

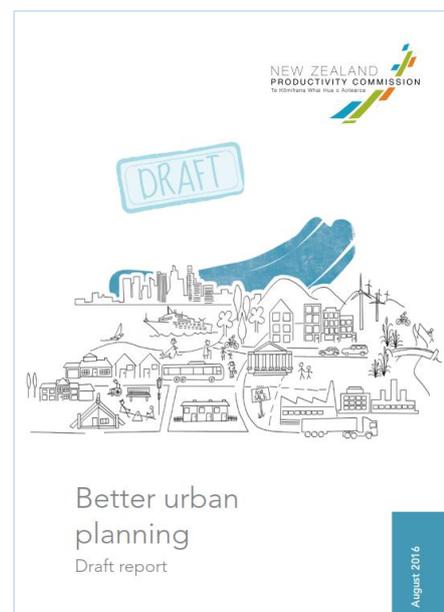
Greater Christchurch **Urban Development Strategy**

Submission by the

Greater Christchurch Urban Development Strategy Partnership on

The New Zealand Productivity Commission's inquiry: Better Urban Planning
Draft report (August 2016)

October 2016



To:

Better urban planning inquiry
New Zealand Productivity Commission
PO Box 8036
The Terrace
WELLINGTON 6143

Name of Submitter:

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c/o Bill Wasley: Independent Chair

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Submission:

This is the Greater Christchurch Urban Development Strategy (UDS) Partnership's submission on the New Zealand Productivity Commission's Inquiry 'Better Urban Planning' draft report (August 2016). Submissions from individual UDS Partners are also being made and may cover more specific issues relating to their territorial areas or functions.

The UDS Partnership would welcome the opportunity for further discussion with the Commission ahead of the submission of a final report to Government.

Signed:



Bill Wasley
Independent Chair
Greater Christchurch Urban Development Strategy Implementation Committee

Submission summary points

- i. The UDS Partnership is a voluntary collaborative initiative for Greater Christchurch that has endured for over ten years, through four triennium periods, and continues to grow and demonstrate strong local leadership.
- ii. The recommendations in the draft Report do nothing to support the visible and collaborative leadership that the Partnership aspires to demonstrate. There can be a better way, where central-local collaboration supports the delivery of shared outcomes but based on a principle of subsidiarity.
- iii. The majority of the strategic recommendations are still very broad and so difficult to analyse and decide whether to support or not. Many of the findings in the report lack rigour and where references to other work are made they seem highly selective.
- iv. The planning system is critical to the 'placemaking' functions of local and central government, working alongside other statutory agencies, businesses and communities to implement a shared vision for an area. This is a deliberate and proactive approach creating a framework in which various markets can operate. It is unashamedly direction setting.
- v. The UDS Partnership is not averse to exploring the pros and cons of new legislation but implores that this is done with care and through a multi-stakeholder forum approach. In the meantime there are many aspects of the Commission's draft report and recommendations that provide a useful starting point for improving the current system.
- vi. The UDS Partnership wholeheartedly agree that spatial plans should be a standard and mandatory part of the planning hierarchy. However, the subsequent clarifications as to the recommended narrowed scope of such plans is hugely disappointing. It also believes, without too much difficulty, this could be inserted into the current LGA legislation.
- vii. The active involvement of central Government is crucial to achieve good urban planning outcomes, but there is a clear distinction between providing national direction and then supporting its translation at a local level.
- viii. UDS Partnership supports the Commission's view that improvements in the capability and capacity of central government departments could support better urban planning outcomes.
- ix. The Commission's recommendations would continue to move local decision-making away from local determination. A more collaborative relationship informed by national direction allows local decisions to be made by local institutions and communities – the concept of subsidiarity.
- x. The UDS Partnership does not support the proposal that central Government should have the power to unilaterally override local plans or infrastructure delivery, nor that it should have a role in approving spatial plans.
- xi. The new Greater Christchurch Regeneration Act 2016 establishes a far more collaborative model to adopt to address any urgent needs, enabling Ministers to expedite changes to statutory documents but only once a request has been initiated by a local agency.
- xii. With reference to the proposed GPS on environmental sustainability, the Report does not make clear why clearer direction cannot be provided through greater use of NESs and NPSs. A single GPS which sets out a long-term vision and deals with the detailed aspects currently in existing NPSs would seem unwieldy. Forgoing the latter would seem a regressive step.
- xiii. The draft Report makes findings to the effect that current arrangements and practice can favour the NIMBYism. Rather than limiting participation the UDS Partnership sees opportunities to improve the current system and associated engagement practices so that community-wide engagement establishes a shared view of how the city remains attractive and competitive and

accommodates growth and this mandate is 'given effect to' through more detailed statutory plans without further debate on the intent but a comprehensive engagement on the 'how'.

