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Ministry for the Environment

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Re: Consultation Document on Proposed National Policy Statement on Urban Development Capacity

Thank you for the opportunity for making a submission on the above draft National Policy Statement (NPS). I wish to register my objection to the proposed NPS as a whole.

I confirm that this submission is a personal submission. I am a practising town-planning practitioner with full membership with the New Zealand Planning Institute.

I believe that the *Resource Management Act (RMA) 1991* needs more than ever to establish strong bottom lines for urban and rural development and maintain these standards in the interests of safeguarding the sustainable management of resources.

In urban areas, good planning should ensure that reasonable standards of amenity are achieved for residents of existing and future developments. Amenity standards should at the very least ensure that residents do not fall 'sick' as a result of inadequate levels of lighting, insulation, heating, and ventilation. The pursuit of housing affordability should not turn into a 'race to the bottom' of environmental, social and amenity standards in the pursuit of minimum development costs, maximum development feasibility/profits and maximum growth potential.

General comments on the draft National Policy Statement (NPS)

1. I do not consider the draft NPS is necessary to force Councils to make additional provision for housing and business opportunities. Councils are supportive of new economic and housing growth.

2. The RMA already provides for the consideration of the positive effects of new development and enables additional development.
3. The draft NPS represents a '*housing at all costs*' approach, which is contrary to the fundamental purpose and principles of the RMA and the *Environment Act 1986*. The draft NPS appears to raise the function of providing development capacity, above the sustainable management of resources.
4. The draft NPS is contrary to established planning theory which advocates a more rational, sequenced, design-led and coordinated approach to urban planning.
5. There is a lack of strong evidence to demonstrate the need for the proposed NPS or its likely outcomes. Examination of possible effects is heavily reliant on neoclassical economic theory and cost-benefit analysis, rather than a multi-disciplinary consideration of a full range of economic, social, cultural and environmental effects under real-world conditions.
6. The draft NPS introduces unrealistic development timeframes for targets. Targets are considered no more likely to be achieved than ambitious targets set under various Housing Accords.
7. The ability of Councils to comply with intentions of the draft NPS will be hampered by significant information gaps, high uncertainty about future market conditions and market demand and lack of knowledge about land-use constraints and hazard-risk profiles. Should housing demand be based on underlying demand or realised demand, revealed preferences or stated preferences for different housing types and localities, market perceptions or market realities? What models can reasonably predict existing and possible development capacity?
8. The constant obligation to provide for short-term housing and business needs in the shortest time possible, is likely to compromise the ability of Council's to meet medium and long-term housing and environmental goals in a well-planned, co-ordinated and sustainable manner. For example, fully satisfying the demand for rural "lifestyle" living or large urban lots, could lead to inefficient land usage, which hinders an urban area's future ability to expand its boundaries. Fully satisfying the demand for low density housing at the city fringe, could lead to the loss of land of high biodiversity, landscape, heritage, recreation/open space and cultural value, the

development of hazard-prone land or commit Councils to unsustainable levels of investment in new infrastructure.

9. Anticipated actions required to achieve targets under the draft NPS are likely to result in a significant reduction in opportunities for public engagement in plan making and could undermine the quality of future plans. Changes to regional and local planning instruments without the use of the Schedule 1 process are contrary to the original democratic principles of the RMA.
10. Key drivers for housing affordability sit outside the planning system, and changes to planning provisions alone are unlikely to secure affordable housing for all market segments, particularly persons on low-incomes. Reports from Sydney and Melbourne (Australia) identify continued affordability issues in high-demand areas, despite significant growth in new housing development (including apartments).
11. There is a general dearth of information as to the full range of costs associated with new urban development, as well as an increased recognition that traditionally infrastructure approaches (such as stormwater management) are environmentally and financially unsustainable as population expands.
12. The proposed policy is likely to result in claims that all land (regardless of land constraints or environmental value) should be allowed to be developed for new residential or business development, because Councils are unable to achieve development capacity targets. Page 65 of the 2016 MRCagney report¹ acknowledges that new development *“may significantly affect significant historic heritage values and ancestral sites of significance for Maori...adversely impact on the quality of the natural environment...[and] affect amenity values of existing residents...”*.
13. As well as claims that new developments should be allowed to lower existing amenity, social and environmental standards in order to maximise commercial feasibility and development potential.

