

17 August 2018

Ministry for the Environment
via email: planningstandards@mfe.govt.nz

Property Council New Zealand Submission: Draft National Planning Standards Consultation Document 2018

1. Recommendations

1.1. Property Council New Zealand (“Property Council”) supports an accessible, consistent, efficient and streamlined planning system. Our members are developing liveable and sustainable built environments. Property Council supports the planning standards focusing on reducing time and resources required to use plans, making plan consents easier to find and providing a consistent national direction.

1.2. To that end Property Council recommends:

- The Ministry for the Environment (MfE) engage with us on the effectiveness of the proposed national planning standards following implementation, to ensure that the intended outcomes of ease of access, use and consistent national direction are being achieved.
- The regional policy statement is included in all planning standards. A separate policy statement is counterproductive to the objectives of having an efficient and streamlined planning system.
- When considering what to include in the first set of planning standards, option 3 is adopted to best unlock the full potential of the draft planning standards, particularly regarding standardisation and ease of use across parties.
- Prioritise facilitating councils to ensure that they are sufficiently resourced to implement the planning standards and determine whether any incentives could be established for councils who implement the standards within a three-year period.
- Independent Hearings Panel findings are incorporated into the Draft National Planning Standards where appropriate, and that future versions of the standards incorporate any other panel’s views made in the interim.
- A time extension of 10-years for implementation is provided for Auckland Council to align with the Unitary Plan review under the Resource Management Act 1991 (RMA).

2. Introduction

2.1. Property Council’s goal is the creation and retention of well-designed, functional and sustainable built environments which contribute to New Zealand’s overall prosperity. We support planning systems that provide a framework to enhance economic growth, development, liveability and growing communities.

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- 2.2. Property Council is a member-led, not-for-profit organisation offering a collective voice for the commercial property industry. The property industry is currently the largest industry in New Zealand with a direct contribution to GDP of \$29.8 billion or 13 per cent. In a sense the property sector is a foundation of New Zealand's economy and caters for growth by developing, building and owning the buildings that house businesses.
- 2.3. Our membership is broad and includes some of the largest commercial and residential property developers in New Zealand. These companies undertake a large-scale residential and commercial development projects, including large commercial buildings, industrial parks and retail precincts. They work in multiple jurisdictions dealing with variations between plans (especially subtle ones) which adds significant cost and inefficiency and results in lower quality outcomes for each development. Our members contribute to development of both greenfield and brownfield areas where people live, work and play across New Zealand.

3. Our approach

- 3.1. We have deliberately taken a high-level approach to responding to the discussion documents to reinforce our members' support for greater standardisation and to highlight the key principles that should be reflected in the national planning standards. Specific technical expertise is required to understand the detail of the structure and definitions and given the breadth and diversity of our membership, we think individual members, planning consultants and other end-users are better placed to comment on the detail of the proposals.
- 3.2. Our high-level approach looks at the four options regarding the scope of the planning standards as identified in MfE's Regulatory Impact Statement (RIS). The RIS identifies that future sets of planning standards may have a broader scope, for example around metrics, standards, priority zone objectives and policies. Our submission urges a more ambitious approach (option 3) due to the length of time that it will take to review planning standards. We urge MfE to be ambitious, as it will take less time in the long run to scale back standards, than to add ambition through additional iterations of the planning standards. This is further discussed in Section 6 of our submission.

4. Current plans have unnecessary variation

- 4.1. Property Council members are thoroughly engaged with the practical aspects of council resource consents, building consents and council planning standards. Since the adoption of the RMA, each regional and district council have developed their own policy statements and plans. This has resulted in hundreds of plans with various drafting styles, local interpretation of national direction and core structural differences.
- 4.2. Many of our members plan and develop residential and commercial buildings across New Zealand, having to engage with several different council plans and policies. These members have identified the difficulty of interpreting the variation that exists between council plans. The variety between plans is time-consuming, costly and causes significant flow on impacts for development. We support a more standardised approach to planning standards for ease of consistency and use across the sector.



- 4.3. In May 2017, Property Council provided feedback to MfE's set of discussion papers on national planning standards. Our submission sought national planning standards to guide the format and content of regional and district plans around New Zealand with the overall aim to reduce inconsistencies between regional and district plans. Consistent plans will eventually be cost and time effective for our members and has the potential to reduce the overall cost of development.
- 4.4. Property Council recommends:
- MfE to continue to engage with us on the effectiveness of the proposed national planning standards following their implementation.

