

Report 16.456
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Committee Council
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Submission on the Productivity Commission Report 'Better Urban Planning'

1. Purpose

To seek the Council's approval for GWRC's submission (**Attachment 1** – to come) to the Productivity Commission on their draft report on 'Better Urban Planning'.

2. Background

The Productivity Commission has released a draft report titled "Better Urban Planning" (the Report), which it is seeking submissions for by 3 October 2016. The expectation is that the Report will be presented to Government in November.

The Productivity Commission was asked by Government to:

“review New Zealand's urban planning system and to identify, from first principles, the most appropriate system for allocating land use through this system to support desirable social, economic, environmental and cultural outcomes”.

The terms of reference for the inquiry asked the Commission to look beyond the existing resource management and other legislative arrangements to consider fundamentally alternative ways of delivering improved urban planning, and subsequently, development.

A memo was circulated in the Bulletin of the 23rd of August 2016, advising Councillors of the receipt of the Report and the intention to prepare a submission.

3. Main findings and recommendations

The Report acknowledges the role that planning can play in maximising the benefits of cities and managing their costs, such as the pressure on

infrastructure and the natural environment. It then identifies the issues with the planning regime, in practice, design and implementation.

The Report contends that the primary legislation, the Resource Management Act 1991 (the RMA), does not give prominence to urban issues, does not distinguish between different natural environment issues and the resulting tensions have led to uncertainty and lengthy and unresponsive processes. Attempts to resolve these tensions have led to numerous amendments resulting in increasing complexity and decreasing coherence. Specifically the Report highlights a lack of central government direction and overly prescriptive urban land use rules and regulations.

The Report then identifies elements of what a future planning system should look like such as:

- Clearer distinctions between the built and natural environment and a presumption in favour of development in the built environment
- Clearer central government direction and prioritisation, including a Government Policy Statement (GPS) for the environment
- Rezoning and regulatory change which is able to adapt more rapidly to changes
- More responsive infrastructure provision reflecting actual costs use and impacts
- Changes to the Environment Court role, including an Independent Hearing Panel (IHP)
- More representative and less rigid consultation with a focus on those affected by change
- Continued recognition and protection of Maori interests
- Spatial planning as a core and integrated component of planning.

The Report then sets the goal of having clearer distinctions between the natural and built environments and raises the question of how to reflect this in legislation. Two options are given: a single resource management law with separate built environment and natural environment sections, or new and separate planning and natural environment laws, with some preference indicated for the separate law approach.

We note that the Report, in its recommendations, makes no distinction between the functions of regional councils and district councils, when some recommendations appear to be directed to issues with land use planning only.

4. Our position

We agree with the Report's findings that the present planning system has become increasingly cumbersome at the expense of the outcomes that are central to the RMA. There are many aspects of the Report which we have

supported in other forums, such as the need to recognise and provide for Māori interests, the need for improved and more responsive consultation with communities, the restriction of appeal rights for plans and plan changes and the importance of a spatial planning regime.

Of concern, however, is the goal of making a clear separation between the built and natural environments. The goal runs counter to our experience and understanding of our communities' expectations for planning which is a desire for increased integration and involvement in decision making. The Māori world view supports a holistic integration of resource management. Our whitua process has highlighted that the management of cumulative effects in a catchment requires all parties to be at the table and all issues to be considered together.

Furthermore, we suggest that the proposed legislative split of the built and natural environments would create an artificial divide that would be difficult to manage. Water flows from the mountains to the sea through natural lands and the urban environment, natural hazards do not stop at council boundaries, and cities expand into production lands.

We consider that there will likely always be a tension between protection of the environment and development. This tension may well underlie the Commission's drive to change the regulatory framework, but we do not consider that their suggested changes will resolve this. In fact, it will potentially make the system more complex.

We submit that planning needs to be more integrated, not less, but supported by statutory spatial plans, clearly articulated and concise consultative processes including collaborative processes and a 'declutter' review of the processes and case law which have build-up around the RMA.

Overall, we consider that the Report has inadequately understood the impact that central government's lack of stated direction (including National Policy Statements (NPSs) and National Environmental Standards (NESs)) has had on urban planning. We are supportive of improved central government guidance including guidance on implementation, and consider a GPS may be a useful tool to provide an overview of environmental priorities, but needs to be in the context of a responsive planning regime.

The submission also includes responses to the questions posed in the Report with more detail on matters such as the IHP, infrastructure funding and procurement and urban planning and the Treaty of Waitangi.

5. Communication

The final submission will be sent to the New Zealand Productivity Commission. No further communications are proposed.

6. The decision-making process and significance

Officers recognise that the matters referenced in this report have a high degree of importance to affected or interested parties.

The matters requiring decision in this report have been considered by officers against the requirements of Part 6 of the Local Government Act 2002 (the Act).

Part 6 sets out the obligations of local authorities in relation to the making of decisions.

6.1 Significance of the decision

Part 6 requires Council to consider the significance of the decision. The term ‘significance’ has a statutory definition set out in the Act.

Officers have considered the significance of the matter, taking the Council's significance and engagement policy and decision-making guidelines into account. Officers recommend that the matter be considered to have low significance, and that a formal record outlining consideration of the decision-making process is not required in this instance.

6.2 Engagement

Engagement on the matters contained in this report aligns with the level of significance assessed. In accordance with the significance and engagement policy, no engagement on the matters for decision is required.

7. Recommendations

That the Council:

1. ***Receives the report.***
2. ***Notes the content of the report.***
3. ***Approves the submission on the Productivity Commission draft report ‘Better Urban Planning’.***
4. ***Delegates to the Chair the ability to make minor editorial amendments to the submission.***

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**Attachment 1: Submission on the Productivity Commission draft report ‘Better Urban Planning’
(To come)**