

An Entirely New Approach to Urban Planning in the Wind?

The Productivity Commission has released an Issues Paper - *Better Urban Planning* - calling for input on the future of urban planning in New Zealand. The Issues Paper raises fundamental and wide-ranging questions about the planning system and suggests a complete re-think of the way New Zealand does its planning for urban areas.

In November, the Government asked the Productivity Commission to look at ways of improving New Zealand's urban planning system, including the processes that are currently undertaken through the Resource Management Act, the Local Government Act and the Land Transport Management Act. It also includes elements of the Building Act, Reserves Act and Conservation Act that affect the ability to use land in urban areas. The review's terms of reference are wide and include the following comments:

- "The purpose of this inquiry is 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 review should look beyond the current resource management and planning paradigm and legislative arrangements to consider fundamentally alternative ways of delivering improved urban planning, and subsequently, development."
- "The report should deliver a range of alternative models for the urban planning system and set up a framework against which current practices and potential future reforms in resource management, planning and environmental management in urban areas might be judged."

The Commission has previously considered urban planning issues in its housing affordability (2012), local government regulatory performance (2013), regulatory institutions and practices (2014) and using land for housing inquiries (2015).

The questions about which the Commission seeks responses are comprehensive and include:

- Thinking beyond the existing planning system, how should the property rights of landowners and other public interests in the use of land be balanced?
- How does the allocation of responsibilities to local government influence land use regulation and urban planning? Thinking beyond the current planning system, what allocation of responsibilities to different levels of government would support better urban planning?
- How can an urban planning system better integrate land use regulation and infrastructure planning?
- Thinking beyond the existing planning system, what should be the appropriate level of consultation in making land use rules or taking planning decisions?
- How could a new planning system provide recognition and protection of Māori interests?
- Thinking beyond the current urban planning system, how should a new model be designed so as to avoid unnecessary administrative, economic and compliance costs?
- Thinking beyond the current planning system, how should national interests in planning outcomes be recognised and taken into account?
- What are the national interests that should be recognised?
- Why did the RMA not deliver on its original objectives?
- Does a goal of limiting the scope of land use regulation to managing effects, based around nationally-established environmental bottom lines, remain a valid objective?
- Which aspects of the existing planning system would be worth keeping in a new system?

- Would there be benefits in a future planning system making more provision for private lawsuits and bargaining to resolve disputes over land use? In what circumstances would lawsuits and bargaining be beneficial?
- Would there be benefit in tradable development rights, tradeable permits and environmental offsets playing a stronger role in a future urban planning system? In what circumstances?
- What international approaches to planning and environmental protection should the Commission consider?
- How much discretion should be built into an urban planning system? Are there examples of urban planning systems in other countries that successfully manage the tension between certainty and discretion?
- Thinking beyond the existing planning system, how should a new model manage the risk of natural hazards? Who should bear the risk of building in areas where natural hazards may occur?
- What is the appropriate role for planning in controlling land use for design or aesthetic reasons?
- Would there be tension between a fundamentally different approach to urban planning, and the prevailing culture within organisations and professions involved in urban planning? How should tensions best be managed to provide for a successful transition?
- Does the capability exist within local and central government to implement a fundamentally different approach to urban planning? Where are any gaps in capability likely to be?

A copy of the issues paper can be found [HERE](#) .

The Commission says it will conduct a broad consultation process to help inform and ground its analysis. **Submissions are due by 9 March 2016**, which coincides very closely with the date submissions are due to the Select Committee on the Resource Legislation Amendment Bill (14 March). The Commission's final report to the Government is due on 30 November 2016.

The Productivity Commission is an independent Crown Entity that was established in 2011. The Commission's principal purpose is to "provide advice to the Government on improving productivity in a way that is directed to supporting the overall well-being of New Zealanders, having regard to a wide range of communities of interest and population groups in New Zealand society." To fulfil this purpose, the Commission:

- undertakes in-depth inquiries on topics referred to it by Government;
- carries out productivity-related research that assists improvement in productivity over time; and
- promotes understanding of productivity issues.

If you would like to discuss any aspect of the Issues Paper please contact our [Resource Management team](#).