5. Outcomes and benefits from the planning standards

- 5.1. The Draft National Planning Standards Consultation Document 2018 (Draft Consultation Document) outlines multiple problems that the proposed planning standards seek to resolve. In particular, Property Council supports the standards focusing on the following outcomes:
- A consistent national direction
 - A reduction of time and resources required to use plans
 - Plan contents easier to find and access.
- 5.2. These outcomes would best benefit our members who use a variety of council plans, due to the consistent national direction, as plans will be easier to use, find and access. A likely result of achieving these outcomes is a reduction in costs due to the reduction in time and resources required to interpret the current variety of council plans. We would encourage MfE to engage with us throughout the process to ensure that these intended outcomes are being achieved.
- 5.3. MfE's current proposed structure allows for a council to either incorporate or have a separate regional policy statement. We urge the integration of regional policy statements in the same document as regional plans. It is important that objectives, policies and rules are brought together in the same document from a user perspective of keeping all the rules within a standalone chapter. This will allow users to have in one place all the rules they need to meet.
- 5.4. The key system wide benefits of having a standardised plan include a more efficient plan-making process due to a pre-determined structure and format alongside a shared understanding of terminology and key planning techniques. For example, consistent zone colours, symbols and overlays between councils will be a huge help to our members who work with multiple councils across New Zealand. Our members continually tell us that the time that goes into rewording applications due to different terminology used at different councils is significantly resource intensive. This increases the overall cost of the development. Property Council supports the benefits that a consistent planning system will bring.
- 5.5. Although structure and standardisation are important, we cannot underestimate the importance 'plain English' has around the interpretation of plans. It is important that plans can be read and understood by a range of people from someone with no planning experiences to people with a wide range of various planning or development experiences. We support plans that are simply written and easy to understand.
- 5.6. We support planning standards that ensure councils have the flexibility to assess their local community needs, environmental issues and regional development specific to that council. The

Draft Consultation Document uses the example of a landlocked district not needing a chapter on the coastal environment. This is a good example when discussing the importance of flexibility in managing local planning issues. However, those councils that do have coastal areas should all remain consistent and not develop separate definitions, symbols or policy direction. We support the national planning standard being flexible but remaining consistent where it makes sense to do so.

5.7. Property Council strongly supports the move to greater e-functionality of plans. In particular, ePlan software that will enable easier navigation and interpretation of maps online. Planning documents are lengthy and require particular skills and expertise to navigate. We support the Draft Consultation Documents recommendation of a common plan form and structure to ensure that these documents are not only user-friendly but also accessible to the wider public.

5.8. Property Council recommends:

- MfE engage with Property Council and its members who use the new standardised plans to ensure that the intended outcomes of ease of access, use and consistent national direction are being achieved.
- MfE removes the provision for councils to have a separate regional policy statement as this is counterproductive to MfEs objectives of reducing time as plan users will be required to flick between multiple documents.

5.8 Property Council supports:

- The system-wide benefits of having a standardised plan.
- The move to greater e-functionality of plans.

6. Current and future sets of proposed planning standards

6.1. The Draft Consultation Document proposes some additional planning standards to the minimum requirements under s58G of the RMA. In particular: spatial planning tools; a zone framework; mapping; and some metrics, with the aim of achieving genuine standardisation. We think that the planning standards should go further.

6.2. The impact summary document discusses four options that were considered in determining what to include in the first set of planning standards as below:

- Option 1: Minimum RMA requirements: this option would only include the minimum requirements under s58 of the RMA.
- Option 2: Minimum requirements (to a greater level of detail) plus mapping planning standards, noise planning standards and some metrics. This is MfE's preferred option.
- Option 3: Minimum requirements plus option 2 and some more metrics and standards and priority zone objectives and policies.
- Option 4: Minimum requirements plus Options 2 and 3, and methodologies for determining Section 6 matters.

6.3. Property Council's preference is for option 3 – for the first set of planning standards to include minimum requirements under the RMA, additional requirements of mapping planning standards, noise planning standards and metrics along with other standards and metrics. Subtle



differences in metrics across jurisdictions are most likely to cause confusion and can be costly to correct if it is later discovered the wrong one has been used. It is likely that the greatest gains in efficiency and lowering of transaction costs will occur when plans have consistent metrics.

