

# Submission of the New Zealand Association for Impact Assessment (NZAIA) on the *Proposed National Policy Statement on Urban Development Capacity (NPS-UDC) 2016*

The New Zealand Association for Impact Assessment (NZAIA) welcomes this opportunity to provide feedback and input into the *Proposed National Policy Statement on Urban Development Capacity (NPS-UDC) 2016*. This submission has been prepared by Dr Gillian Stewart, Professor Richard Morgan, and Dr Nick Taylor with contributions from the NZAIA membership.

As this proposed NPS-UDC has specific relevance to the practice of impact assessment (IA) we will focus on particular issues relevant to IA, to address some of the questions posed in the consultation document.

## About the New Zealand Association for Impact Assessment (NZAIA)

NZAIA promotes and supports impact assessment practice in New Zealand and the Pacific region. It is a multi-disciplinary community of some 80–100 impact assessment specialists - academics, researchers, students, and technical experts - who all share a deep interest in impact assessment.

Impact assessment is a proven decision-support process of applying technical and scientific analysis to the examination of the potential implications of proposed actions (be they policy, plan or project, actions) for the natural environment, for people, their health and wellbeing, and their social, cultural and economic activities and values -- with particular emphasis on the unanticipated impacts. That analysis is then used to modify proposals, inform final decisions about proposals, and to inform impact management and ongoing monitoring plans

The purpose of our submission is to support a requirement for the application of quality impact assessment to the policies and processes outlined in the proposed NPS-UDC. We wish to ensure that the NPS-UDC incorporates and strengthens current provisions for impact assessment, and where possible brings about significant improvement in practices of impact assessment in urban planning, to ensure the decisions and implementation of housing and business growth, and associated infrastructure, achieves sustainable social, cultural, economic and environmental development outcomes.

## NZAIA Submission on Key Themes

### 1. The importance of environmental considerations in urban strategies and planning

Decisions about land supply and its use to promote housing and business growth must necessarily be made in consideration of the range of environmental effects this growth and development will have on the natural and physical environment within and beyond the local boundaries of developing urban areas. The provision of housing and business to meet current and future demand will have effects upon freshwater quality, urban forests and vegetation that support biodiversity, soil compaction and loss of permeable land uses. The use of natural resources for the construction of

houses, businesses and supporting infrastructure will need to be sustainably managed, as will the downstream natural resource and climatic consequences of more people, doing more business.

Whilst NZAIA acknowledge that this NPS is designed to give weight to economic and social considerations in planning and providing for urban development, it should necessarily reinforce, support and be integrated with other current and proposed National Policy Statements and national environmental standards, designed to deliver the purpose of the Resource Management Act -- to promote the sustainable management of natural and physical resources.

While NZAIA support the Government's idea to allow Councils greater powers to unlock resources for urban development for both social and economic outcomes it would be counterproductive if this was allowed to proceed with weaker environmental protections.

It is for this reason NZAIA contends that greater, more explicit emphasis on environmental protection should be built into the intent and directives of this NPS. It should state the contribution that urban areas make to the social, economic, cultural **and environmental** wellbeing of people and communities. It needs to mandate meaningful, high quality, and comprehensive assessments of environmental impacts of proposed urban development that assist local authorities and decision makers to balance urban and environmental matters, such as whether urban use is the best use for the land and how to make homes and buildings, living and doing business more environmentally sustainable through the process of urban design.

## **2. A focus upon “positive effects”**

The consultation document argues that councils need to have particular regard for the positive effects of urban development at a national, regional and district scale. Whilst sustainable development demands positive effects or outcomes, we consider this emphasis, as stated, is a major misunderstanding of the concept of assessing environmental effects in a *balanced* way - one that understands and addresses significant positive and negative, intended and unintended, and potential and actual effects. The RMA was explicitly designed to provide such a process for checking that development proposals do not have significant, unintended adverse effects on any aspect of the environment (including social, cultural, health, ecological, etc.).

This policy would change the consideration of trade-offs in the decision-making process, with the clear danger that local communities could bear a significant cost for developments that benefitted communities elsewhere. The potential for social and environmental injustice would be increased by this policy.

