

Regulatory Impact Statement Spatial Planning Options for the Auckland Council

Proactively released

Regulatory Impact Statement

Executive Summary

Auckland has struggled to provide infrastructure and planning in the co-ordinated manner needed to match its rapid growth. Much of the problem has resulted from an inability to set a strategic direction that is consistently expressed through various statutory and operational plans and decisions. The problem has also been caused by a lack of agreement with the other parties (e.g. central government, the private sector, infrastructure providers) providing critical infrastructure and investment and its type, scale, timing and location.

The provisions relating to a spatial plan for Auckland in this Bill are designed to provide for this strategic direction to be agreed and implemented. This will contribute to the rationalisation and ease of decision making that will result from the amalgamation of Auckland local government under one Auckland Council. The spatial plan will also inform and give greater certainty to parties (e.g. central government, the private sector, infrastructure providers) about the likely shape of future development. This can form the basis upon which to prioritise, target and agree the type, scale, timing and location of investment decisions (e.g. transport) that are critical in delivering on the strategic direction.

Adequacy Statement

The Ministry for the Environment has reviewed the RIS and confirm that the RIS is adequate according to the adequacy criteria.

Status quo and the Problem

The overall problem with planning for growth under the new Auckland Council is that inconsistency will remain between plans, between decisions and between parties who plan and invest for growth (e.g. Councils, CCOs, Central Government, infrastructure providers).

This problem is threefold.

1. No mechanism exists for setting a broad strategic direction for the new Auckland Council
2. Limited ability for an agreed strategic direction to influence other Auckland Council plans and decision making
3. No mechanism exists to provide information to, and to engage, the parties involved in delivering the strategic direction, so that activities can be agreed and coordinated.

Status Quo Planning Framework

The framework for managing and providing for regional outcomes, including growth, is principally under three Acts. Provision of infrastructure and investment is undertaken by councils under the Local Government Act 2002 and the Land Transport Management Act 2003. The Resource Management Act 1991 has a role in identifying some spatial aspects of growth and regional outcomes through designations and in managing environmental effects.

Central government's involvement in the region is through the delivery of various services and infrastructure across sectors such as health, housing, education and transport. Other infrastructure and service providers, including the private sector, also provide a range of infrastructure and services and dominate in a number of other sectors including business, housing, education, telecommunications and energy.

The planning framework for Auckland includes statutory requirements for:

- Long Term Council Community Plan (Local Government Act 2002);
- District Plan (Resource Management Act 1991); and
- Auckland Regional Growth Strategy [Local Government Act 1974 and the Local Government (Auckland) Amendment Act 2004], which will transition to the new Auckland council;

Non-statutory plans will include:

- Regional Policy Statement and Regional Plans (Resource Management Act 1991); and
- Regional Land Transport Strategy (Land Transport Management Act 2003).

The status of other non-statutory plans, such as local economic development plans, is uncertain.

The Auckland Regional Growth Strategy, prepared in 1999, is a statutory requirement that is unique to Auckland and will continue to remain in force when the new Auckland Council is established. Currently it provides the only strategy for managing growth in the Auckland Region, and by default provides the strategic direction for the region.

The Auckland Regional Growth Strategy has a spatial component, but as the Royal Commission notes, it is not a spatial plan (Section 24, para 24.7; footnote 7) but only provides a concept for how growth is managed. It identifies municipal urban limits and nodes for future growth or intensification. It does not, however, map existing and future infrastructure requirements, nor does it address such issues as affordable housing, social deprivation or achieving economic growth and productivity.

Until government sought to strengthen implementation of the Auckland Regional Growth Strategy through Resource Management Act plans by passing the Local Government (Auckland) Amendment Act 2004, there was no basis for ensuring consistency between the different plans across the region. One of the purposes of the Auckland Council is to bring consistency to plans for the region and special area plans. The 2004 amendment only affected plans and decisions under the Resource Management Act 1991. It did not affect infrastructure funding decisions which are made outside this under other legislation.