¹ 2016 MRCagney, COVEC Economic Consultants and BECA Final Draft Report ‘Cost Benefit Analysis of Policy Options for a National Policy Statement on Urban Development Capacity’ prepared for the Ministry for the Environment

14. There is considerable potential for conflict between the proposed NPS and other national directions, specifically natural hazard risk management², improving water quality, increased iwi participation in resource management; coastal planning³ and increased investigation and awareness of cultural resources.
15. The Ministry should take into account earlier submissions made on the *Resource Legislation Amendment Bill 2015* and the February 2013 *Resource Management Discussion Document*, which also comment on attempts to alter the relative weighting of development and environmental considerations (e.g. former proposed changes to sections 5, 6, 7, 31 and 32 of the RMA).
16. Insufficient time has been provided for consultation on the proposed NPS.

Comments on Objectives

I object to proposed objective **OA1**.

This objective should refer to environmental wellbeing and needs to take into account that urban environments can contain items of environmental importance and can have effects on the environmental qualities of adjacent peri-urban and rural land.

I object to proposed objective **OA2**, as I do not believe that fully satisfying all types of future residential and business development demand is compatible with sustainable resource management.

Comments on Policies

I object to policy **PA1**.

I find the term “*maximise the potential for social and economic exchange*” very vague and potentially incompatible with sustainable resource management. Furthermore criteria appear to overemphasise the importance of economic and market transactions, over social, cultural and environmental outcomes.

² Several areas of high residential demand such as Wellington CBD, Petone, South Dunedin and Christchurch are located in areas of high hazard risk.

³ Required under the New Zealand Coastal Policy Statement prepared by the Department of Conservation

I object to the term “*enabling the competitive operation of land and development markets*” as overly vague. In reality no market demonstrates perfect competition, and a reduction in planning rules and regulations does not necessarily ensure better outcomes, given other sources of market distortion such as imbalances in power, property speculation, lack of perfect information, existence of public goods and distributional differences in costs and benefits.

Furthermore, this wording appears to ignore positive inducements commonly used by the public sector which encourage new development (e.g. fee waivers, waiver of development contributions, provision of free expert advice, full or partial subsidisation of infrastructure costs, funding grants and land gifting), which are by their very nature market distortions and therefore an obstacle in the operation of the theoretical ‘free market’.

I object to Policy **PA2**.

I consider it is unrealistic to expect local authorities to provide at all times, sufficient residential and business development capacity for the short, medium and long-term. The strict interpretation of the policy means that from year 1, each Council will have to 30 years of supply available for each housing location and each housing type. At the end of 30 years, Councils would still need to have a further 30 years of supply available.

Time needs to be given for Councils to develop, refine or implement plans for a managed and co-ordinated increase in housing and business supply in an environmentally sustainable manner. It will also take time for Councils to service suitable land with infrastructure and address existing information deficiencies.

A very long term approach to housing, is likely to require a restriction on low-density development in urban expansion and regeneration areas (such as the use of minimum housing densities as used in Sydney, England and Christchurch and under consideration in Melbourne⁴) and increased reliance on medium and high density residential development. There is a risk that seeking to satisfy short-term demand for some types of housing development could end up compromising the ability to satisfy long-term demand. However, safeguarding land for its most efficient medium to long-term use is likely to have short-term

⁴ Often imposed against the wishes of the private property industry.

costs, such as land remaining vacant or underutilised for longer periods of time. Maximising present development feasibility could compromise future development capacity.

Questions are also raised as to the ability of Local Councils to afford up to 30 years of infrastructure supply for new residential and business development in advance. Many Councils would struggle to finance even five years of estimated market demand in advance.

I object to **Policy PA3** which appears to place greater weight on positive effects being achieved than negative effects being reduced or avoided. I am of the view that some types of negative effects from urban development (such as loss of land of outstanding biodiversity value) should be avoided, rather than minimised.

The focus on “positive effects” is considered to alter the balance of the existing “effects based” philosophy of the RMA. Under the RMA it is already expected that new development will be approved, unless it can be demonstrated that such development leads to significant harm.

I object to the wording of **policy PB2**. The terms “*sectorial composition of the local economy*” and “*market’s response to planning*” are particularly vague and unclear.

I have strong concerns about the achievability of **policy PB3** because:

- Information requirements goes beyond what is realistically available.
- It is very difficult to estimate the combined effect of all provisions in operative regional policy statements (RPS). Furthermore, requirements in the Wellington RPS are still in the process of interpretation and implementation, which means their effect is unclear.
- It is very difficult to estimate the combined effect of all local plan provisions, especially given an information deficit as to the effect of individual planning policies and rules. It is particularly challenging to estimate the effects of rules triggering merit assessment of resource consent, for whilst resource consents which exceed ‘permitted standards’ are frequently allowed, market perceptions of the difficulty in gaining resource consent appears much higher than the reality. Should

estimates of development capacity be based on “permitted standards” (i.e. scale of development guaranteed) or the scale of development gaining resource consent?