- xiv. The draft Report jumps too quickly to the back end of the planning process and this needs to be fundamentally addressed ahead of the Commission's final report and recommendations.
- xv. The UDS Partnership support the recommendations in the report from the Māori Built Environment Practitioners Wānanga, *Ngā Aho and Papa Pounamu: Better Urban Planning*, and suggests this issue be a significant focus for the Commission ahead of a final inquiry report given the lack of any recommendations on this topic in the draft report.
- xvi. The UDS Partnership has long argued for a greater range of tools to incentivise and effect change aligned to strategic planning objectives. Additional financial and regulatory tools are required. The UDS Partnership welcomes the supplementary SGS report, *Financial incentives for local development*, as a starting point for considering the financial tools available and the financial risks involved in their application.
- xvii. While collaborative approaches (across all sectors) underpin the philosophy of the UDS Partnership there need to be 'sticks and carrots' built into the planning framework. Often the mere existence of more punitive regulatory tools is what it takes to bring recalcitrant parties to the table. The draft report is silent on these aspects of a future planning framework and perversely uses the argument in its justification to narrow the intended purpose of planning.
- xviii. The draft Report is full of economic theory and measures to build in current externalities. This work should not be ignored as system improvements can be made, but there are some stark limitations to implementing such measures in the real world. The UDS Partnership does not support the recommendations in the report which inappropriately skew this balance and rely on simplistic economic measures to guide a complex system.
- xix. The UDS Partnership refutes the implicit assertions in Chapter 12 that the culture of councils is somehow closed to innovation, integrity or accountability. All organisations, including Government and businesses will exhibit drivers that can influence their decision making.
- xx. At this stage of the inquiry such a fundamental issue as legislative separation posed by the Commission should have been much further developed. The UDS Partnership is unconvinced that there is a problem here that needs fixing.
- xxi. The rationale for splitting planning law for urban areas seems to be more closely linked to the recommendation for a presumption in favour of development in urban areas under any new framework. The UDS Partnership has concerns about the workability of the proposed approach and submits that councils are already introducing sufficiently enabling planning provisions within the current RMA and would not support a system in which the burden of proof in planning decisions shifts in this way.

Full Submission:

Introduction

This submission is on behalf of the Greater Christchurch Urban Development Strategy Partnership ("the UDS Partnership"). The UDS Partnership is a voluntary collaborative initiative that has endured for over ten years, through four triennium periods, and continues to grow and demonstrate strong local leadership.

The Strategy is overseen by the Implementation Committee ("the UDSIC"), a joint committee comprising Environment Canterbury (ECan), Christchurch City Council (CCC), Selwyn District Council (SDC), Waimakariri District Council (WDC), and Te Rūnanga o Ngāi Tahu (TRoNT), as well as the New Zealand Transport Agency (NZTA), the Canterbury District Health Board (CDHB), and the DPMC Greater Christchurch Group all in a non-voting member capacity.

The Strategy outlines a 35 year growth management and implementation plan for the Greater Christchurch sub-region¹ and has been a key source document in the development of both the Land Use Recovery Plan and the Christchurch Central Recovery Plan under the Canterbury Earthquake Recovery Act (CER Act).

The Strategy has recently been updated to incorporate and fully reflect local circumstances as the sub-region moves into a new phase of development and regeneration.

The UDS Partnership and individual UDS Partners have made submissions on previous inquiries which relate to this new inquiry, in particular the Using Land for Housing (2014/15) and Housing Affordability (2011/12) inquiries, as well as the earlier issues paper for this inquiry.



Greater Christchurch and the UDS

Greater Christchurch is the largest urbanised area in the South Island. Historically, the Greater Christchurch sub-region has in some areas grown in a dispersed form leading to a number of negative community outcomes. A desire to more sustainably manage future growth across the sub-region resulted in moves by local government in the sub-region to establish a growth management strategy for Greater Christchurch.

Strategy focus

An important feature of the UDS is to provide a sustainable urban form and protect the peripheral rural communities that lie close to Christchurch City. The vision for Greater Christchurch by the year 2041 is a vibrant inner city and suburban centres surrounded by thriving rural communities and towns.