The Local Government (Auckland) Amendment Act 2004 only provided changes to Resource Management Act plans as a single event in March 2005. The same process does not provide direction for subsequent regional growth strategies to be implemented by inclusion into Resource Management Act plans. Nor does it set up an on-going relationship or hierarchy between the regional growth strategy, Resource Management Act plans and other council plans.

Currently the Resource Management Act 1991 (RMA) provides for some guidance about the location of development and infrastructure. However, as the Royal Commission noted, growth and development management do not fall entirely in the realm of resource management. Furthermore, the RMA focuses on the environmental effects and impacts of development rather than on its nature, scale and timing. This means that RMA plans and decisions are effects-based and largely reactive, and do not provide a clear development strategy and information on the full range of matters beyond environmental, such as affordable housing and economic development.

Problem Detail

1. No mechanism exists for setting a broad strategic direction for the Auckland region. That is, there is no mechanism that:
 - accounts for the range of issues relevant to managing for growth (e.g. affordable housing, infrastructure, supply and demand for business land), and
 - integrates across the broad objectives that growth management and development seek to achieve.

The Royal Commission (Chapter 24) examined the effectiveness of current planning and resource management processes, and identified major issues and constraints that face Auckland. As a solution the Royal Commission recommended an agreed vision (strategic direction) which can be incorporated into a spatial plan. They saw this as being able to “*direct development and infrastructure investment, and bring into alignment the plans and spending programmes of key decision makers*” (para 24.75).

In commenting on the relationship between resource management planning and other core functions such as integrating land use planning with the provision of transport, and other city-shaping infrastructure, the Commission noted that “*policy for integrated growth does not fall entirely within the realm of resource management*”.

There is a range of planning instruments in use, together with various growth policies and investment plans. However, ‘*Some policies and plans have been in conflict or have served to frustrate regionally agreed directions and priorities particularly in*

relation to transport (Para 24.59). The failure to align the land use side of growth management with the funding and provision of city shaping infrastructure (roading, transit system, regional waste and wastewater networks and open space) and service provision was noted.

The Auckland Regional Growth strategy has provided a source for a strategic direction of the region, but this has a limited scope, focussing on integrating land use and resource planning with transport as the means to achieve its objectives. In assessing the current Auckland Regional Growth Strategy, a background paper to the Royal Commission stated:

*“While the Regional Growth Strategy had been established as a device for integrating land use and resource planning, it was not equipped to deal directly with infrastructure, economic development, or matters like affordable housing”.*¹

These matters are significant to addressing issues in the Auckland Region and to achieving regional outcomes. Addressing issues and achieving regional outcomes does not fall on a single agency, rather it involves multiple agencies, all of which need to discuss and agree on their respective roles.

2. Limited ability for an agreed strategic direction to influence other plans and decision making.

The amalgamation to one Auckland Council will go a long way to ensuring that Auckland Council can implement an agreed strategic direction through its plans and decisions. However, this is limited because there is no legislative connection between any agreed strategic direction and all the councils' and CCO plans and decisions.

This is particularly the case in relation to plans under the RMA, where third party appeals can result in issues being determined through court processes. In the absence of a clear legal relationship between plans, the regional strategic direction has limited ability to influence a court decision. Such decisions may have a substantial impact in practice on how development occurs and, over time, on the shape of the region. The Royal Commission recommended that the spatial plan have legislative linkages to implementation plans (District Plan, Regional Land Transport Strategy).

In work on the changes to the Resource Management Act 1991, which surveyed those with requiring authority status (relating to the designations process for public works) it is noted that none indicated that the Long Term Council Community Plan influenced their decisions².

There is, then, no existing mechanism that ensures that a strategic direction influences detailed plans and decision making of the Auckland Council growth management and development process.

3. No mechanism exists to provide information and to engage the parties involved in delivering the strategic direction, so that activities can be agreed and coordinated. To manage growth, there is a need to:

- agree and give greater certainty to all parties - central government, the private sector, infrastructure providers, the community, Iwi, et al - about the likely shape of future development, and
- provide a basis upon which to target and agree the nature, timing and location of investment decisions (e.g. transport) that are critical in delivering on an agreed strategic direction.

