Introduction

The Taranaki Regional Council (the Council) thanks the Ministry for the Environment and the Ministry for Housing and Urban Development for the opportunity to make a submission on the Proposed National Policy Statement on Urban Development (the NPS-UD).

The Council makes this submission in recognition of the purpose of local government set out in the Local Government Act 2002, and the role, status, powers and principles under that Act relating to local authorities. In particular, the Council has prepared this submission in recognition of its:

- functions and responsibilities under the Resource Management Act 1991 (RMA), including requirements to give effect to the National Policy Statement on Urban Development Capacity 2016; and
- its regional advocacy responsibilities whereby the Council represents the Taranaki region on matters of regional significance or concern.
The Council has also been guided by its Mission Statement ‘To work for a thriving and prosperous Taranaki’ across all of its various functions, roles and responsibilities, in preparing this submission.

This submission has been made by Officers on behalf of the Council, as a result of timing constraints associated with local body elections. This submission has therefore yet to be formally endorsed by the Council but is consistent with previous Council policy positions. The Policy and Planning Committee of the Council next meets on 19 November and will consider the submission retrospectively at this meeting. If any changes are made to the submission following this meeting they will be immediately forwarded to the Ministry.

The Council also works closely with district councils in the region in the interests of promoting integrated management of resources and has consulted with the New Plymouth District Council when making this submission.

The Council makes the following comments on the Proposed National Policy Statement on Urban Development:

**Overview of the National Policy Statement on Urban Development**

*Question 1: Do you support a national policy statement on urban development that aims to deliver quality urban environments and make room for growth? Why/why not?*

- The Council supports the need for central and local government to plan for future urban development capacity. The Council also supports the need for a more responsive monitoring framework to better understand the market and locational requirements of both business and residential land. However, the Council believes that there are differing urban development ‘problems’ that need to be addressed across New Zealand, with regulatory ‘solutions’ or costs targeted to specific areas. The on-going obligations and therefore costs placed on Councils are also a concern with a request for on-going support to be provided to assist with implementation.

  With the changes proposed, the Council believes that the altered NPS-UD does provide more appropriate and effective policy guidance, structure and framework within which local authorities can set or delineate targets for future growth and land use patterns. Furthermore, the Council agrees that current National Policy Statement requirements should not continue to be imposed upon smaller provincial centres in the same way as for the larger metropolitan areas (as identified in Table 2).

**Targeting cities that would benefit most**

*Question 2: Do you support the approach of targeting the most directive policies to our largest and fastest growing urban environments? Why/why not?*

- The Council generally supports the NPS-UD as introduced, with particular support provided for the removal of smaller local authorities (currently considered to be either high or medium-growth areas in the National Policy Statement for Urban Development Capacity 2016) from the more stringent requirements specified for ‘major urban areas’.

- Furthermore, the Council believes that the change in focus to defining urban environments as either ‘major urban centres’ or ‘all urban environments’ is more appropriate whereby national and local intervention is to be focused on where the ‘real’ problems exist.
The Council therefore strongly supports the identification in Table 2 of those major urban centres that more appropriately require measures to address current and predicted housing shortages, i.e. targeted those areas where housing pressures are creating the greatest impacts nationally.

The Council also supports New Plymouth District Council’s request to consider a second tier of councils (i.e. those between the ‘major urban centres’ and ‘local authorities in all urban environments’) which recognise those areas which are experiencing high growth challenges (e.g. New Plymouth) but which do not have the same pressures as major urban areas. The Council would therefore support these second tier councils being required to meet the requirements of P8C and ‘encouraged’ to prepare Future Development Strategies. However, the Council strongly believes this requirement should relate to territorial authorities only rather than both local and regional councils.

Do you support the approach used to determine which local authorities are categorized as major urban centres? Why/why not?

The Council does support the new approach proposed to determine which local authorities are categorized as ‘major urban centres’.

Can you suggest any alternative approaches for targeting the policies in the NPS-UD?

The Council believes that the Government is correct in defining two different categories of urban environment as they have done in the Proposed NPS-UD, therefore targeting those areas of greatest need. Consequently, the Council does not believe that there are any appropriate alternative approaches for targeting the policies in the Proposed NPS-UD.

Furthermore, the Council did not agree that the current National Policy Statement for Urban Development Capacity 2016 (NPS-UDC) is targeting the larger metropolitan areas and has unnecessarily ‘captured’ and imposed additional monitoring and planning costs on smaller provincial centres (i.e. as ‘high-growth areas) where there are no significant problems and which, in the case of New Plymouth, have enough supply to meet the short, medium and long term growth requirements specified.