## **3. Assessments based on demand**

Section 6 of the consultation document, which outlines the policies required of local authorities to enable sufficient development capacity to meet residential and business demand, would be strengthened if it incorporated the practice of impact assessment. It is envisaged that councils would carry out an assessment of demand based on demographic and economic projections, including estimates regarding the likelihood and feasibility of opportunities for development being taken up. Whilst these may inform supply requirements in terms of quantity and type of dwellings and business spaces, they would not provide strategic analysis to inform decision makers about the quality of those types of development nor the social, cultural, environmental or other effects of meeting the identified demand.

Whilst NZAIA welcome the idea of enabling development capacity, this must be done with a full understanding of the consequences of this growth, including options to provide sufficient infrastructure and levels of service to support developments. Urban development at any cost is not acceptable, and the NPS-UDC must give greater direction to councils to ensure an analysis of environmental effects at this strategic planning stage. They should also enable participation by potentially affected parties if changes to existing policies and plans are required to enable sufficient development capacity. The proposed policy could potentially limit the ability of local people to address incremental and cumulative impacts of development. Further erosion of this important right has to be resisted.

We suggest, therefore, that impact assessment be explicitly referenced in policies PA1 to PA3 as a tool to assist an understanding of the effects of decisions to balance the supply and demand of development capacity and to enhance the objective of a coordinated approach to the provision of robust evidence and improved decision making. In particular we would urge the use of *strategic environmental assessment* (SEA). Anticipating problems at this early stage saves much greater expenditure later to correct those problems.

#### **4. Enabling the market to meet the needs of the community**

For development to meet the needs of people and communities, it requires a level of social and environmental analysis that goes beyond demographic projections and composition of the local economy to understand the behavioural and systemic cause and effect relations underlying current and future needs. Economic indicators such as affordability, land value ratios, and the number of resource and building consents granted are not the only sources of data on which to base assessments and understand the market response to assessment-based planning over time.

Rather, a comprehensive social, environmental and economic data set, made possible as a result of *strategic environmental assessment*, or the related process of *sustainability assessment* (SA) would assist local, regional, and nation-wide scrutiny of social, cultural and natural environmental consequences of adopting specific planning measures. This integrated approach would, in turn, provide a much firmer basis for measuring and (re)enabling the markets' response to planning decisions promoted by the NPS-UDC.

Such quadruple bottom-line analysis and data sets would also support and improve coordination between the range of soft and hard infrastructure providers and between local authorities planning for growth. For example, indicators regarding employment status, school rolls, changes to health status and services, and to other social programmes and service provision, including addressing overcrowded homes, may provide early notice of gaps in housing, employment and infrastructure provision. Similarly, environmental indicators will provide useful data on the environmental quality of the markets' response, such as how housing, business growth and associated infrastructure perform in terms of energy or carbon emissions.

#### **5. Implementation Programme**

Successful implementation of the NPS-UDC will require a specific level of capacity, coordination, skills, resources and expertise among local authorities. It is anticipated that some councils may struggle to put the policy into effect in the time frames stipulated. NZAIA, therefore, welcomes the idea of developing a package of non-statutory guidance to help councils implement the proposed NPS.

However, in line with this submission's comments regarding greater use of impact assessment by councils to identify, analyse and manage the positive and negative effects of urban development, NZAIA recommends the involvement of independent technical experts in impact assessment to assist with the implementation of the proposed NPS-UDC and associated capacity building. The technical experts would assist government, local authorities, infrastructure providers and developers to develop guidance material. They would also inform and peer review councils' assessment and monitoring programmes, as well as providing an objective evaluation of the social, cultural, health and environmental effects of the NPS implementation at local, district/ region and national levels, as it pertains to achieving the sustainable management purpose of the Resource Management Act.

Lastly, with regard to improving council practice, the proposed NPS-UDC must focus on the wider issues of whether councils are delivering good environmental outcomes for their local communities. Much more thinking needs to go into developing practice standards for councils and applicants, especially in the area of assessing environmental effects, based on internationally recognised good practice principles of impact assessment.

Submitted on behalf of NZAIA

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Chair, NZAIA

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