While an effort has been made to develop an agreed strategic direction for urban growth, the Commission noted that “*These methods while commendable have fallen short when it comes to implementation*” (para 24.59). A problem has been ‘*lack of synchronisation*’ between local government and major infrastructure providers. In addition, a 2007 review of the Auckland Regional Growth Strategy stated that “*there is a need for a better alignment of policy, funding and implementation across councils and with central government*”³. The provision of clear objectives, issues and a strong broad evidence base that covers the full range of matters relevant to growth management (e.g. affordable housing, supply and demand for business land) is a requirement for engagement, discussion and agreement between parties.

Summary

There are a number of different legal purposes and processes under different pieces of legislation involved in land use planning, infrastructure development and achieving regional outcomes. The status quo planning framework does not provide a mechanism to set out a strategic direction across the range of broad objectives that accounts for the range of factors that influence and are influenced by growth and development (e.g. affordable housing, supply and demand for business land). There is also limited ability for an agreed strategic direction to influence other Auckland Council plans and decision making. This is because there are no legislative linkages between the agreed strategic direction for growth and development and the Auckland Council’s and its Council Controlled Organisations, other plans or decisions making processes.

Most critically, there is no existing mechanism that clearly informs stakeholders of the information relevant to growth and development, and the high level plans and policies that must be clearly understood in order to make rational private and public investment decisions that support the long-term strategy. This undermines the ability of the Auckland Council to agree and coordinate the type, scale, location and timing of critical infrastructure and investment with the parties (e.g. central government, the private sector, infrastructure providers).

Objectives

The objective is to ensure that the new Auckland Council will agree and implement a broad long-term strategy for the growth and development of the region, and in doing so will provide relevant information, opportunities for stakeholder and community engagement, and for the coordination of all parties (e.g. central government, the private sector, infrastructure providers) involved in delivering that strategy.

To meet these objectives, Cabinet (CAB Min (09) 8/1 and 31/9) set a number of criteria for assessing different options:

- They meet the Royal Commission's terms of reference
- They meet good governance principles of being democratic, efficient and effective
- They are feasible to implement with desirable timeframes
- They are consistent with other government programmes and initiatives
- They recognise the Treaty of Waitangi
- The existing local government framework should be used unless changes are necessary
- If changes are necessary, they should aim to be similar to mechanisms in the present local government framework
- Any provisions will need to keep compliance costs low and be able to be easily implemented by the Auckland Council and boards.

The objective statement and Cabinet criteria reflect the Royal Commission's charge to explore regional governance options that meet high governance standards, are efficient to implement, create an efficient and easily-implemented framework, are consistent with central government's interests and other factors including consideration of the Treaty.

Alternative options

Option 1 – The “Extended” Status Quo – wait for possible changes through Phase Two of the resource management reforms urban planning work stream

Description

This option assumes the Auckland Council framework based on current legislation.

Review of aspects of the Resource Management Act 1991, the Local Government Act 2002 and Land Transport Management Act 2003 are underway. This option would not necessarily provide for a spatial plan for Auckland. Rather it would just allow for future investigation of possible options for a spatial plan for Auckland and other regions as part of the Phase Two of the resource management reforms urban planning work stream.

Comment

The reorganisation of governance in Auckland to one council means that all plans will be revised shortly after the new council is established.

Because of its size and the scale of its growth, Auckland faces problems of regional growth, housing affordability, and transport more acutely than many other regions. The rationalisation and consolidation of existing plans, and the creation of new replacement plans is a significant and time consuming task for the Auckland Council to undertake from its establishment on 1 November 2010. Immediate work for the new Auckland Council will include reviewing and consolidating its plans, including the District Plan, Regional Growth Strategy, Regional Policy Statement and Long Term Council Community Plan. This process will enable it to set policy and a

direction for the Auckland Region, to implement change and opportunities resulting from the Auckland governance restructure.