- Even Auckland Council (one of the most well-resourced councils in the country) has experienced significant difficulties in developing feasibility models⁵.
- The effect that planning provisions have on opportunities being taken up is affected by a number of factors outside of Council control. This includes long-held fears of public notification of resource consents and slow speeds of consent processing, regardless of resource consent performance statistics. Emerging factors in the future are likely to include increased hazard risk awareness and potential difficulties in obtaining insurance for hazard-prone land.
- There is a lack of universal evidence as to the effect of certainty and uncertainty on development opportunities being taken up. For example, higher levels of planning uncertainty in the English planning system, have not prevented significant building activity from occurring. The lodgement of over 20,000 resource consents in 2014/15 in New Zealand with an activity status of ‘Fully Discretionary’ or ‘Non-Complying’⁶ does indicate that at least a portion of the property sector is comfortable with some level of uncertainty. The effects of planning provisions are likely to vary for different market segments, with experienced planning practitioners reacting differently from other market players. Should standards be based on anticipated reactions from informed or uninformed market players?
- Whilst it is reasonable to consider current physical and commercial feasibility of development capacity, there is also a need to keep in mind future feasibility. The commercial feasibility of developing steep and less accessible sites and as well as land of high land and capital value is likely to increase over time, as land prices rises and existing housing stock ages and typically deteriorates.
- It is very difficult to estimate actual and likely availability of infrastructure, despite the recent requirement for 30-year infrastructure plans under the *Local Government Act (LGA)*. Many Councils appear to

⁵ 2016 MRCagney et al. report page 73.

⁶ 2016 Ministry for Environment, National Monitoring Sydney Reporting for 2014-2015

have an information shortfall as to the existing state of their infrastructure and need for future investment, particularly in light of future drainage demands arising from climate change, sea level rise and loss of natural soakage within domestic gardens. This shortage of information is likely to take some time to rectify.

- It is difficult to increase the supply of regional scale infrastructure such as transport and sewerage disposal. For example, State Highway 2 and the Hutt Valley train line already exhibits severe congestion in the morning peak period. Congestion bottlenecks occur in several interconnected locations in Wellington, so that fixing one 'bottleneck' could simply transfer congestion to another part of the network. The sewerage network in the Hutt Valley appears to simultaneously reaching capacity at multiple points.

I have strong concerns regarding **Policy PB5**. I believe local authorities will need assistance in finding suitable information in a cost-effective manner. Some of this information could be more cost-efficiently provided by central government. Average statistics for a Council area may not provide meaningful results due to locational differences and therefore advice is needed as to acceptable sampling methods.

I strongly object to **Policy PD1 and PD4** which encourages a 'knee-jerk' reaction to shortages in development capacity. Surely the operation of Housing Accords has proven how difficult it is to significantly improve housing supply in the short term, despite the best efforts of participating councils.

Clarity is required as what is meant by "*as soon as possible*" and "*maximises the contribution to meeting demand*" and whether this wording would require Councils to abandon good planning practices and democratic consultation and engagement with their communities, in order to address housing pressures in the shortest time possible without regard to costs. Any efforts to railroad communities into a growth plan developed without their involvement or agreement, could result in significant community backlash which retards the ability to achieve medium and long-term goals.

Additional information and supporting research is needed to demonstrate how options Councils are forced to consider under **Policy PD2** will result in further

development capacity. For example, there is lack of information to prove that an activity status of 'Controlled' or 'Permitted' results in better outcomes (in terms of economic, social, environmental and cultural wellbeing) than a 'Restricted Discretionary Activity'. My recollection is that Wellington City Council's review of controlled activity status for works to heritage buildings and Upper Hutt City Council's usage of controlled activity status for dwellings on prominent ridge lines identified poor outcomes, stemming from a policy framework that did not allow inappropriate development to be declined.

A review of appropriate planning provisions should have some regard for international best practice, as well as local context. The NSW Government updated *State Environmental Planning Policy 65* and the *NSW Apartment Design Guide*⁷ in 2015, the Victoria State Government and City of Melbourne have expressing interest in following suit and Queensland Government has a state policy on liveable communities.

