

National Policy Statement proposed for Urban Development

The Government released a discussion document on a proposed National Policy Statement for Urban Development (NPS-UD) on 21 August.

The purpose of the NPS-UD is to provide direction to local authorities under the Resource Management Act (RMA) about when and how urban areas should plan for growth and how to do this well.

The NPS-UD will replace the existing National Policy Statement on Urban Development Capacity 2016 (NPS-UDC 2016) and will build on many of the existing requirements in the NPS-UDC 2016 to provide greater development capacity, but will include other matters that contribute to well-functioning urban environments.

The NPS-UD will contain objectives and policies in four key areas:

1. **Future Development Strategy** – requires councils to carry out long-term planning to accommodate growth and ensure well-functioning cities.
2. **Making room for growth in RMA plans** – requires councils to allow for growth 'up' and 'out' in a way that contributes to a quality urban environment, and to ensure their rules do not unnecessarily constrain growth.
3. **Evidence for good decision-making** – requires councils to develop, monitor and maintain an evidence base about demand, supply and prices for housing and land, to inform their planning decisions.
4. **Processes for engaging on planning** – ensures council planning is aligned and coordinated across

urban areas, and issues of concern to iwi and hapu are taken into account.

Some of the new policies will apply to local authorities in all urban environments, while the policies requiring most work by local authorities will only apply to larger urban centres with growing populations and where pressure on housing is creating national impacts.

The NPS would do this by defining two categories of urban environment:

1. Local authorities in **all urban environments** will need to meet the basic requirements; and
2. Local authorities in **major urban centres** will also need to meet more stringent requirements.

The major urban centres proposed are as follows:

<u>Major urban centre</u>	<u>Local authority</u>
Auckland	Auckland Council
Hamilton	Waikato Regional Council, Hamilton City Council, Waikato District Council, Waipa District Council
Tauranga	Bay of Plenty Regional Council, Tauranga City Council, Western Bay of Plenty District Council
Wellington	Wellington Regional Council, Wellington City Council, Porirua City Council, Hutt City Council, Upper Hutt City Council, Kapiti Coast District Council
Christchurch	Environment Canterbury, Christchurch City Council, Selwyn District Council, Waimakariri District Council
Queenstown	Otago Regional Council, Queenstown Lakes District Council

The major urban centres listed above will need to produce a Future Development Strategy (FDS) to show

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how and where they will provide for future development. The proposed new Future Development Strategies are to inform RMA plans and somehow improve implementation.

The Future Development Strategy is to be clear about where development can go, how infrastructure to support it will be provided and the local authority's contribution to that infrastructure. It is envisioned that this will help identify funding gaps without holding up development. The FDS can identify when the funding has to come from somewhere else, including where private capital investment can release capacity.

The process for creating a new FDS will have to involve a consultation process that complies with either Part 6 of the Local Government Act or Schedule 1 of the RMA.

Another point to note is that the NPS-UD is proposed to include a policy that limits the ability for local authorities to regulate the number of car parks required for an urban development.

The implementation of the NPS-UD will mean that Councils will have to amend their regional policy statements, and regional and district plans, to give effect to the NPS.

It is proposed that the most directive policies on where intensification must be enabled must be notified by the relevant councils within 18 months from the gazettal of the NPS-UD – it is not clear whether councils that have recently reviewed and changed their plans are still required to undertake a further plan change regardless.

Cabinet for approval. If approved, it would likely come into force in the first half of 2020.

If you would like to know more about how the proposed NPS-UD may affect you, or for advice on making a submission, please contact our specialised [Environment, Planning and Natural Resources Team](#).

Want to know more?

More information about the proposed NPS-UD is available [here](#). Submissions close at 5pm on Thursday, 10 October 2019. An independent technical advisory panel will review the NPS-UD and submissions and provide a recommendation to the Ministers for the Environment and for Housing and Urban Development. Then the proposed NPS-UD would go to Ministers and