To effectively establish new plans, the Auckland Council will need a clear overarching direction. Some plans have a long review cycle (e.g. District Plan every ten years) and it is therefore important that this opportunity is not missed, as the initial approach taken will guide the region for some years. The timing of the preparation of any spatial plan before the establishment of the Auckland Council is therefore critical. This option will mean that the new Auckland Council will have done no preparatory work toward its planning framework at the time of its establishment.

Delay in setting strategic spatial and policy direction for the new Auckland Council will reduce the positive effects that are at the heart of the governance restructuring itself. This option is therefore not feasible within the current desirable timeframes. It will also not enable an effective and efficient Auckland governance regime.

Assessing the option against Cabinet criteria: Option 1 does not satisfy the Cabinet criteria.

- It fails to meet the Royal Commission's Terms of Reference in that an effective and efficient strategy for growth and development is not established.
- It is infeasible to implement a strategy for growth and development in a timely manner.

Conclusion

There are significant limitations on the effectiveness of the governance reforms if the Auckland Council does not set policy and provide a strategic direction to other plans such as the District Plan soon after its establishment.

Option 2 – Including elements of a spatial plan in Auckland's Long Term Council Community Plan with legislative linkage to other plans, introduced through the Third Bill on Auckland Governance

Description

This would involve amending the Local Government Act 2002 to extend the scope of the Long Term Council Community Plan (LTCCP) to cover spatial issues so that the LTCCP was in part a spatial plan. The existing community outcomes process used in developing the Long Term Council Community Plans would be extended and formalised for the development of a spatial plan and strategic direction.

Amendments to legislation would also be needed to enable the spatial plan and its strategic direction to be a matter for consideration when:

- preparing plans under the Resource Management Act 1991 and the Land Transport Management Act; and
- deciding on applications for resource consent under the Resource Management Act 1991.

Comment

This option does address the three parts of the problem statement (identified above). It provides a mechanism for 1) a broad strategic direction, 2) full implementation and 3) coordination of all the parties involved.

However, the purposes and timeframes of a spatial plan are incompatible with those of a spatial plan. The main focus of the Long Term Council Community Plan is determining the level of service and investment that a council undertakes which is only part of the issue that the Royal Commission identified as being addressed by the spatial plan. It is a document that prioritises how a council uses its resources. In Auckland's case, the Long Term Council Community Plan is expected to be the focus of much debate between the different communities and local boards about the services and infrastructure being provided locally. The spatial plan should have a wider perspective than the delivery of council services and infrastructure.

The purpose of a spatial plan is to provide a long term strategic direction, while a Long Term Council Community Plan covers forward planning for service delivery and operational issues in the short to medium term tied to operations and capital budgets. Therefore the revision cycle and planning horizon for a Long Term Council Community Plan would be shorter than is desirable for a broad spatial plan.

This option would lead to some difficult and extensive redrafting of the legislative relationship between the Local Government Act 2002, the Land Transport Management Act 2003 and the Resource Management Act 1991 to define the role of the Long Term Council Community Plan in land use regulation and environmental management, and transport strategy and planning. As such, this option would be difficult to implement within the desired timeframe, nor is it consistent with other government programmes and initiatives. In particular, the current reform of the Local Government Act aims to make the Long Term Council Community Plans (LTCCP) more focused on financial transparency and accountability rather than the full range of issues that need to be considered and articulated in setting a strategic direction and spatial plan. It would also mean a significant shift away from the current New Zealand-wide local government framework.

Assessing the option against Cabinet criteria: Option 2 does not satisfy the Cabinet criteria.

- It is infeasible to implement a strategy for growth in desirable timeframes
- It is inconsistent with other government programmes and initiatives (i.e. reform of the Local Government Act's provisions for the LTCCP)
- The changes would be somewhat different to mechanisms in the present local government framework and would be substantially different to the rest of New Zealand
- May not be able to be easily implemented by the Auckland Council and boards

Conclusion

This option is not favoured as it does not sit well within the existing local government framework. The Long Term Council Community Plan is not a good vehicle for a spatial plan as its focus is on how a council uses its resources to provide services to its community in the short to medium term, rather than long term. This would also be a significant departure from the existing planning framework for Auckland and

New Zealand and would be difficult to implement within the desired timeframe. Furthermore it is not in alignment with the government's current reform of the Local Government Act.