¹ The Greater Christchurch sub-region covers the eastern parts of Waimakariri and Selwyn District Councils and the metropolitan area of Christchurch City Council, including the Lyttelton Harbour Basin. It includes the towns of Rangiora, Kaiapoi and Woodend/Pegasus to the north and Rolleston, Lincoln and West Melton to the south.

Part of this vision is the implementation of an integrated planning process for growth management supported by the efficient and sustainable delivery of new infrastructure.

The UDS adopts an integrated and collaborative growth management approach which moves away from low-density suburban residential development in greenfields areas to supporting a more compact and balanced urban form that enhances both urban and rural living. It considers the complexity and inter-relationships of issues around land-use, transport, and infrastructure including community facilities, while incorporating social, health, cultural, economic and environmental values.

The UDS, Earthquake Recovery and Regeneration

The recovery of greater Christchurch from the earthquakes of 2010 and 2011 necessitated widespread review of the strategies, plans and programmes that existed pre-earthquakes. In the context of land-use planning the two principal documents prepared under the CER Act are the *Land Use Recovery Plan* (LURP) and the *Christchurch Central Recovery Plan* (CCRP). The former has directly, or subsequently through statutory direction, made significant amendments to regional and territorial authority plans. This includes in particular:

- § inserting a new chapter within the Canterbury Regional Policy Statement (CRPS) to provide greater planning certainty and enable the recovery and rebuilding of Greater Christchurch
- § confirming and expediting Christchurch City Council's intention to undertake a full review of its City and District Plans into a single replacement plan to comprehensively address resource management recovery needs in Christchurch.

Having an agreed plan for the future already in place meant we could quickly and with confidence respond to many of the challenges posed by the earthquakes. And with an established local partnership CERA and the Minister for Canterbury Earthquake Recovery could easily engage with strategic partners on recovery related matters.

With the move now to a subsequent phase of regeneration, and with the establishment of Regenerate Christchurch, there is a strong desire to grow the UDS Partnership to ensure it is well-placed to tackle those matters requiring partner collaboration to be successful.

Other Government Initiatives

The Government has and continues to enact a wide programme of reform that impacts on the Greater Christchurch sub-region, its local authorities and other agencies, including.

- amending the purpose of local government through the Local Government Amendment Act
- the requirement to prepare 30-year infrastructure strategies as part of the LTP process
- the ongoing reform of the RMA 1991
- enacting the Housing Accords and Special Housing Areas Act (HASHA)
- the Resource Legislation Amendment Bill (RLA)
- the proposed National Policy Statement on Urban Development Capacity (NPS-UDC); and locally
- the Greater Christchurch Regeneration Act 2016
- reviewing the Christchurch District Plan under the Canterbury Earthquake (Christchurch Replacement District Plan) Order 2014.

Other bodies, including Local Government NZ (LGNZ), are also promoting a fresh eyes look at the challenges and opportunities for planning, local government and NZ communities in general. This is a complex and busy policy environment and one which would benefit from a shared approach which establishes common ground and narrows down the points of contention.

Overarching submission points

1. The UDS Partnership has made submissions on two previous related inquiries of the Commission and has provided feedback to Government on the draft National Policy Statement on Urban Development Capacity, seemingly with little traction. This submission therefore tries to 'cut to the chase' on this critical legislative debate that will ultimately enable or hinder the delivery of the Partnership's vision for Greater Christchurch.
2. Despite the 396 pages of the draft Report (along with the six supplementary reports adding a similar quantum of material) the result is more akin to what one would expect from an issues paper. The majority of the strategic recommendations are still very broad and so difficult to analyse and decide whether to support or not. Many of the findings in the report lack rigour and where references to other work are made they seem highly selective, a case study for the academics in confirmation bias.
3. In some respects asking the Commission to review the NZ planning framework, its success and failures over a quarter of a century, and then set out a new and improved version in just nine months is something of a poison chalice but that is exactly what we are now being asked to respond to.
4. As part of the transition arrangements from recovery to more of a regeneration phase, the UDS Partnership has been identified as a key mechanism for local institutions to collaborate on issues impacting Greater Christchurch. The recommendations in the draft Report ride on the coattails of a raft of legislative amendments impacting local government and successively undermining local decision-making. Such an approach does nothing to support the visible and collaborative leadership that the Partnership aspires to demonstrate. There can be a better way, where central-local collaboration supports the delivery of shared outcomes but based on a principle of subsidiarity. This submission seeks to reframe the discussion in that respect.



