



**Briefing to Incoming Ministers New Zealand Planning Institute** 

November 2014



## 1. Introduction

Established in 1949, the New Zealand Planning Institute / Te Kokiringa Taumata represents over 2,000 planners and is the 'home of planning' within New Zealand. NZPI has an elected Board of eight highly experienced planners, eleven Branches (including a Branch in the UK), and eight officers.

The combined resources of New Zealand Planning Institute (NZPI) are harnessed and guided by its <u>Strategic Plan 2013-2016</u>. That plan sees an emphasis on empowering planners and promoting planning excellence. NZPI achieves its strategic objectives through a variety of activities including, but not only:

- Provision of an extensive Continuing Professional Development programme that is mandated for most members
- Advocacy of the planning profession
- A policy and research programme
- The accreditation of planning degrees within New Zealand
- An oversight (or overseeing) of professional standards through its Ethics Programme
- Reciprocal relationships with a number of international sister institutes such as The Royal Town Planning Institute (UK), Planning Institute of Australia, The Commonwealth Association of Planners, and The Global Planners Network
- Networking opportunities such as NZPI's annual conference
- Publications such as Planning Quarterly, an annual Salary Survey, and a Consultants Directory.

NZPI is guided by a set of ethical standards which are underpinned by kaitiakitanga and the principles of the Treaty of Waitangi, and respects the needs and interests of tangata whenua. NZPI is a non-partisan professional organisation, driven by professional standards, and committed to the following values:

- Respect for others' views, while supporting and encouraging professional excellence
- Promoting open mindedness, innovation, and membership contribution
- Professionalism, and operating with integrity and transparency
- Dedication and good stewardship of NZPI resources
- Commitment to inclusivity and diversity, including the principle of partnership with tangata whenua.

NZPI's growing membership (4% per annum) is involved in all planning sectors and contributes to every aspect of planning processes in New Zealand. Planners play a key role in facilitating opportunities to deliver sustainable economic development throughout the country. With their comprehensive understanding of New Zealand's built and natural environment, NZPI members are also uniquely placed to address the broad range of environmental, economic, social, and cultural and challenges facing the country.

## NZPI's Relationship with New Zealand Ministries and Central Government

NZPI acknowledges and commends the constructive relationship that has been developed in recent years by the Ministry for the Environment (MfE) together with the Institute. A particular strong point of this relationship has been the partnership between MfE and NZPI in the highly successful *Quality Planning* resource. The *Quality Planning* website is New Zealand's jointly delivered tool for best



practice around process and policy within the Resource Management Act 1991 (RMA). NZPI is committed to maintaining that constructive relationship.

The NZPI Board is also intent on building a closer relationship with other relevant Central Government agencies, at both governance and officer level. As the sole professional institute representing planners in New Zealand, NZPI has the expertise and knowledge to offer informed commentary and guidance on planning matters. NZPI welcomes ongoing engagement on planning related issues at all levels with the Ministry for Business, Innovation and Enterprise, the Ministry for Building and Housing, the New Zealand Transport Agency, New Zealand Treasury, and other relevant Government agencies.

## **NZPI Submissions and Position Papers**

NZPI engagement with its membership plays a key role in ensuring that the Institute is at the forefront of both domestic and international planning practices. As the sole professional organisation for planners, NZPI's position papers provide a set of guiding principles on specific planning topics. Developed for both planners and other professionals, these papers cover areas such as <a href="Coastal Hazards">Coastal Hazards</a>, <a href="Managing Urban Growth">Managing Urban Growth</a>, and <a href="Freshwater Quality">Freshwater Quality</a>.

NZPI also provides feedback on key planning legislation, national policy statements, and plans at the national and regional levels. NZPI has, for example, submitted feedback on the following key proposals and plans:

- A National Monitoring System for RMA 1991 A Proposal for Discussion
- Draft Auckland Unitary Plan
- Freshwater reform 2013 and beyond
- Improving our Resource Management System discussion document
- Resource Management Reform Bill
- Productivity Commission's Housing Affordability Inquiry

# 2. Critical Challenges

Below are some of the challenges that NZPI believes all of New Zealand faces in the coming years. Alignment of purpose and strategy will be fundamental for these challenges to be met and overcome. NZPI is committed to contributing to such an aligned purpose both as an organisation and as a conglomerate of expert planners.