Option 3 – A statutory Spatial Plan that replaces existing strategic plans under the Resource Management Act and the Land Transport Management Act, to be introduced through the Third Bill on Auckland Governance

Description

This option would provide a spatial plan for Auckland and would replace the:

- Auckland Regional Growth Strategy;
- Auckland Regional Policy Statement under the Resource Management Act; and
- Auckland Regional Land Transport Strategy under the Land Transport Management Act.

This option would involve legislation to guide development of the spatial plan, its scope and its strategic direction. The legislation would also need to ensure that the spatial plan replaced all or part of the current plans under the Resource Management Act, the Local Government Act and the Land Transport Management Act.

Comment

This option does address the three parts of the problem statement (identified above). It provides a mechanism for 1) a broad strategic direction, 2) full implementation and 3) coordination of all the parties involved.

Assessing the option against the criteria: Option 3 does not satisfy the Cabinet criteria.

- It is infeasible to implement a strategy for growth and development in a timely manner due to extensive redrafting of existing legislation or, within the timeframes available, there would be a risk of poor legislative reform.
- It does not use existing frameworks.
- It may needlessly increase compliance costs.
- It is not consistent with other programmes and initiatives in NZ local government.

This option is not what was anticipated by the Royal Commission when they proposed that the spatial plan sits above the Regional Policy Statement and the District Plan⁴.

This option would involve extensive change to other legislative frameworks. The task of preparing legislation to enable a spatial plan to achieve these outcomes would be complex and bears significant risks in the time frames available to do the detailed policy work.

Much of the intent of the existing Regional Policy Statement (under the Resource Management Act) and the Regional Land Transport Strategy (under the Land Transport Management Act) does not need changing so requiring them to be

reworked into a spatial plan under new legislation would involve considerable work and time. The option also has the risk of imposing a level of detail within the spatial plan that could be too fine in a regional context.

Conclusion

This option would meet the objective and would provide for a strategic direction, for improved engagement and coordination of parties involved in planning and investment. However, it is not favoured at this stage as it requires extensive changes to the planning framework which need to be fully assessed, and would result in a substantially different Auckland specific planning framework that could cause confusion and inconsistencies across regions.

Option 4 - A statutory spatial plan with legislative linkages to other planning, introduced through the Third Bill on Auckland Governance

Description

Under this option there would be a legal requirement, in the Third Auckland Bill, for the Auckland Council to have a spatial plan containing a strategic direction for the Auckland region. The spatial plan would replace the Auckland Regional Growth Strategy, would have statutory weight and have legal linkages to other plans of the Auckland Council to allow implementation of the spatial plan.

The legislation will require the Auckland Council's statutory plans to be consistent with the spatial plan. In making decisions under these planning statutes, the Auckland Council will be required by law to consider the spatial plan and its strategic direction where this is appropriate. Relevant plans include the Regional Policy Statement and District Plan prepared under the Resource Management Act, Regional Land Transport Strategy, prepared under the Land Transport Management Act 2003 and the Long Term Council Community Plan prepared under the Local Government Act.

The legislation would replace the current Auckland Regional Growth Strategy and the requirement for this strategy in the Local Government Act 1974.

Comment

This option does address the three parts of the problem statement (identified above). It provides a mechanism for 1) a broad strategic direction, 2) full implementation and 3) coordination of all the parties involved.

Assessing the option against the criteria: Option 4 does not satisfy the Cabinet criteria.

- It is infeasible to implement a strategy for growth and development in a timely manner due to extensive redrafting of existing legislation, or within the timeframes available, there would be a risk of poor legislative reform.
- It does not use existing frameworks.
- It is not consistent with other programmes and initiatives in NZ local government.

Essentially, the proposed spatial plan replaces an existing Auckland Regional Growth Strategy which was adopted in 1999 and which is due for review. It also provides the clarity and direction that is needed now by the existing councils and the Auckland Transition Agency as they prioritise and undertake the work they need to do in preparation for the new Auckland Council from 1 November 2010.