The challenge

5. It is now over 25 years since NZ last overhauled its resource management framework and despite over twenty substantial amendments since then many commentators still believe it is not delivering on its stated outcomes and should be scrapped. That would suggest that fundamentally:
 - we are dealing with a complex system
 - you can't please all of the people all of the time

6. The Terms of Reference provided to the Commission are certainly bold and we have underlined three important aspects:
 - to review NZ'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.
7. We will address the difficulty of reviewing the current system from an urban perspective alone later but first up let's consider what is it that we want from an urban planning system and what the draft report suggests is needed.

Why bother?

8. The UDS Partnership believes that the planning system is critical to the 'placemaking' functions of local and central government, working alongside other statutory agencies, businesses and communities to implement a shared vision for an area.
9. This is a deliberate and proactive approach creating a framework in which various markets can operate. It is unashamedly direction setting rather than rudderless. It helps build and maintain well-functioning and sustainable communities, not simply free up land for the next bland, disconnected subdivision on the outskirts of town.
10. The challenge is how to achieve quality at the same time as meeting affordability objectives and enabling the market to be responsive to demand. These elements are not tradeable, ignoring one merely has ramifications and inevitable costs elsewhere in an urban society.
11. Taken together, documents prepared under the LGA, RMA and LTMA can already provide the scope to establish both strategic long-term goals and the more detailed rules or public funding arrangements to assist their delivery. The main points made in previous submissions to the Commission is that the connections between these different statutes are clunky, the processes unnecessarily laborious, and not all of the required implementation tools are in the toolbox.

What the draft report says

12. The draft report reflects on these points but quickly and without much rigour draws conclusions that the rationale for planning is basically to "regulate the negative effects of others" and provide the local public goods and infrastructure that markets would struggle to provide efficiently or effectively.
13. All the placemaking and wellbeing stuff is apparently just too hard, beyond the limits of what planning can achieve, would divert planning from its primary role, and is a "harmful" attempt to steer cities in a particular direction.
14. This conclusion is derisory and abdicates the responsibility that the Commission has to meet its terms of reference.
15. The report cites the shortcomings of the current system and leads into what a future and new planning framework should do with scant analysis of what can easily be done to improve the

current statutes, nor the potential pitfalls of launching into a nirvana of a completely new framework. All that glitters is not gold and without a much clearer proposition of how a new framework would contribute to creating high-performing cities and towns we will more than likely have another 25 years of litigation before we get any idea of the playing field, let alone its effectiveness.

A better way forward

- 16. The UDS Partnership is not averse to exploring the pros and cons of new legislation but implores that this is done with care and through a multi-stakeholder forum approach.
- 17. Reiterating a previous submission point “the urban planning system impacts the roles and responsibilities of many stakeholders – Government, local government, technical and legal professionals, developers and builders – and of course the wellbeing of the wider community. Representation and a degree of ownership by all such groups [on a forum] would undoubtedly lead to a more fruitful discussion and a better outcome”.
- 18. In the meantime there are many aspects of the Commission’s draft report and recommendations that provide a useful starting point for improving the current system. These aspects, and the areas where the Partnership disagrees with the Commission’s findings and recommendations are highlighted below.

Spatial plans

- 19. “Spatial plans should be a standard and mandatory part of the planning hierarchy” (draft report p9).
- 20. From such an auspicious and laudable opening statement, with which the UDS Partnership would wholeheartedly support, the subsequent clarifications as to the recommended narrowed scope of such plans is hugely disappointing.
- 21. Spatial plans represent the single greatest tool to outline the shared long-term vision for a defined area that a range of statutory agencies can co-create and implement with local communities. Generally facilitated by local government, often in partnership where the issues transcend political boundaries, they help provide clarity and certainty for all. Yes there will be winners and losers, yes some things will take time to come to fruition, but such decisions are resultant from an extensive and transparent engagement process rather than decided in an adversarial courtroom environment that favours those with the deepest pockets and a long line of ‘experts’.