To support this statement – the recent development of a Housing and Business Development Capacity Assessment report for the New Plymouth District has confirmed that the district has sufficient housing and business development capacity for the short, medium and long term, despite being identified as a high-growth urban area by Statistics New Zealand in 2016.

**Future Development Strategy**

**Question 3: Do you support the proposed changes to Future Development Strategies (FDSs) overall? If not, what would you suggest doing differently?**

The Council supports the proposed changes to the NPS-UD’s requirements for Future Development Strategies (FDS) whereby only the major urban areas will be required to produce such a Strategy.

It is also believed that those smaller local authorities who do not have the land use and spatial restrictions/pressures currently faced by the large metropolitan urban areas should be encourage (but not required) to identify and plan for where development can
go, how the infrastructure to support it will be provided and the local authority’s required contribution to that infrastructure development.

Do you support the approach of only requiring major urban centres to undertake an FDS? Would there be benefits of requiring other local authorities to undertake a strategic planning process?

- Yes, the Council strongly supports this new approach. It does not believe it necessary for urban areas, other than the major centres, to have a mandatory requirement to develop such strategies.

Enabling opportunities for development

Question 6: Do you support the addition of direction to provide development capacity that is both feasible and likely to be taken up? Will this result in development opportunities that more accurately reflect demand? Why/why not?

- Throughout this section of the Proposed NPS-UD reference is made to the term ‘local authorities’. The Council requests that greater clarity is provided as to whether this is specific to either regional councils, territorial authorities and/or both. The Council is opposed to the requirements being generally applied to regional councils. The Council strongly believes that the objective and policies specified in this section relate primarily to territorial authorities. There is a need to focus on those organisations or plans that control and manage urban growth within their jurisdiction and that is primarily territorial authorities. The Ministry should be aware that regional plans may not always be able to allow development capacity given other resource management priorities such as fresh water.

A good example of how clarity on this responsibility is provided is in P5B on Page 34 whereby the Policy requires “Territorial authorities must …”.

- The Council also questions what would happen after the Minister for the Environment is notified “if a local authority cannot meet the requirements under the NPS-UD for development capacity …” – as required by Paragraph 5 on Page 31 of the Proposed NPS-UD. Greater clarity on Government expectations and anticipated remedial actions would be beneficial.

Ensuring plan content provides for expected levels of development

Question 7: Do you support proposals requiring objectives, policies, rules and assessment criteria to enable the development anticipated by the zone description? Why/why not?

- Similar to previous comments, the Council seeks that proposals requiring objectives, policies, rules and assessment criteria to enable urban development anticipated by the zone description be confined to territorial authorities. The Council notes its concerns relating to the use of the term ‘local authorities’ in this section (and continuing throughout the rest of the Proposed NPS-UD).

The first paragraph of this section refers to the need for ‘district plans to be including descriptions for each zone’, but later refers to the term ‘local authorities’, which includes regional councils and regional plans. As previously discussed, there is a need to for the NPS-UD to focus on those organisations or plans that control and manage urban growth within their jurisdiction and that is primarily territorial authorities.
Providing for intensification

Question 8: Do you support policies to enable intensification in the locations where its benefits can best be achieved? Why/Why not?

What option/s do you prefer for prescribing locations for intensification in major urban centres? Why?

- The Council supports in principle Option 2 (the prescriptive approach) i.e. district plans within major urban centres to zone for high-density residential activities within an 800m walkable catchment of centres and frequent public transport stops. This option is more directive and will address the current political bias towards local property interest in district planning processes that have so far restricted opportunities for greater urban intensification. Building upwards is also an effective tool in assisting with urban growth pressures in major urban centres, especially given that other government initiatives are trying to address issues such as maintaining the future protection of highly productive land.

Evidence for good decision-making

Do you support requirements for all urban environments to assess demand and supply of development capacity, and monitor a range of market indicators? Why/why not?

- The Council requests that Policies P8A, P8B, P8C and P8D are changed to require ‘territorial authorities’ and not ‘local authorities’ to assess the demand and supply of development capacity through monitoring programmes. The Council believes that territorial authorities are the appropriate organisations to obtain and report on this type of statistical information. Despite this requested change, the Council does believe it is important to obtain this type of information in order to assist with planning for future development trends within our urban environments.