Detailed, comprehensive analysis and assessment is required, covering all aspects of the necessary legislative linkages and all the implications, including in relation to consultation procedures and appeals processes. This work cannot be undertaken with confidence in the time available to meet the deadline for inclusion in the Third Bill on Auckland Governance, creating a significant risk and is therefore not feasible within the desired timeframe.

Also it is important to note that it has not been established that legal links are definitely required to ensure sufficient implementation of the Auckland Council's strategic direction. It is likely that some legal links would be required to give absolute certainty that strategic direction will be implemented in full. However, the Auckland Council will be able to implement the strategic direction voluntarily through the development of their various plans and policy decisions. The additional certainty that legal linkages provides for the Auckland Council to implement its strategic direction fully needs to be weighed against the level of prescription and rigidity that comes with legal linkage, special consultative procedures and appeal rights. This is a significant risk and may slow down the planning process which is inconsistent with the intent of the streamlining and simplifying resource management law reform.

Conclusion

The option does not meet the criteria as it has a number of risks regarding the additional work required and the time and resources available to complete the additional work to a high standard. There is also a risk that this approach could make Auckland's planning process slow and inflexible.

Preferred Option - A statutory spatial plan under the Auckland legislation

Description

Under this option there would be a legal requirement, in the Third Bill on Auckland Governance, for the Auckland Council to have a spatial plan containing a broad long-term strategy, but without any change to the existing legal linkages to other plans of the Auckland Council. The spatial plan would replace the Auckland Regional Growth Strategy, while also having a broadened scope and role. The Third Bill on Auckland Governance would enable the replacement of the current Auckland Regional Growth Strategy with a spatial plan, and remove the requirement for the Auckland Regional Growth Strategy in the Local Government Act 1974.

The spatial plan would be prepared by the Auckland Council creating a single broad long-term strategy and direction for the Auckland region to be available to inform all of the Auckland Council's plans. In the Royal Commission's words the spatial plan would:

“..., analyse population, households, employment, major social infrastructure, open space networks, city shaping infrastructure of roads, rapid transit, transport services, active transport networks including pedestrians and cyclist, water, wastewater, and storm water networks, and major energy lines. It should identify the green and ecological network of the region and areas that should be protected from development and their natural values enhanced. It should identify growth areas for the region to accommodate urban population, and household and economic development, specific timing, priority, methods and agencies involved.”⁵

The spatial plan would not have additional legislative status under other legislation, and would rely largely on existing legislative linkages and voluntary means for its implementation. For example, the current wording of the Resource Management Act would remain, which allows a decision maker to consider other matters and can include the consideration of a plan such as a spatial plan.

Comment

The Preferred Option’s ability to address the three parts of the problem statement is provided below.

1. Provides a mechanism for setting a broad strategic direction for the Auckland region

The Preferred Option provides for the spatial plan to replace the Auckland Regional Growth Strategy, while having a broadened scope and role. The spatial plan would provide the long-term strategic direction for the Auckland region and its role in the national context.

2. Enabling a strategic direction to influence other Auckland Council plans and decision making

The Preferred Option would enable the Auckland Council to implement the spatial plan and its strategic direction, voluntarily and via existing legislative linkages, through the development of various plans and through other decisions it makes. The decisions already taken regarding the amalgamation of local government in the Auckland region and the reduction of the number of plans will make the task of aligning funding, infrastructure provision, land-use and other policies and decisions easier. This will also make it easier for the Auckland Council to implement the spatial plan and its strategic direction voluntarily to influence plans and decision making.

As the Auckland Council develops its new plans, e.g. the District Plan, the spatial plan has the opportunity to provide an evidence base and agreed strategic direction to inform and influence these plans.

However the Preferred Option would not provide strengthened legislative linkages between the spatial plan and other plans prepared under different statutes. The level of alignment and implementation may not be as great as that which could be achieved by a spatial plan that replaces the Regional Policy Statement and Regional Land Transport Strategy (Option 3) or the provision of strengthened legislative linkages to other plans (Option 4).