22. These are not merely land use plans, but a clear development (land use and infrastructure) plan component must be a key part. Moreover, they can help guide broader investment decisions (public and private), translate national trends and needs into a local context, and tell the story and the intended future journey to an external audience.
23. Spatial plans should be holistic, identifying the priorities for attention across economic, social, cultural and environmental wellbeing. An example, the connection planning and the urban environment has with health outcomes, is well explained in the submission from the Canterbury District Health Board. The starting point to substantially reducing the health dollar is in providing healthy environments that encourage healthy lifestyles.
24. Of course monitoring, evaluation and periodic review of such plans is still essential for them to remain responsive to changing circumstances and resilient to unexpected shocks.
25. Hopefully we can apply the lessons of history, Franklin or Churchill's "fail to plan, plan to fail" dogma, but ensure that within this framework individuals are free to make decisions that can contribute positively to the goal of a "sustainable, resilient, liveable, etc" place.

A better way forward

26. The UDS Partnership fully supports the inclusion of spatial planning, in the holistic sense described above, within the planning system. It believes without too much difficulty this could be inserted into the current LGA legislation (in a similar way to the recent requirement to prepare thirty-year infrastructure strategies) and attributed a 'give effect' weighting within the RMA and LTMA.

Central Government involvement

27. The active involvement of central Government is crucial to achieve good urban planning outcomes, but there is a clear distinction between providing national direction and then supporting its translation at a local level.
28. The UDS Partnership has made previous submission points highlighting the unnecessary churn, litigation and reinventing of the wheel that occurs at a local level in the absence of good national direction. There could be a whole other submission on what good direction looks like but the basis for such direction should be existing mechanisms like national policy statements or government policy statements.
29. Government departments and officials can then also play a valuable role in assisting local government and other agencies in translating national priorities at a local level. Government holds useful data that can contribute to the evidence base for strategic planning and outcomes monitoring. It also provides funding and services at a local level that can either support or detract from achieving locally determined aspirations.

30. The UDS Partnership supports the Commission's view that improvements in the capability and capacity of central government departments could support better urban planning outcomes.
31. It is however no secret that in recent years ongoing legislative amendments have both narrowed the role and functions of local government and increased the ability of central Government to 'step in' or have a power of veto over local decisions.
32. This is unhealthy, treating the symptoms not the cause. A more collaborative relationship informed by national direction allows local decisions to be made by local institutions and communities – the concept of subsidiarity being a key principle of global movements like sustainability and resilience, and every UN or WHO programme since those organisations were established.
33. These tensions, along with the benefits flowing from increased central Government attention have played out in Greater Christchurch over the last five years. But the adoption last year of the Recovery Transition Plan, guided by the work of an advisory board chaired by Dame Jenny Shipley, firmly supports the view that local leaders must now be given the ability to lead on behalf of their communities.
34. All this context leads to the Commission's recommendations which continue to move local decision-making away from local determination.
35. The UDS Partnership does not support the proposal that central Government should have the power to unilaterally override local plans or infrastructure delivery, nor that it should have a role in approving spatial plans.

A better way forward

36. Provisions within the new Greater Christchurch Regeneration Act 2016 set out powers which enable Ministers to expedite changes to statutory documents but only once a request has been initiated by a local agency. This approach seems a far more collaborative model to adopt to address any urgent needs, with the proviso that these circumstances are minimised by improvements in the responsiveness of the overall system. Again there is an opportunity to make changes within existing legislation to give effect to this approach.

GPS environmental sustainability

37. A significant recommendation in the draft Report is the suggested inclusion of a Government Policy Statement on environmental sustainability. Whilst the stated objectives of a GPS are sound the current reference point as to what a GPS is and how it would work is the GPS on land transport prepared under the LTMA. This is an overtly political document, issued by the Minister every three years, and principally focussed on directing transport funding. It has weak 'have regard to' consultation requirements and a short six-year planning horizon.
38. The draft Report suggests the development of a GPS environmental sustainability would need a 'national conversation' and could include a requirement to seek advice from a 'panel of experts'.

The Commission also states such a GPS would replace NESs and NPSs and 'need to have some longevity'.

39. While these clarifications are helpful it is not made clear why clearer direction cannot be provided through greater use of NESs and NPSs. A single GPS which sets out a long-term vision and deals with the detailed aspects currently in existing NPSs would seem unwieldy. Forgoing the latter would seem a regressive step.
40. The UDS Partnership would welcome a national collaborative conversation on how best to implement sustainable development but that it is not limited to just a GPS and, as proposed above, it includes a similar contribution to the legislation that underpins it.

