The MRU must be at least 2 m from the principal residential unit.                         | Permitted activity standards | No change  19. Include a permitted activity standard that provides for a minor residential unit to be set back at least 2 metres from the principal residential unit.   | Officials consider, on balance, it is appropriate to retain the proposed 2 metres setback to ensure consistency with the proposed changes to the Building Act 2004 through the Building and Construction (Small Stand-alone Dwellings) Amendment Bill. This will provide clarity for councils and plan users when implementing the policy package as a whole. Councils can still retain more lenient standards. | Yes   No            |  |

| PROPOSAL          |  |                   | RECOMMENDATIONS FOR THE PROP   |  |                     |
|-------------------|--|-------------------|--|--|---------------------|
| Leniency of rules | Proposed provision   | Topic             | Recommendation   | Reasons for recommendation   | Minister's decision |
| R1                | District or unitary plans can have more lenient permitted activity standards for MRUs than those set out in the NES. | Leniency of rules | No change  20. Include provision for a rule which enables district or unitary plans to include more lenient permitted activity standards for minor residential units than those set out in the NES-GF. | Some councils already have standards for minor residential units that are more enabling than those in the proposed NES-GF. Therefore, it is important to ensure councils can retain these more lenient standards and this NES- does not limit a greater scale of development of an MRU. This provision can be introduced under section 43B of the RMA. | Yes   No            |

| PROPOSAL                             |  | RECOMMENDATIONS FOR THE PROPOSED NES-GF (to be renamed as NES-MRU) |  |   |                     |  |
|--------------------------------------|--|--|--|---|---------------------|--|
| Matters council cannot apply to MRUs | Proposed provisions  | Topic  | Recommendation   | Reasons for recommendation  | Minister's decision |  |
| R2                                   | Councils cannot apply the following standards to MRUs:  requiring individual outdoor space  privacy, sunlight, glazing  parking, access. | Matters councils cannot apply to MRU                               | No change  21. Include a provision to ensure that rules in district or unitary plans which relate to the following matters do not apply to minor residential units:  a. minimum requirements for individual outdoor open space; and  b. minimum requirements for privacy, sunlight access, facade glazing or total area of glazing or parking. | Officials consider these matters do not need to be managed as the anticipated scale of effects are different to larger developments, and there is an assumed relationship with a principal residential unit.  Officials consider there are sufficient checks and balances across the proposal as a whole to provide an appropriate balance of enabling MRU within the site-specific contexts, while restricting matters councils cannot manage in relation to MRU so as not to unduly restrict MRU. |                     |  |

| PROPOSAL  |   |                                | RECOMMENDATIONS FOR THE PROPOSED NES-GF (to be renamed as NES-MRU)  |  |                     |  |
|---|---|--------------------------------|---|--|---------------------|--|
| Where a development does not meet one or more of the permitted activity standards | Proposed provision  | Topic                          | Recommendation  | Reasons for recommendation   | Minister's decision |  |
| R3  | Existing district plan rules for MRU development apply where a development does not meet one or more of the permitted activity standards (ie, where a MRU is no longer a permitted activity under the NES). | When district plan rules apply | No change  22. Include a rule that requires that any minor residential unit which does not meet one or more of the permitted activity standards in the NES-GF is no longer able to be considered under the NES-GF and must be considered under the relevant district or unitary plan. For avoidance of doubt, all rules and standards in regional plans will apply to MRU, whether they are subject to the NES-GF or relevant plan. | This ensures the proposed policy is simple and there is less complexity in implementation, particularly for councils and plan users. | Yes   No            |  |

## Other recommendations

These recommendations relate to matters raised through submissions or to clarify the proposal.