## Responding to Demographic Changes

New Zealand's population is growing at its fastest rate in over a decade. The population in major urban areas is growing rapidly, giving rise to changes in land use and increased demands to meet the needs of existing and new urban populations. New Zealand's urban areas are a major focus for growth and development, through both public and private sector investment.

As our urban populations grow, it will be an on-going challenge to build the infrastructure needed to serve them whilst maintaining a high quality of life and a healthy, attractive environment. New Zealand continues to experience an ageing population, increasing cultural diversity in urban centres,

<sup>&</sup>lt;sup>1</sup> Statistics New Zealand. *National Population Statistics at June 2014.* See <a href="http://www.stats.govt.nz/browse">http://www.stats.govt.nz/browse</a> for stats/population/estimates and projections/NationalPopulationEstimates HOTPAt30Jun14.a <a href="https://www.stats.govt.nz/browse">spx</a>



and depopulation of areas with the exception of a few main centres. Unplanned or poorly planned growth will lead to less successful or less functional urban areas that do not serve the needs and interests of existing or future communities. NZPI is an active advocate for planning that addresses the challenge of growth underpinned by the principles of sustainable and resilient planning.

### **Transport**

NZPI members work across all aspects of transport planning. Transport is fundamental to economic development, but its primary purpose is to provide access for people and businesses alike. Transport infrastructure therefore needs to include everything from cycle paths to motorways, ferry terminals to footpaths, and airports to rail to shipping ports. NZPI supports Government's proposal to fund a range or transport options, as indicated in the 2015-16/2014-15 draft Government Policy Statement on Land Transport.

NZPI urges Government to explore more innovative and sustainable transport types that increasingly move away from the dependence on fossil fuels. This strategy is particularly important in light of environmental considerations, as the cost of vehicle transport become increasingly expensive and its infrastructure increasingly obsolete.

Well planned, timely, and sequenced transport infrastructure supports better access for both private citizens and business activities. However, there are some challenges to achieving good planning and optimal planning outcomes, including:

- Responding to the needs of residents as our demographics change along with New Zealanders' needs and expectations for multi-modal transport options.
- Balanced funding that supports economic development while investing in innovative, futureproof transport solutions.
- Inconsistent or differing priorities at the national, regional and local levels.
- Lack of clarity regarding funding sources, funding mechanisms, and the organisation or agency responsible for funding.
- Integrating and connecting transport infrastructure with networks across individual sectors.
- Ensuring alignment with transport mode priorities and infrastructure implementation across multiple sectors.

# **Housing Affordability**

Access to quality, affordable housing is critical to successful economic growth, stability, good social outcomes, and healthy communities. A lack of affordable housing affects not only home and property owners, but also renters, and aspiring home owners. NZPI believes that good planning begins a process for enabling development, whilst managing effects on the environment, within a defined and understood framework.

The affordability of housing is defined by the individual's ability to pay for it. The cost of land and construction are the major factors, but there are many variables that contribute to affordable housing include:

- inflation, interest rates and real interest rates
- incomes and earnings (capacity to pay)



- dwelling prices and rents
- land banking
- the lack of capital gains tax
- immigration policy
- demographic factors such as population growth, change in household composition and migration
- location and liveability: cities that have a developing economy and attractive employment and leisure opportunities are desirable locations and have greater housing demand.
- labour market conditions, shortage of skilled labour and labour familiar with New Zealand Building Code requirements
- construction and materials costs and development contributions
- Central Government policy, including the withdrawal of the state from the mortgage market and the introduction of demand-side subsidies
- tenure (impact of market economics, housing choice)
- mobility or frequency of residential relocation
- lack of housing variety and often poor quality of more dense/compact housing typologies which has led to consumer reluctance
- tardiness of market to respond with differing housing typologies and to match demographic/household composition needs.

NZPI remains unconvinced that an immediate release of land (specifically greenfield land without ready infrastructure servicing) for development alone will provide a long-term, sustainable solution to problem. Resource consents granted may not necessarily result in the construction and availability of dwellings on the market. Interventions such as the Housing Accords and Special Housing Areas Act is but one tool to fast track resource consents for housing which may not necessarily speed up construction. Housing affordability is complex, requiring a range of integrated tools to appropriately address the problem.