Further away, *Planning Policy Wales 8th Edition 2016* and the *English National Development Framework 2012* promotes a planning framework with a higher sustainability focus for all types of development.

I also object to the further reduction of notification provisions⁸ on the grounds of improving development capacity. Current s95 of the RMA already limits the use of notification of resource consents, to those cases where effects are above those anticipated by district plan provisions.

Furthermore, many Councils already satisfy many requirements under **PD2** in terms of low usage of notification, decreased usage of Discretionary Activity Status for resource consents, planning provisions which enable additional development, consenting processes that are customer friendly and reasonable use of conditions of consent.

I believe that policies **PD1 and PD2** have significant potential to result in undesirable and unintended consequences. Concern is raised that housing affordability is being used as an excuse to introduce more radical and politically motivated changes to planning provisions.

⁷ This document won an award at the PIA National Awards for Planning Excellence 2016 for Best Planning Ideas – Large Project Award.

⁸ Already restricted to 4% of all resource consents lodged in 2014-2015. Source: <http://www.mfe.govt.nz/rma/rma-monitoring-and-reporting/reporting-201415/resource-consents/notification-resource-consents>

The wording of part 3 of **Policies PD3 and PD1** appear inconsistent. **PD1** requires local authorities to respond to a shortfall of medium and long-term capacity as soon as possible, whilst **PD3** suggests a more broadly considered response may be possible.

Explicit recognition should be provided in the NPS, that it does not overrule the fundamental purpose of the RMA of sustainable resource management. The 2016 MRCagney report itself acknowledges *“there may be a legitimate case to limit development in some areas in response to market failures...”*⁹.

Policies for High Growth Councils

Significant concern is raised over the highly ambitious timeframes specified in **Policies PD5 to PD9**. Planning provisions have been going through a considerable period of flux in Auckland and Christchurch for multiple years and this policy could result in further review, even before the final contents of replacement plans are decided.

The proposed timing has the potential to undermine the considerable planning effort that has gone into the redrafting of planning provisions for several Councils which are well-progressed on the full review of their district plans (e.g. Auckland, Christchurch, Queenstown and Hamilton). The policy fails to take into account that development capacity provided by changes to planning provisions can take several years to be realised, for reasons outside the control of local government. It is not uncommon for large-scale construction projects to be planned and built over several years.

A timeframe of the end of 2018 will be difficult enough to achieve for regional Councils, without a requirement for change earlier if a housing assessment shows insufficient development capacity, or for Local Councils which first need to wait for an amended regional policy.

Local authorities are unlikely to be able to give full effect to policies by the end of 2018 without a considerable reduction in public engagement and consultation in the district plan or strategic plan making process, or without resorting to vague future land release and intensification strategies. This time period will also seriously hinder the ability to gather good quality information about development carrying capacity of land (as a result of land use constraints

⁹ 2016 MRCagney et al page 25.

and environmental values) or the effects of existing and new policy and rule approaches.

I strongly object to the requirement that regional councils must amend their proposed and operative regional policy statement to give effect to policies without using the Schedule 1 process. I believe this course of action is contradictory with the democratic founding principles of the RMA and has the potential to severely compromise the quality of future planning provisions.

Councils can enable the construction of different types of dwellings, but can not ensure that the private housing market provides the level of diversity sought (such as a greater range of smaller and more affordable housing options). Persons with the highest demand for more affordable dwelling options, often have the least market influence to ensure their supply.

The wording of **Policy PD9** suggests that the views of land owners and the property development sector are more important than affected local communities. It is requested that policies be amended to emphasise the importance of wide community consultation, so that changes to planning provisions may benefit from 'buy-in' and knowledge held by the wider community.

Comments on Regulatory Impact Statement

I am concerned about the last paragraph contained on page 21 of the consultation document. A lack of evidence is provided of how Councils have not adequately balanced the use and protection of heritage, landscape and amenity values against the need to provide additional residential and business development growth opportunities.

Information gaps are apparent in the monitoring of planning outcomes at the local, regional and national scale, which question the reliability of information used to reach the above conclusion. Furthermore, there is more evidence that Councils have not comprehensively investigated and protected items identified as being of national importance under Section 6 of the RMA, than the other way round.

Consideration should be given to the comment in the recent report from the House of Lords Select Committee on National Policy for Built Environment, *Report of Session 2015-2016 Building Better Places* which states:

“...we are concerned with the overall emphasis on the speed and quantity of housing supply appears to threaten place-making itself, along with sustainable planning for the long term and the delivery of high quality and design standards”.