- The Council also supports the proposal to amend requirements for monitoring reports to be published annually rather than quarterly. Trends in smaller provincial communities do not change significantly within a quarter, therefore despite having to obtain the data quarterly, to present the information to the public would be more beneficial on an annual basis. Trends would then be more obvious and conclusive.

Preparing a Housing and Business Development Capacity Assessment (HBA)

- The Council strongly supports the proposal to only require major urban centres to prepare a Housing and Business Development Capacity Assessment report (as outlined in API). It is however noted that other urban areas may still choose to monitor and prepare Housing and Business Development Capacity Assessment reports as part of its responsive planning for urban development.

Engagement on urban planning

Do you support inclusion of policies to improve how local government works with iwi, hapū and whānau to reflect their values and interests in urban planning?

- The Council believes that Policies P9A and P9B should be amended to be more specific with regard to what is meant by the term ‘strategy’.

Also greater clarity should be provided as to what is meant by the term ‘local
authorities’. As noted previously, the Council questions whether this is specific to either regional councils, territorial authorities and/or both.

There are many different ‘plan’ and ‘strategy’ documents prepared by both regional councils and territorial authorities that “affects development capacity” and these may be developed under a wide range of statutes. It is not clear whether reference to these plans and strategies relate to statutory documents only and/or those prepared under the RMA. There needs to be greater clarity provided in this section as to what sort of documents these policies pertain to. The statement “when preparing a … strategy that affects how development capacity is provided for in urban environments: every local authority must provide iwi and hapū with opportunities to comment…” is also open to interpretation as to what planning processes and how and when to do this.

Co-ordinated planning

Iwi and hapū

- The Council supports suggested improvements regarding engagement with iwi, hapū and whanau within urban planning process (as suggested by Section 7 of the NPS-UD) but questions what is meant by the term ‘principles and practices for partnering with iwi and hapū’ (as outlined in P10A)? Guidance on what this term means is requested for clarity purposes.

Alignment with other national direction under the RMA

Do you think there are potential areas of tension or confusion between any of these proposals and other national direction? If so please identify these areas and include any suggestions you have for addressing these issues.

- The Council notes and supports the importance of aligning existing national policy statements with the wide range of new policy statements and environmental standards currently being prepared and published.

The Council believes this to be a major issue and one which will not be easy to do. There is a real risk of provisions in different planning statements/standards not aligning with one another and conflict arising. In particular concern is the potential for conflicting priorities and requirements between the NPS-UD and other national policy directives such as the proposed National Policy Statement for Freshwater Management, the proposed National Environmental Standards for Fresh Water, the proposed National Policy Statement for Highly Productive Land, and the proposed National Policy Statement for Indigenous Biodiversity.

Do you think a national planning standard is needed to support the consistent implementation of proposals in this document? If so, please state which specific provisions you think could be delivered effectively using a national planning standard?

- The Council does not believe that it is necessary for a national planning standard to be developed to support the consistent implementation of proposals in this Proposed NPS-UD. The Council is unclear as to what ‘problem’ would be resolved by such national planning standards.
Conclusion

The Council thanks the Ministry for the Environment and the Ministry for Housing and Urban Development for the opportunity to make a submission on the Proposed National Policy Statement on Urban Development.

Overall, the Council supports this Proposed National Policy Statement and considers it provides an effective and improved framework to enable New Zealand cities to adapt and respond to the diverse and changing needs of all people, whanau, communities and future generations, while functioning within environmental limits.

The Council supports the need for central and local government to plan for future urban development. The proposals represent a much more targeted and effective approach to resolving urban growth problems around the country. In particular, there is a need for our major metropolitan centres to adopt much more responsive planning to address urban growth. However, there is no need for smaller urban areas to have the same planning requirements. Strong support is therefore provided for the list of major urban centres identified in Table 2.

The Council acknowledges that the Proposed NPS-UD provides a more appropriate, targeted and effective policy guidance, structure and framework within which local authorities can set or delineate targets for future growth that what is currently prescribed by the National Policy Statement for Urban Development Capacity 2016.

The Council is seeking further relatively minor changes to some provisions of the Proposed NPS-UD to better target local authorities with the jurisdictional responsibilities and capacity to monitor and plan for urban development, i.e. territorial authorities rather than both district and regional councils (which occurs whenever adopting the term ‘local authority’).

Should you have any queries on the matters raised in this submission please contact [redacted].

The Council does not wish to be heard in support of its submission.

Yours faithfully