However, both of these approaches (Option 3 and 4) raise significant questions and

risks. Detailed, comprehensive analysis and assessment is required, covering all aspects of the necessary legislative linkages and all the implications, including in relation to appeals processes. This work cannot be undertaken with confidence in the time available to meet the deadline for inclusion in the third Bill on Auckland governance, creating a significant risk. Options 3 and 4 are also unable to meet the Cabinet criteria for assessment, because they cannot be implemented within desirable timeframes.

The Preferred Option does not close off the possibility for the potential benefits of Options 3 and 4 to be fully worked through by the Phase Two resource management law reform policy process, as recommended in the Cabinet Paper. However, the detail of the Phase Two resource management law reform policy process and outcomes do not form part of this regulatory impact statement.

3. Provides a mechanism to provide information to, and to engage, the parties involved in delivering the strategic direction, so that activities can be agreed and coordinated.

The Preferred Option ensures that all parties have access to useful information about growth and development in the region and the likely shape of future development upon which to make investment decisions. It also provides a mechanism that better enables discussion and agreement between parties, in particular local and central government, on what will be provided, when and where for what purpose and effect, so that investment can be better targeted and outcomes more easily met.

Assessing the Preferred Option against the criteria for assessing options

The Preferred Option meets the objective and satisfies all Cabinet criteria for assessing options.

Criteria: *They meet the Royal Commission's terms of reference.*

Comment: the Preferred Option responds to the Royal Commission's recommendations regarding a spatial plan for the region.

Criteria: *They meet good governance principles of being democratic, efficient and effective.*

Comment: The Preferred Option meets good governance principles of being democratic, efficient and effective.

Criteria: *They are feasible to implement with desirable timeframes.*

Comment: The Preferred Option is feasible to implement within the desired timeframe. It provides the clarity and direction that is needed now by the existing councils and the Auckland Transition Agency as they prioritise and undertake the work they need to do in preparation for the new Auckland Council from 1 November 2010. Both the existing councils and the ATA are looking to central government for this clarity and direction in relation to the planning framework.

Criteria: *They are consistent with other government programmes and initiatives.*

Comment: The Preferred Option is consistent with other government programmes and initiatives, namely the Phase Two resource management law reform policy process.

Criteria: *They recognise the Treaty of Waitangi.*

Comment: The Preferred Option recognises the Treaty of Waitangi and enables

engagement and participation of mana whenua and Maori in planning Auckland's development.

Criteria: *The existing local government framework should be used unless changes are necessary.*

Comment: The Preferred Option will result in a local government framework that is very similar to that currently existing.

Criteria: *If changes are necessary, they should aim to be similar to mechanisms in the present local government framework.*

Comment: The Preferred Option will result in a local government framework that is very similar to that currently existing.

Criteria: *Any provisions will need to keep compliance costs low and be able to be easily implemented by the Auckland Council and boards.*

Comment: This option does not add to existing regulation. The effect of the initial changes on the Auckland Council in planning costs should be modest. Effectively, the proposed spatial plan replaces an existing Auckland Regional Growth Strategy which was adopted in 1999 and which now needs to be reviewed. In addition regardless of a spatial plan, the development of revised and consolidated plans (e.g. district plan) will rely on a comprehensive evidence base and growth scenarios for the Auckland region. The spatial plan and its strategic direction will be able to provide this function.

Conclusion

The Preferred Option best matches the criteria set by Cabinet for assessing options. It has the lowest risk regarding delivery of a workable and considered proposal in time for the Third Auckland Bill, while providing direction and certainty for the establishment of the Auckland Council. It also does not foreclose opportunities to investigate the benefits of Options 3 and 4 within other policy processes to further simplify, streamline and make more effective Auckland and New Zealand's planning framework.

Implementation and review

The timetable for implementation is—

- introduction of the third Bill on Auckland governance in November 2009;
- enactment of Third bill 2010
- preparatory work begins on planning reviews for the Auckland Council 2010
- policy decisions on Phase Two of the resource management reform process xxx 2010
- introduction of legislation implementing policy decisions taken on Phase Two the review of the Resource Management Act, xxx 2010
- local authority elections in October 2010 will elect a new Auckland Council and local boards
- establishment of operational structures for Auckland Council by 1 November 2010
- development of new spatial plan by 2012.