Participation

41. Rather than make comment on the detailed aspects covered in the draft Report, the UDS Partnership refers the Commission to two key points made in its submission on the previous issues paper for this inquiry:

- Community participation in decision-making can improve both the end result and the community buy-in to planning decisions. It is a fundamental part of local government working and, whilst some expedited processes have necessarily been enacted to effect earthquake recovery, any enduring legislation needs to recognise and allow for that contribution.
- RMA amendments in recent years to confine participation to those most directly affected have arguably helped hone the balance between enabling participation and maintaining efficient and timely decision-making. Looking forward however rather than further curtailing participation in decision-making it would be preferable to address the reasons why such involvement can unnecessarily lengthen timeframes and increase transaction costs amongst parties.

Co-created engagement approach
We are putting people and communities at the heart of everything we do. Working with community members from diverse backgrounds and our strategic partners we have developed engagement principles that will underpin our work.

Our engagement principles are:

- *Put people and communities at the centre of what we do*
- *Listen first, then act – start from where our communities are at Utilise local expertise, knowledge and networks to help create collective responsibility and build momentum*
- *Be brave, honest, resourceful, visible and respectful*
- *Encourage a culture of inclusion and participation by reflecting diversity and promoting equity and accessibility.*

Regenerate Christchurch engagement principles

42. The draft Report makes findings to the effect that current arrangements and practice regarding community participation, particularly under the RMA, are not appropriately balanced and can favour the NIMBYism views of existing communities over wider community aspirations and the needs of future residents.
43. The UDS Partnership contends that this is exacerbated by the weakness in the current system to the weight afforded to strategic objectives coupled with the current lack of attention paid to cumulative impacts. There is often a disconnect between community-wide level aspirations, the ability to easily embed these aspirations in statutory plans and the real impacts that such change can have at a neighbourhood level.

44. Such systemic deficiencies then make decision-making more overtly political and gives the media a front page field day. Intensification within existing inner city locations is a classic example being played out in a number of cities across NZ.

A better way forward

45. Rather than limiting participation the UDS Partnership sees opportunities to improve the current system and associated engagement practices so that:

- community-wide engagement establishes a shared view of how the city remains attractive and competitive and accommodates growth (using the example above, the balance between 'up' or 'out', a centres-based approach and the desired quality of any development) and this is expressed at a high-level through a spatial plan.
- this mandate is 'given effect to' through more detailed statutory plans (across all relevant statutes) and area masterplans, without further debate on the intent but a comprehensive engagement with local stakeholders (residents, businesses, landowners, developers) on the 'how'.
- collectively the agencies and stakeholders involved have the skills, tools (see section below) and resources to deliver on such plans and the legislation and consenting that enables development to proceed
- engagement and communication continues throughout the implementation phase.

46. The vast majority of this work is undertaken outside of a courtroom and away from lawyers. This may seem naively unachievable but examples of exactly this already exist across Greater Christchurch. The development of the Waimakariri residential red zone recovery plan, the Christchurch City south-west area plan and the Rolleston structure plan processes show that participatory approaches can work, in a timely manner and in high-growth urban areas. They may take a little more time and have more money invested in robust stakeholder and community engagement at the start of the process but this is balanced by a significantly smoother, less litigious regulatory and consenting pathway that follows.

47. The draft Report jumps too quickly to the back end of the planning process and this needs to be fundamentally addressed ahead of the Commission's final report and recommendations.

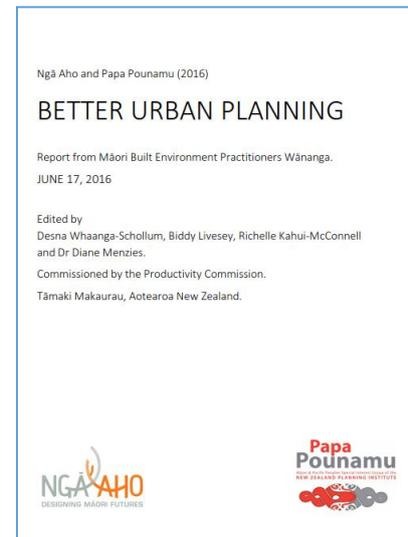
Māori and urban planning

48. The UDS Partnership supports moves to enable greater Māori participation in urban planning matters. Te Rūnanga o Ngāi Tahu has representation at the UDS Implementation Committee and council partners have worked collaboratively with Ngāi Tahu to establish many fruitful initiatives in recent years to build relationships and put in place agreements with iwi and papatipu rūnanga in terms of engagement in planning and other environmental processes.

