National Policy Statement on Urban Development 2020

Responsive planning

Environment

This is one of a series of seven fact sheets that give an overview of the National Policy Statement on Urban Development (NPS-UD). This fact sheet provides information on objective 6(c), policy 8 and subpart 2 of Part 3.

These provisions come into force on commencement of the NPS-UD.

Purpose

This direction seeks to ensure that local authorities respond to development proposals that would add significantly to development capacity and contribute to well-functioning urban environments, regardless of whether they are planned for or anticipated in existing planning documents. It applies to development proposals in both greenfield and brownfield locations.

Local authorities routinely receive plan change requests that would result in significantly increased development capacity. The NPS-UD requires local authority decisions on these plan changes to be responsive if the plan change proposal meets a set of criteria. This increases the responsiveness of the planning system to significant opportunities and removes constraints to urban development.

Requirements

Part 3, subpart 2, clause 3.8(2) states:

Every local authority must have particular regard to the development capacity provided by the plan change if that development capacity:

- a. would contribute to a well-functioning urban environment; and
- b. is well-connected along transport corridors; and
- c. meets the criteria set under subclause (3).

The responsive planning requirement applies to tier 1, 2 and 3 local authorities from the commencement of the NPS-UD.

Part 3, subpart 2, clause 3.8(3) requires regional councils to include criteria in their regional policy statements to determine what plan changes will be treated as adding significantly to development capacity for the purpose of implementing Policy 8. Changes to regional policy statements must be made as soon as practicable.

Policy 1 of the NPS-UD should be referenced to determine whether the development capacity that will be provided through a plan change would contribute to a well-functioning urban environment.

Policy 1 sets out the minimum requirements that the plan change should contribute to. These requirements include:

- enabling a variety of homes and sites suitable for business
- good accessibility, including by way of public or active transport
- supporting the competitive operation of land
- supporting reductions in greenhouse gas emissions
- resilience to the likely current and future effects of climate change.

The plan change must also show how the development is well-connected along transport corridors to ensure development is not disconnected or isolated. This will encourage responsive developments in appropriate, accessible locations.

What has changed from the National Policy Statement on Urban Development Capacity?

The NPS-UD responsive planning requirements are more specific than those in the National Policy Statement on Urban Development Capacity 2016. They relate to a local authority's response to unanticipated or out-of-sequence developments proposed through the private plan change process.

Things to be aware of

The requirement for regional councils to include criteria in their regional policy statements for determining what plan changes will be treated as adding significantly to development capacity should ensure that local authorities can focus resources and attention on opportunities that will support well-functioning urban environments. For example, focusing on large-scale opportunities instead of dedicating resources to requests for plan changes for small parcels of land that would not yield a large increase in dwellings or business land.

The criteria will need to align with the higher-level objectives of the NPS-UD. Criteria could include an assessment of the development capacity proposed against demand identified in a housing and business development capacity assessment, the scale of development appropriate to support a well-functioning urban environment in that city or town, and the ability to service the development with infrastructure.

To create significant development capacity, a proposal should be able to demonstrate how infrastructure is committed and how it will be provided because development capacity includes 'the provision of adequate development infrastructure to support the development of land for housing or business use' (see the definition of development capacity in clause 1.4).

The inclusion of criteria on significant development capacity will ensure transparency about how an assessment will be undertaken to determine significance under policy 8.

The NPS-UD requires councils to respond to out-of-sequence development proposals. Councils will need to review their policies relating to unplanned and out-of-sequence development and in some cases, their policies will need to change to implement the NPS-UD. For example, a hard rural urban boundary without the ability to consider change or movement of that boundary would not meet the requirements of the responsive planning policy.

Additional support

Guidance on the responsive planning polices is being developed. The guidance will provide examples of how to assess if a development proposal contributes to a well-functioning urban environment, if it will create significant development capacity and if it is well-connected along transport corridors. Guidance will be also provided on the types of criteria that could be considered for inclusion in regional policy statements. This additional guidance will be made available on the Ministry for the Environment's website.

Fact sheets in this series

This is one of a series of seven fact sheets providing an overview of the National Policy Statement on Urban Development.

The full set of fact sheets is available on our website: https://www.mfe.govt.nz/more/towns-andcities/national-policy-statement-urban-development/guidance-implementation-of.

Find out more

Contact the Ministry for the Environment by emailing npsurbandevelopment@mfe.govt.nz, or visit: www.mfe.govt.nz/contact.

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Published in July 2020 by the Ministry for the Environment Publication number: INFO 957





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