NZPI suggests that enabling other organisations, including Central Government, to issue resource consents is unlikely to achieve more affordable housing. The evidence below demonstrates that the processing and issuing of resource consents is currently being achieved within the appropriate timeframe. This view is supported by MfE's *Resource Management Act; Two-yearly Survey of Local Authorities* 2012/2013<sup>2</sup> findings:

- 97 per cent of all resource consents were processed on time
- 95 per cent of all resource consents, totalling 34,000, were non-notified, and processed through to a decision on time
- only 0.27 per cent of non-notified resource consent applications were declined, less than half
  of that reported in the five previous years, and the lowest number since 2001/02
- only 5 per cent of all resource consent applications were notified in some way (publicly notified and limited-notified).

<sup>&</sup>lt;sup>2</sup> Ministry for the Environment. 2014. *Resource Management Act Survey of Local Authorities 2012/2013*. Wellington: Ministry for the Environment See <a href="http://www.mfe.govt.nz/publications/rma/resource-management-act-two-yearly-survey-local-authorities-20122013">http://www.mfe.govt.nz/publications/rma/resource-management-act-two-yearly-survey-local-authorities-20122013</a>



### Infrastructure

NZPI believes that infrastructure needs to be resilient, co-ordinated, and contribute to both economic growth and increased quality of life. Planners play a vital role in ensuring that both hard and soft infrastructure responds to the demands of our changing built environment, while shaping the patterns of development for better planning outcomes. NZPI supports Government's intention to provide New Zealanders with greater certainty regarding infrastructure through a directional National Infrastructure Plan.<sup>3</sup>

NZPI advocates for a long term planning approach that establishes and supports resilience across New Zealand to both natural and man-made hazards, i.e. rising energy costs, climate change, earthquakes, tsunamis, flooding, volcanic eruption, etc. The Christchurch earthquakes illustrate the importance of planning sustainable and resilient communities.

To provide for social well-being and economic development, NZPI supports the following infrastructure planning principles:

- well aligned and integrated plans both horizontally and vertically, based on principles of resilience and sustainability
- · clearly identified funding streams and timeframes
- · taking a long-term view
- identifying priorities, whether the same or different, at the regional and national scale
- robust research and information to determine which projects to undertake and prioritse
- · collaboration across agencies for optimal outcomes
- early consultation with affected communities
- monitoring and evaluation the success and failure of projects, to ensure that resources are allocated for the appropriate projects.

## **Energy**

New Zealand is fortunate to have a range of energy sources, yet securing reliable energy has proven to be a stumbling block for both businesses and private residents. NZPI supports Government's goal, as outlined in the 2011-21 Energy Strategy, <sup>4</sup> to grow the economy by delivering a secure and diverse supply of energy.

New Zealand's unsubstantiated 'clean and green' image has been criticised by the Parliamentary Commissioner for the Environment,<sup>5</sup> amongst others. NIWA has pointed out that the notion of New Zealand as environmentally clean is largely due to the country's sparse population, both by global standards and compared with other similar sized OECD nations.<sup>6</sup>

New Zealand has an opportunity to capitalise on its supply of geothermal energy and develop more innovative sustainable energies, while offsetting carbon emissions and decreasing non-renewable

<sup>4</sup> Ministry of Economic Development. New Zealand Energy Strategy 2011–2021. August 2011. See

<sup>6</sup> National Institute for Water and Atmospheric Research. Q&A: *Is New Zealand really clean and green?* June 2013. See <a href="http://www.niwa.co.nz/publications/wa/water-atmosphere-7-june-2013/qa-is-new-zealand-really-clean-and-green">http://www.niwa.co.nz/publications/wa/water-atmosphere-7-june-2013/qa-is-new-zealand-really-clean-and-green</a>