49. Mana whenua values, not just kaitakitanga, demonstrate the holistic, interconnected relationships between people and place and the importance placed on intergenerational obligations. Such values align well with sustainability and wellbeing principles more commonly

expressed in legislation and overseas and reinforces the submission that an urban planning framework must have these values at its core.

50. The UDS Partnership support the recommendations in the report from the Māori Built Environment Practitioners Wānanga, *Ngā Aho and Papa Pounamu: Better Urban Planning*, and suggests this issue be a significant focus for the Commission ahead of a final inquiry report given the lack of any recommendations in the current draft report.



Implementation Tools

51. The UDS Partnership has long argued for a greater range of tools to incentivise and effect change aligned to strategic planning objectives. Additional financial and regulatory tools are required, irrespective of where such powers lie in terms of local and central government responsibilities.

Financial tools

52. The UDS Partnership welcomes the supplementary SGS report, *Financial incentives for local development*, as a starting point for considering the financial tools available and the financial risks involved in their application.
53. So long as the application of any new local-scale financial tools is clearly at the discretion of local councils and institutions the UDS Partnership would broadly support the Commission's recommendations in Chapter 10 regarding the use of:
- volumetric charging for drinking water and wastewater
 - road pricing
 - targeted rates to fund infrastructure or from land value changes arising from public action
 - a wide range of infrastructure delivery models
54. The UDS Partnership note and support the mechanism in the SGS report and used overseas whereby the incremental rise in central tax revenue that stems from local development. While the applicability of this measure may be problematic the current centralised tax system does not sufficiently incentivise local and regional economic development.
55. Further clarity would be helpful regarding the benefits of hypothecation of funds (i.e. spending revenue from road pricing on improving the transport network) and ensuring such measures are part of an integrated programme that includes advocacy and incentives, and includes some guiding principles to support equitable outcomes.

Regulatory tools

56. While collaborative approaches (across all sectors) underpin the philosophy of the UDS Partnership there need to be 'sticks and carrots' built into the planning framework. Often the mere existence of more punitive regulatory tools is what it takes to bring recalcitrant parties to the table.
57. The draft report is silent on these aspects of a future planning framework and perversely uses the argument in its justification to narrow the intended purpose of planning.
58. Measures such as compulsory acquisition, sunset clauses on development rights, derelict land taxes, vetos on inappropriate subdivision covenants are underexplored by the Commission and could all play a part in balancing the respective for private property rights with delivering community-wide outcomes. Development takes at least two to tango and local councils can be proactive and enabling as they like but this will be to no effect if the capacity, capability and willingness within the market is lacking.
59. The UDS Partnership suggests that this area of work be explored further in a similar way to the topics chosen for the existing supplementary reports. Inclusion of greater analysis and recommendations regarding the role of urban development authorities and regeneration agencies, and their place in an improved planning framework, should also form part of this work.

Market-led approaches

60. Perhaps the most difficult but important aspect of the planning framework is the balance between letting people make decisions and markets function without undue interference and correcting market failures where their operations are not in the interests of the wider public good.
61. The draft Report is full of economic theory and measures to build in current externalities. This work should not be ignored as system improvements can be made, but there are some stark limitations to this parallel 'Friedmanesque' universe including:
 - most decisions are made without perfect knowledge
 - even with good information people often make irrational decisions
 - the operating environment is a complex system
62. People often don't sell houses when the bubble bursts in a market correction, they hold on to them (and probably change their voting behaviour). If houses are too expensive people live in overcrowded households and exacerbate negative health and social statistics. Office HQs location decisions might include a weighting for best golf courses. Commuters sitting alone in their cars in a queue of traffic think everyone else are the problem. Galvanising finance and building capacity often means supply can significantly lag demand.
63. The UDS Partnership does not support the recommendations in the report which inappropriately skew this balance and rely on simplistic economic measures to guide a complex system.