| RECOMMENDATIONS              |   |  |                     |
|------------------------------|---|--|---------------------|
| Topic                        | Recommendation  | Reasons for recommendation   | Minister's decision |
| What the proposal applies to | 23. Rename the proposed National Environmental Standards for Granny Flats as the National Environmental Standards for Minor Residential Units.  | This is consistent with the term 'minor residential unit' in the national planning standards and supports the policy intent that the proposed NES-GF is intended to provide more affordable housing options and choice for all New Zealanders.   | Yes   No            |
| What the proposal applies to | 24. Include a provision to clarify that the NES-GF only applies to detached MRU.  | The permitted activity standards of the proposed NES-GF have not been developed to consider the effects from extensions to the primary dwelling or attached MRU. Providing this clarity will support effective implementation, is consistent with the policy intent and aligns with the proposed changes through the Building and Construction (Small Stand-alone Dwellings) Amendment Bill.   | Yes   No            |
| Permitted activity standards | 25. Include a definition of building coverage which uses the same definition used in the national planning standards.                           | This definition is needed to assist in interpreting the proposed rules and standards in the NES-GF. The definition in the national planning standards is proposed to be used to improve national consistency of the planning system.   | Yes   No            |
| Permitted activity standards | 26. Include a provision requiring minimum building setbacks from boundaries in mixed-use zones in district and unitary plans apply to MRUs.     | This addresses submitters' concerns that it is not appropriate to apply the same minimum building setbacks from boundaries standard across all mixeduse zones as they provide for a different mix of activities and could be more or less enabling of residential activities.  | Yes   No            |
| Permitted activity standards | 27. Include a provision requiring minimum building setbacks from boundaries in Māori purpose zones in district and unitary plans apply to MRUs. | This addresses submitters' concerns that it is not appropriate to apply the same minimum building setbacks from the boundaries standard across Māori purpose zones, and provides for the specifics of this zone to be determined with tangata whenua. This approach is consistent with the zone description in the national planning standards: "Areas used predominantly for a range of activities that specifically meet Māori cultural needs including but not limited to residential and commercial activities". | Yes   No            |

## **Appendix B: Consolidated recommendations – New National Policy Statement for Natural Hazards**

### Recommendations in relation to notified proposed provisions

The proposal section of this table includes the proposed provisions published in: Ministry for the Environment. 2025. *Package 1: Infrastructure and development* – *Discussion document*. The recommendations section recommends changes to the notified proposal and specifies reasons for recommended changes.

| PROPOSAL   |   |                       | RECOMMENDATIONS   | FOR THE PROPOSED NPS-NH   |                     |
|--|---|-----------------------|---|---|---------------------|
| Application  | Proposed provisions   | Торіс                 | Recommendations   | Reasons for recommendations   | Minister's decision |
| Specified natural hazards  | The National Policy Statement for Natural Hazards (NPS-NH) applies to the following hazards:  • flooding;  • landslips;  • coastal erosion;  • coastal inundation;  • active faults;  • liquefaction; and  • tsunami. | Scope and definitions | No change  1. Retain the definition of specified natural hazards.   | The seven specified hazards were selected based on the availability of consistent national-level data, which enables some standardisation of the risk assessment approach. Other hazards – such as volcanic activity or geothermal risks – require highly localised responses or are already addressed through other legislation (eg, the Building Act 2004 for ground shaking and wind). Further clarification on the scope of each hazard will be provided in non-statutory guidance. | Yes   No            |
| Does not apply to<br>Infrastructure and<br>primary<br>production | The NPS-NH applies to all activities managed under the Resource Management Act 1991 (RMA) except primary production and infrastructure.   | Scope and definitions | No change  2. Retain the proposal limiting the application of the NPS-NH so it excludes infrastructure (as defined in the RMA) and primary production (as defined in the National Planning Standards 2019). | Inclusion of infrastructure and primary production would require tailored policies to recognise the nuance of risk assessment and response for these activities. Tailored policies would represent a material change to the proposal which would require further consultation so has not been recommended.  | Yes   No            |

| PROPOSAL  | PROPOSAL RECOMMENDATIONS FOR THE PROPOSED NPS-NH   |                       |  |  |                     |
|---|--|-----------------------|--|--|---------------------|
| Application   | Proposed provisions  | Торіс                 | Recommendations  | Reasons for recommendations  | Minister's decision |
| The New Zealand<br>Coastal Policy<br>Statement 2010<br>(NZCPS) prevails<br>when there is<br>inconsistency | It applies to all environments and zones including coastal environments.  The New Zealand Coastal Policy Statement 2010 prevails, where there is inconsistency in policy direction with regard to managing natural hazard risk in the coastal environment. | Scope and definitions | No change  3. Retain the proposal for the New Zealand Coastal Policy Statement 2010 (NZCPS) to prevail where there is inconsistency in policy direction regarding managing natural hazard risk in the coastal environment. | Officials recommend that the NZCPS prevails because it provides clear, specific direction for managing coastal hazards, including a precautionary approach and long-term climate change planning. This ensures certainty for councils and applicants and maintains strong protection for the unique values of the coastal environment. | Yes   No            |
| NPS is not limiting   | Nothing in this NPS limits local authorities from managing natural hazard risk beyond the application of the NPS. The NPS-NH does not prevent local authorities from having policy on other natural hazards, activities, or the environment.               | Scope and definitions | No change  4. Retain the proposal that the NPS-NH does not limit local authorities from managing natural hazard risk from other natural hazards, activities, or with other consequences.                                   | There was high support for this policy from submitters.  | Yes   No            |