Page 3 Summary.

“We recommend that planning and development policy and practice should reflect more explicitly the fact that our historic environment is a cultural and economic asset rather an obstacle to successful future developments – whether in urban or rural areas – and contribute, uniquely, to the highest standards of design and the quality of community life”.

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I share the concerns raised by the Ministry of Education as stated on page 2 of the Regulatory Impact Statement. I consider development should achieve an acceptable standard of urban design, even if this leads to some loss of development capacity, or if a shortfall in development capacity exists. The draft NPS is only considered to allow for good urban design, where Councils can prove that such provision does not interfere with the ability to achieve short-term, medium-term and long-term development capacity (a seemingly impossible ask).

I consider that the proposed NPS will not maximise economic, social and cultural benefits of urban environments at the local and national level in a sustainable manner, as it is specifically focused on increasing housing growth as quickly as possible, at the expense of other impacts.

Insufficient information is provided to demonstrate that the intentions of the NPS could not be achieved under existing planning provisions or through non-regulatory options, such as government guidance. Furthermore, there is little information to prove that reduced planning regulation would significantly improve housing supply or housing affordability.

The recently published World Cities Report 2016 by UN Habitat, Urbanization and Development Emerging Futures [known as Habitat III] points out:

“The housing policies put in place through the enabling approach have failed to promote adequate and affordable housing”.

Chapter 3 Summary

Comments on Cost-Benefit Analysis

The cost and benefit analysis is highly dependent on a number of largely untested assumptions. In reality, we know that markets do not demonstrate perfect competition, decision making is less rational than theorised, considerable information gaps exist and a number of limits apply to new development capacity; such as ability to secure finance, insurance, infrastructure services, building materials and manpower quickly and at competitive prices.

Nor do I believe that the true costs and benefits of the proposed national policy statement (in terms of environmental, social, economic and cultural wellbeing) can be accurately quantified or measured. I do not accept the argument that the benefits of growth, always exceed the negative effects. Rather I believe, there must be a bottom line, below which effects are considered unacceptable, even when accompanied by substantial economic gains to some parts of the population. A lot more research and information is needed to set appropriate bottom limits and to understand the consequences of exceeding them.

Considerable doubt is raised as to the reliability of estimated economic modelling contained in the supporting documents, particularly the estimated magnitude of externalities associated with housing development in urban and greenfield areas (externalities per dwelling) (Table 4 of the Regulatory Impact Statement) for the following reasons:

- The 2016 MRCagney report states *“...infrastructure costs are difficult to estimate with precision, as they may be highly site specific and dependent upon capacity constraints in existing infrastructure networks”* page 60.
- *“The available empirical literature does not provide a robust basis for estimating the cost of foregone access to daylight...”* Ibid. page 137.
- No transport externalities are factored for urban intensification for either low or high growth, which appears inconsistent with known traffic congestion problems within several centres (which is likely to increase the need for transport infrastructure such as traffic lights, roundabouts, turning lanes, pedestrian crossings and local parking restrictions).

- The report appears to rely on the assumption that *“in most situations, zoning rules will continue to manage these externalities while enabling additional development”* (Ibid. page 60), when there is no certainty that existing planning provisions managing urban amenity issues such as overshadowing, outlook, noise and nuisance will continue to apply¹⁰.
- Costs from overshadowing by tall buildings appears to be based on estimated heating costs in Copenhagen, rather than a wider understanding of potential health and social effects in a NZ context. European cities often benefit from higher insulation standards than NZ homes, combined with greater availability of central house heating systems which raises questions as to the reliability of calculations.
- Furthermore, overshadowing is often increased by a modest increase in building height (such as a 2 or 3 storey dwelling placed next to a smaller dwelling) and is not limited to mid or high-rise buildings.
- No information is provided to support the assertion that *“many infill/residential projects will not overshadow or block the views of neighbouring buildings. Many of these buildings will be under 3 stories – terraced houses and low-rise apartments/flats. Unless these buildings are on south-facing slopes, they are not likely to overshadow neighbouring buildings of a similar height”* on Ibid. page 137. Nor does it acknowledge that a high proportion of private dwellings in New Zealand, (approximately 75%) are of single storey height¹¹. Many occupants of single storey dwellings can attest that two-storey dwellings built adjacent to them in accordance with current permitted standards have had some effect of their access to daylight and private views. Furthermore, the report identifies the *“difficulty of modelling shading in an urban environment”* on Ibid. page 138.
- A key issue for New Zealand, is the potential for increased overshadowing to encourage mould growth and exacerbate existing problems within cold and damp homes with poor levels of insulation. Health effects from overshadowing and loss of light could be

¹⁰ Especially as the NPS itself seems to demand these same rules be re-examined for their effects on development capacity.