- 6.4. Furthermore, neglecting metrics, standards and priority zone objectives and policies will only result in further delay towards overall standardisation. Particularly given that Section 6 matters under option 4 still need to occur in the overall process. Option 3 allows for the inclusion of more definitions, metrics and detailed structure plans and policy statements. Not including these key planning tools will elongate the process of standardising all plans across New Zealand and has the potential to undermine the objective of having standardised definitions to ensure ease of use.
- 6.5. District Plans are reviewed every 10 years. If Option 2 is adopted, it will take a lot of time for the introduction of Option 3 and Option 4 if these additions are introduced consecutively. Property Council urges MfE to be ambitious regarding these options, as any mistakes can be tidied up by a plan change whereas, it is harder to build ambition into the plan through iterative changes. For example, MfE's preferred approach (option 2) would take between five to seven years to implement and further options 3 and 4 could take anywhere between 20 and 50 years to be implemented as each subsequent plan will be active for at least 10 years.
- 6.6. Option 3 is consistent with our 2017 submission advised MfE to standardise as many definitions and metrics as possible and to look at increasing its lists beyond what is proposed in the discussion document. The 2018 Draft Consultation Document does not include all metrics such as car parking and bulk and location metrics. The sooner these metrics are incorporated into the planning standards the more effective the planning's standards will be to achieve the overall objective of having a more efficient and standardised planning system. We recommend option 3, to include as many metrics as possible along with priority zone objectives and policies be undertaken and that MfE works with councils to ensure that they are sufficiently resourced to implement the standards.
- 6.7. The Draft Consultation Document is silent on the role of Independent Hearing Panels. Property Council's experience and learnings from the Auckland Unitary Plan and Christchurch Replacement District Plan processes show that these panels are of fundamental importance in the development of RMA plans. Panels play an important role to ensure that plans are fit for purpose, evidence based, robust and structurally sound. We recommend the national planning standards incorporate the findings of these panels and that future versions of the standards incorporate any other Independent Hearings Panels' views made in the interim.
- 6.8. Property Council recommends:
 - Option 3 is adopted to unlock the potential of the draft planning standards, particularly regarding standardisation and ease of use across parties.
 - MfE works closely with councils to ensure that they are sufficiently resourced to implement the planning standards.
 - The Draft National Planning Standards incorporate the findings of Independent Hearing Panels and that future versions of the standards incorporate any other panels' views made in the interim.



7. Proposed timeframe for implementation

- 7.1. Property Council is comfortable with the proposed five-year implementation period for most planning standards, and a seven-year implementation period for councils that recently concluded a major plan process (with the exception of Auckland Council – see below). To fully unlock the potential of these changes, consistency is required across all councils and a teething process will likely occur with uncertainty continuing until all councils are aligned. We see the proposed implementation period as a suggestion and encourage councils to complete these changes as soon as practicable due to the benefits that will arise from a wholly consistent approach.
- 7.2. Due to Auckland undertaking a recent Unitary Plan, we believe Auckland Council needs more time to adopt these standards. We support Auckland Council’s submission requesting a 10-year implementation period to broadly align with RMA requirements to review its provisions under the Unitary Plan. This will ensure that a full plan review will occur when incorporating these standards and allow for our members to have some certainty following the recent Unitary Plan process.
- 7.3. Our members wish to emphasise the importance of ensuring that the proposed timeframe provides councils and submitters enough time to input into the process. Property Council is willing to enter into discussions with MfE and councils to ensure that this timeframe is workable for all parties involved.
- 7.4. Property Council recommends:
 - MfE prioritise facilitating councils to implement these changes as soon as possible and determine whether any incentives could be established for councils who implement the standards within a three-year period.
 - MfE grant Auckland Council a 10-year implementation period to align with the Unitary Plan review under the RMA.

8. Conclusion

- 8.1. Property Council supports MfE providing more guidance to all councils in developing their RMA plans. It is important to have clear planning standards that not only support and enable more effective development but foster efficiency and ease of use for all parties. The objectives of the development of the first national planning standards seek to achieve this through standardisation and consistency across New Zealand.
- 8.2. Property Council recognises that MfE will receive submissions from both councils and organisations and companies that are ‘users’ of the plans. The primary beneficiaries of clear and consistent plans across jurisdictions are the plan users. To that end, Property Council recommends:
 - MfE gives more weight to the views of those that utilise the system when considering submissions in order to achieve its objective of standardising the planning framework at a national level to streamline the process and make plans more usable.
- 8.3. Our members are key drivers of development. Property Council supports the overall intention of the Draft Consultation Document and recommend ongoing engagement between MfE, councils and key stakeholders is required throughout the implementation process. We further



recommend that the planning standards be more efficient by incorporating policy statements, more consistent by including Independent Hearing Panels findings, and more ambitious by including some metrics and standards and priority zone objectives and policies.

8.4. Property Council thanks MfE for the opportunity to submit on the Draft Consultation Document.

8.5. Any further queries do not hesitate to contact [REDACTED]

email: [REDACTED] or cell ([REDACTED])

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Matt Paterson', with a long horizontal flourish extending to the right.

Matt Paterson
Head of Advocacy