| PROPOSAL RECOMMENDATIONS FOR THE PROPOSED NPS-NH |   |                              |  |   |                     |
|--|---|------------------------------|--|---|---------------------|
| Definitions                                      | Proposed provisions   | Торіс                        | Recommendations  | Reasons for recommendations   | Minister's decision |
| D1 Significant risk<br>from natural<br>hazards   | The NPS-NH discussion document proposes a definition of 'significant risks from natural hazards' as used in the NPS NH based on a risk matrix for classifying risk levels based on likelihood and consequence.  A significant risk was one assessed as 'medium', 'high' and 'very high' using the risk matrix, as applied to assessments of individual sites, considering damage to property, and potential for injury or fatalities. | Defining<br>significant risk | No change  5. Retain the definition of significant risk and the settings in the risk matrix. | The proposed definition is based on a common understanding of significance – that is, something large or important enough to warrant attention. A significant risk from natural hazards is one that requires some form of management, including mitigation or risk reduction, even if the response is relatively light touch. | Yes   No            |

| PROPOSAL              |  |                       | RECOMMENDATIONS   | FOR THE PROPOSED NPS-NH  |                     |
|-----------------------|--|-----------------------|---|--|---------------------|
| Definitions           | Proposed provisions  | Topic                 | Recommendations   | Reasons for recommendations  | Minister's decision |
|                       | This risk matrix includes consequence and likelihood thresholds for a continuum of risk levels ranging from very high to low.              |                       |   |  |                     |
|                       | The consequence and likelihood thresholds for each risk classification are also defined by the matrix included in the discussion document. |                       |   |  |                     |
| D2 New<br>development | Means development:   | Scope and definitions | Change  6. Amend the definition of 'new development' in D2 so it includes:  a. new buildings and structures on vacant sites and sites that already contain buildings or structures; and  b. extensions, and replacement of existing buildings and structures on sites that already contain buildings or structures. | The proposed change responds to strong submitter feedback that it is necessary for the NPS-NH to apply to development scenarios where redevelopment or intensification of existing developed sites is occurring. | Yes   No            |

| PROPOSAL RECOMMENDATIONS FOR THE PROPOSED NPS-NH |   |                        |  |   |                     |
|--|---|------------------------|--|---|---------------------|
| Objectives                                       | Proposed provisions   | Topic                  | Recommendations  | Reasons for recommendations                                   | Minister's decision |
| OB1 Embedding<br>a risk-based<br>approach        | An objective that could be expressed as: In order to avoid, mitigate and reduce risks arising from natural hazards on subdivision, use and development, local authorities apply:  a risk-based approach to managing natural hazard risks; and  land use or use controls that are proportionate to the level of natural hazard risk. | Risk-based<br>approach | No change 7. Retain the objective for embedding a risk-based approach consistent with the intent of OB1. | There was strong support for the objective across submitters. | Yes   No            |

| PROPOSAL                           |  | RECOMMENDATIONS FOR THE PROPOSED NPS-NH         |   |  |                     |
|------------------------------------|--|---|---|--|---------------------|
| Policies                           | Proposed provisions  | Topic   | Recommendations   | Reasons for recommendations  | Minister's decision |
| P1 Risk<br>assessments             | <ul> <li>When assessing natural hazard risk for an activity in planning and consenting, local authorities must consider:</li> <li>1) the likelihood of a natural hazard event occurring;</li> <li>2) the consequences of a natural hazard event for the activity;</li> <li>3) existing and proposed mitigation measures; and</li> <li>4) residual risk.</li> </ul> | Risk-based<br>approach                          | No change  8. Retain the intent of policy P1 risk assessment.   | The policy is well supported.  Additional explanation can be provided through non-statutory guidance.                | Yes   No            |
| P2 Climate<br>change<br>timeframes | The potential impacts of climate change on natural hazards are to be considered at least 100 years into the future.  | Requiring<br>consideration of<br>climate change | 9. Amend policy P2 to provide for consideration of climate change as part of the risk assessment process. | There was broad support from submitters for a policy requiring consideration of climate change well into the future. | Yes   No            |