¹¹<http://www.stats.govt.nz/Census/2013-census/profile-and-summary-reports/quickstats-about-housing/types-occupied-dwellings.aspx> Accessed 30 June 2016

dramatically higher in poor quality housing¹². Furthermore, occupants of poor quality housing are more likely to be low income earners who are least able to afford higher home heating costs.

- The 2016 MRCagney report identifies adverse effects of overshadowing from tall buildings can include:
 - *“reduced access to daylight could reduce health and wellbeing to neighbours;*
 - *Reduced access to daylight could increase heating costs in neighbouring buildings, as darker buildings tend to be colder...;*
 - *Reduced access to daylight could reduce the value of neighbouring properties by making them less desirable to residents...;*
 - *There is evidence for the existence of links between natural light and health outcomes, especially around depression...” (pages 137-138)*
- Reductions in health and wellbeing as a result of residing in colder and darker housing, is also likely to result in increased medical expenses and reduced earning capacity, which are not factored into the cost-benefit calculations.
- Effects examined do not include a loss of ‘outlook’ and sense of visual domination, which is far more commonplace than loss of water views. Concern is raised by the comment that *“view-related externalities are not likely to be common”* on page 24 of the RIS, especially as outlook can be adversely affected by even a small increase in building height and many places in the Wellington region benefit from extensive land views/outlook as a result of steep land topography.
- Doubt is raised over the comment on page 24 of the RIS that effects on freshwater quality are likely to be addressed under the NPS on Freshwater quality, especially as regional Councils do not even need to set objectives for water management until 2030, well after the 2018 target in the draft NPS. In addition, few Councils currently require active stormwater management, which is often necessary to prevent further

¹² Social and health effects from overshadowing are believed to be the reasoning why the 2015 NSW Apartment Design Guide specifies solar access standards for new apartments. The Cement and Concrete Association of New Zealand 2013 Guidelines for the Design of Multi-Storey Apartment Buildings in New Zealand also recommends that all apartments should allow for direct sunlight in the main room for at least four hours during the shortest winter day.

decline of water quality in urban areas and adjacent rural areas from additional urban development.

- Urban intensification is likely to put increased pressure on open spaces and community facilities, with some level of upgrade or improved provision likely. Addressing a deficiency in supply made by made harder by recent changes to the LGA, which limit the ability to collect development contributions for community facilities.
- No account is given to anticipated changes in the urban environment from urban intensification, such increased noise disturbance from adjacent residential properties as separation distances are reduced, loss of larger trees on public and private land in urban areas and increased overlooking between dwellings and associated outdoor space.

Consideration should be given to comment in the recently published World Cities Report 2016 by UN Habitat, *Urbanization and Development Emerging Futures [known as Habitat III]* on page 98:

“Environmental decision making emphasizes the need to shift away from overreliance on cost-benefit analysis (CBA), which privileges the present monetary value of different options. On its own, CBA is not suitable with regard to the many dimensions of environmental services, or quantifying environmental benefits or contested perceptions of the actual values of various resources.”

The 2014 report published by the Royal Town Planning Institute titled the *“Value of Planning”* also points out the limitations of conventional economic analysis based on neoclassical economic principles to measure positive and negative effects of planning provisions. It identifies that the traditional approach is *“based on an abstract and artificial view of markets”*. Rather economic analysis needs to be broadened to cover welfare, institutional and behavioural economic theories, which are more grounded in observed behaviours in real market settings.

The UK National Ecosystem Assessment – Understanding nature’s value to society, Synthesis of the Key Findings (2011) identifies:

“the natural world, its biodiversity and its constituent ecosystems are critically important to our well-being and economic prosperity, but are consistently undervalued in conventional economic analysis and decision making”.

Chris Parker, Chief Economist at Auckland has also identified a need for government funding for a cost benefit analysis of design and amenity features, given a dearth of information about their social benefits¹³.

Conclusion

I object the proposed NPS as a whole. Additional time is needed to develop a more balanced and sustainable approach to achieving new housing and business growth.

Yours sincerely,

Allison Tindale

¹³ C. Parker 2015 *'Housing supply, choice and affordability. Trends, economic drivers and possible policy interventions'* published by Auckland Council page 28