Legislation

Legislation is required to give effect to the proposal and this would be in the third of three Bills implementing decisions on Auckland. The legislation would require the Auckland Council to prepare a spatial plan. The spatial plan would have a long term planning horizon of 30 years but would be updated regularly.

Transition

The size and scope of the transition in planning is significant. The new Auckland Council will be replacing the existing plans of seven district councils and one regional council with one set of plans covering the whole district.

The existing plans will operate until they are reviewed and replaced by new plans under the new structure. The proposed spatial plan is expected to be the first to be completed.

Monitoring and evaluation

The spatial plan would be updated by the Auckland Council every three years and would be subject to a full review every 15 years.

A Cabinet Committee will monitor the transition progress at a high level. In addition, government agencies involved in planning and the provision of infrastructure will monitor progress and will report to Ministers as necessary.

Consultation

The proposals have been developed in response to the Royal Commission on Auckland Governance. The Commission was given wide terms of reference, with an intent that the inquiry should be thorough and far-reaching. The Royal Commission recommended that planning involve a hierarchical and integrated planning framework which includes a new regional spatial plan and one district plan for Auckland. There would be close linkages to Long-term Council Community Plans and other funding plans and transport plans as well.

The relevant recommendations are:

6A – a spatial plan

7B – comprehensive regional development plan and associated funding plan

15D – have a hierarchical and integrated planning framework. This includes a new regional spatial plan and one District Plan for Auckland.

15E – Long Term Council Community Plans under the Local Government Act

24A – Spatial plan, infrastructure investment plan and one District Plan

25B – regional transport plan should give effect to the regional spatial plan

The Commission used a number of processes in 2008 to obtain the views of the general public and specific communities in developing these recommendations.

These included:

- preparation of background papers, including a March 2008 discussion document, "Call for Submissions", to inform submitters and to focus discussion
- a public submission process, which resulted in more than 3,500 written submissions

- formal hearings conducted in nine locations throughout the region involving hearing nearly 550 submitters
- a Māori consultation programme, involving four hui with local tribes from the region and Māori living in Auckland from tribes outside Auckland
- a workshop with representatives from Pacific communities
- a workshop with representatives from other ethnic communities; and
- specific approaches to various organisations, groups and individuals to tap their particular knowledge and experience.

The Royal Commission received 3564 submissions. Over 1000 of these related to planning. The Commission noted that a clear majority of submitters thought that a regional agency should be responsible for high-level strategic planning and policy development. Reasons given included that a regional agency would have the ability to derive economies of scale, achieve regional consistency, eliminate duplication of services, take a wide regional view, ensure continuity in planning projects, and integrate economic development, infrastructure, and land use (Vol 3 para 12.78). Many submitters said they were unhappy with current governance arrangements for infrastructure. Commonly mentioned were water and wastewater (especially financing); roads and public transport; facilities such as sports stadiums, and regional growth planning (often associated with infrastructure), amongst other things (Vol 3 para 16.2). Funding for infrastructure was also identified by many submitters.

The following Departments have been involved in the preparation of the policy – Ministry for the Environment, Ministry of Transport, Department of Internal Affairs, Ministry of Economic Development. All departments consulted supported the concept of a spatial plan for the Auckland region and the preferred option for establishing the legislative framework.

Submitters to the Auckland Transition Agency also strongly supported the need for a regional spatial plan.

1. McDermott, Phil (2008) *The Call for Integrated Planning, Briefing Paper prepared for the Royal Commission on Auckland Governance*

2. GHD (2006) *Research into the use of designations. Ministry for the Environment Contract Report*

3. *Auckland Regional Council (July 2007b) Growing Smarter: The Auckland Region in the 21st Century. An evaluation of the Auckland Regional Growth Strategy 1999 Technical Report for the Auckland Regional Growth Forum pg 6*

4. *see para 15.28 of the Auckland Governance Report*

5. *Para 24.75, Auckland Governance Report*