| PROPOSAL                          |  | RECOMMENDATIONS FOR THE PROPOSED NPS-NH |   |  |                     |
|-----------------------------------|--|---|---|--|---------------------|
| Policies                          | Proposed provisions  | Topic                                   | Recommendations   | Reasons for recommendations  | Minister's decision |
|                                   |  |   | <ul> <li>10. Amend policy P2 so the potential effects of climate change on natural hazards are to be considered at least until 2100, or 100 years into the future where projections are available.</li> <li>11. Amend policy P2 to make it clear that decision-makers should use the most up-to-date projections and guidance on climate change scenarios.</li> </ul>   | The recommendation clarifies that the policy is intended to be given effect during the risk assessment process. Providing two alternative time periods better reflects the currently available projections and provides flexibility as these are updated over time.  |                     |
| P3<br>Proportionate<br>management | Local authorities must proportionately manage natural hazard risk, including significant risk, when making planning and consenting decisions on new subdivision, use and development, based on the level of natural hazard risk. | Proportionate management                | Change  12. Amend policy P3 to clarify that:  a. the responses available to manage significant natural hazard risk include avoiding, mitigating and reducing the natural hazard risk  b. proportionately managing natural hazard risk means applying more restrictive planning responses as the level of risk increases.  13. Add a policy to the proposal to require that new subdivision, use and development, where natural hazard risk is assessed as very high, must be avoided.  14. Amend the application of the risk matrix so it applies to the definition of very high natural hazard risk. | A significant number of submissions sought stronger, clearer policy direction on the meaning of proportionate management.  Officials recommend clarifying the intent to apply more restrictive responses as level of risk increases, and a specific directive that new development should be avoided where natural hazard risk is assessed as very high using the risk matrix. | Yes   No            |

| PROPOSAL  |   |  | RECOMMENDATIONS FOR   | THE PROPOSED NPS-NH   |                     |
|---|---|--|---|---|---------------------|
| Policies  | Proposed provisions   | Topic                                    | Recommendations   | Reasons for recommendations   | Minister's decision |
| P4 Best<br>available<br>information   | Local authorities must use best available information when making planning decisions managing natural hazard risk.                                    | Use the best<br>available<br>information | Change  15. Amend policy P4 of the proposal to clarify that mātauranga Māori is a potential source of information.                                  | The changes will provide greater clarity about what information is considered best available information, which will improve consistency in its application.    | Yes   No            |
| P5 Significant<br>risk from<br>natural hazards<br>not exacerbated<br>on other sites | New subdivision, use and development, including mitigation measures, must not exacerbate significant natural hazard risk on other sites or locations. | Proportionate<br>management              | Change  16. Amend policy P5 to require that any increase in significant off-site risk is managed proportionately and avoided, mitigated or reduced. | The revised approach provides greater flexibility for local authorities and better aligns with the policy intent of identifying and managing significant risks. | Yes   No            |
| P6 Continue with risk assessment processes where information is limited or unclear  | Local authorities must continue with risk assessment processes where information is uncertain or incomplete.  | Use the best<br>available<br>information | No change  17. Retain policy P6 requiring risk assessment processes to continue where information is limited or unclear.                            | There was broad support for this policy.  | Yes   No            |

| PROPOSAL                             |  | RECOMMENDATION   | ONS FOR THE PROPOSED NPS-NH   |   |                     |
|--------------------------------------|--|------------------|---|---|---------------------|
| Implementation measures              | Proposed provisions  | Торіс            | Recommendation  | Reasons for recommendation  | Minister's decision |
| IM1<br>Implementation<br>time frames | No required timeframe to 'give effect to' the NPS in plan changes is proposed. | Other key issues | No change  18. Retain the IM1 proposal to not specify a timeframe to give effect to the NPS-NH. | Part C: Implementation in the Report on Submissions and Recommendations contains more detailed information about proposed implementation. | Yes   No            |

### **Other recommendations**

This recommendations relates to matters raised through submissions and clarifies the proposal.

| RECOMMENDATIONS  |   |  |                     |  |  |
|------------------|---|--|---------------------|--|--|
| Торіс            | Recommendation  | Reasons for recommendation   | Minister's decision |  |  |
| Explanatory note | Change  23. Include an explanatory note confirming that the NPS- NH does not override existing use right protections under section 10 of the RMA. | 19. Submitters queried whether the NPS-NH would override existing use protections in section 10, particularly in scenarios where rebuilding is required after a natural hazard event. Providing an explanatory note will help avoid implementation issues. | Yes   No            |  |  |

## **Appendix C: Making it easier to build granny flats: Summary of submissions**

Read the Making it easy to build granny flats: Summary of submissions on the Ministry for the Environment's website.