<sup>&</sup>lt;sup>3</sup> New Zealand Treasury. National Infrastructure Plan 2011. April 2011. See http://www.infrastructure.govt.nz/plan/2011

http://www.med.govt.nz/sectors-industries/energy/strategies

5 Parliamentary Commissioner for the Environment. How clean is New Zealand? Measuring and reporting on the health of our environment. April 2010. See <a href="http://www.pce.parliament.nz/assets/Uploads/How-clean-is-New-Zealand.pdf">http://www.pce.parliament.nz/assets/Uploads/How-clean-is-New-Zealand.pdf</a>



energy that pollutes our environment. The Sustainable Business Council has noted that specific opportunities lie in the areas of waste management and geothermal energy.<sup>7</sup>

### **Freshwater**

Freshwater within New Zealand is a precious commodity that is under increasing pressure from a variety of often competing interests. Those competing interests were clearly illustrated in the Waitaki District in the early 2000s by the cancelled hydro project "Project Aqua. The lack of a clear, agreed plan led hydro-generators, farmers, the tourism industry, environmentalists and recreational users of Waitaki River into a deep conflict that continues today. In contrast, the collaborative Land and Water Forum model brings together relevant stakeholders, including central and local government, to identify a common direction for freshwater and land management.

NZPI acknowledges that balancing competing interests in any catchment is a challenge. However, the cost of not sustaining our freshwater has a high price, with potentially irreversible negative impacts on our drinking water supplies, economic development, community health and the safe recreational use of our rivers, lakes and streams, and our aquatic wildlife and their habitats.

NZPI is of the view some of the following fundamental building blocks must be in place to achieve a balanced use of freshwater, including:

- A strategic, coordinated and aligned process for ongoing freshwater reforms that is integrated at all levels of government, community, the planning profession, and within appropriate timeframes.
- International experience suggests that resource management processes that have significant buy-in from communities are more likely to be efficient and effective. Equally, evidence shows that a genuine collaborative process may be less costly than the cost of uncertainty, litigation, and lobbying. Early and greater consultation with the public and in particular the planning profession regarding freshwater policy and legislation is fundamental.
- NZPI members support the introduction of the National Monitoring System and associated tools that will capture consistent and comparable information for better freshwater management.
- The establishment of appropriate tools, and a comprehensive community based approach to managing freshwater quality underpinned by the following planning principles in NZPl's <u>Freshwater Quality Position Paper (2014)</u>:
  - integration
  - · agreed understanding
  - governance at appropriate levels
  - setting water quality objectives
  - freshwater quality management options and planning framework.

<sup>&</sup>lt;sup>7</sup> Sustainable Business Council. *Vision 2050*.See <a href="http://www.sbc.org.nz/resources-and-tools/reports/reports/vision2050">http://www.sbc.org.nz/resources-and-tools/reports/vision2050</a>

<sup>&</sup>lt;sup>8</sup> Urgent Debates - Energy - Project Aqua Cancellation (30 March 2004). *New Zealand Parliamentary Debates (Hansard)*, 616, 12054. See <a href="http://www.parliament.nz/en-nz/pb/debates/debates/47HansD">http://www.parliament.nz/en-nz/pb/debates/debates/47HansD</a> 20040330 00000735/urgent-debates-%E2%80%94-energy%E2%80%94project-aqua-cancellation



### **RMA Reforms**

NZPI believes that effective resource management is critically important to New Zealand's future. NZPI advocates for land use management and development activities that support economic opportunities, while also ensuring that activities are managed to meet agreed outcomes. NZPI is committed to working with the Minister for the Environment to identify how planning and planners can support economic development without jeopardising the other well-beings (environmental, social, cultural), as part of the ongoing RMA Reforms process.

NZPI recommends that the following be improved as part of the ongoing Resource Management Reforms:

- holistic improvements to the resource management system, and urban and planning legislation, within the wider planning context
- inclusion of the consideration of cumulative effects
- utilising appropriate planning tools to help weigh up options
- utilising technology and robust, current research and data to make informed decisions
- early and ongoing consultation with relevant stakeholders
- timeframes that are aligned, recognising that other major planning decisions or processes may be concurrently underway
- timeframes that encourage engagement and input from those professional organisations and communities responsible for implementing, resourcing, and/or are affected by new processes.

### 3. Conclusion

NZPI wishes to thank the Minister for the opportunity to extend a warm welcome, and to provide a basis with which to continue to engage on key planning issues.

Should you have any questions regarding NZPI's briefing paper, please contact either:

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Yours sincerely,

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