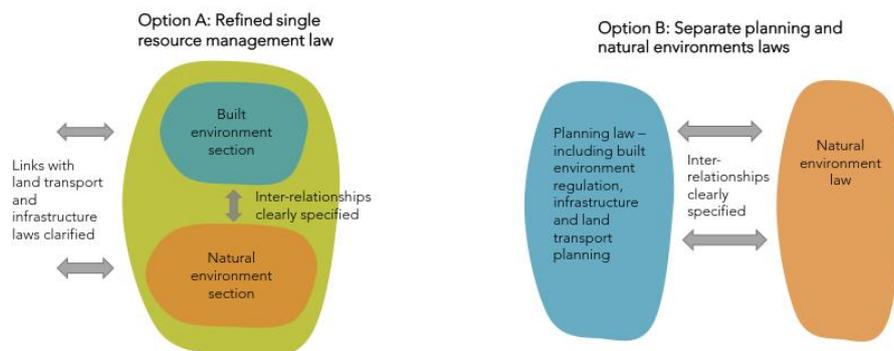
Culture

64. The Commission makes a big play of the professional culture of planners, going so far as to release a supplementary report on the matter. Again the objectivity and empirical evidence behind this analysis is weak and the citations selective. The statements and conclusions drawn in the chapter on this matter are unfortunate and do little to exemplify the traits being sought in a new system.
65. All organisations, including Government and businesses will exhibit drivers that can influence their decision making. Why on earth would a council deny a proposal that contributed to the greater wellbeing of its community?
66. The UDS Partnership refutes the implicit assertions in Chapter 12 that the culture of councils is somehow closed to innovation, integrity or accountability.

Legislative separation

67. This submission has purposefully left the issue of legislative separation posed by the Commission till last, having previously commented that the UDS Partnership believes the focus should be on improving the current framework and at this stage of the inquiry such a fundamental issue should have been further developed. There is no statement in the draft Report that there will be an opportunity to make further comment on the Commission's recommendations to Government ahead of its final report.
68. We currently have three relatively disconnected primary statutes within the planning framework and so the first question must be can a future system just have one. Whilst the UDS Partnership has previously voiced caution about such a model there would be both pros and cons. The draft Report highlights the elements of a future planning framework but does not analyse or outline the rationale for discounting such a single model.

Figure 1 Two possible future legislative models



69. Instead we are left with two options, primarily based around the concept of detaching built and natural environment provisions. The UDS Partnership is unconvinced that there is a problem here that needs fixing. The current RMA allows for a decision-maker to assess the effects of a proposed development based on the evidence provided. If no such effects are pertinent then

such issues quite quickly become less important with regard to that decision. This case-by-case basis ensures the law can be applied in a surgical manner dependent on the individual circumstances.

70. The rationale for splitting planning law for urban areas seems to be more closely linked to the recommendation for a presumption in favour of development in urban areas under any new framework. Whilst on the face of it good decisions based on quality evidence can result from either presumptive or precautionary planning laws the burden of proof inevitably shifts. The UDS Partnership submits that councils are already introducing sufficiently enabling planning provisions within the current RMA and would not support a system in which local authorities are overwhelmed pointing out the deficiencies of every 'good idea' and being diverted from their strategic planning roles.
71. Setting aside the merits of the proposal, the UDS Partnership has previously highlighted the workability of such legislative separation. How do you define an urban area? What happens at the boundary? How do you assess environmental issues which cross this boundary? Which legislation would be used to assess a proposed growth in the extent of an urban area? Answers to these and other obvious questions are not covered in the draft Report. On the face of it the many decisions would need to be considered with reference to both pieces of legislation which surely brings us straight back to disconnection issue that we are trying to address.

The tables below provide some further detail to this main submission against each of the questions and recommendations in the draft Report. They reflect the views of the Partnership, however have not been subject to formal governance endorsement at this stage and so are provided by the Independent Chair and Implementation Manager to assist the Commission. Sections of the above main submission are referenced in the table responses.

The UDS Partnership wishes to thank the Commission for the opportunity to make a submission and contribute towards better urban planning. We look forward to the final report and its recommendations to Government.

This submission has concentrated on the implications of the draft Report for the Greater Christchurch area. Urban planning legislative change will impact the whole of Canterbury however and so the UDS Partnership supports the submission points in the Environment Canterbury submission regarding other impacts across the region.

As in previous inquiries the UDS Partnership would also like to extend an invitation to the Inquiry team to discuss these matters further with staff from the partners and with the UDSIC joint committee at an appropriate time.

END.

Summary of Questions		
Chapter 7 - Regulating the built environment		
7.1	<p>Would it be worth moving to common consultation and decision-making processes and principles for decisions on land use rules, transport and infrastructure provision? How could such processes and principles be designed to reflect both:</p> <ul style="list-style-type: none"> - the interest of the general public in participating in decisions about local authority expenditure and revenue; - the particular interest of property owners and other parties affected by changes to land use controls? <p>Do the consultation and decision-making processes and principles in the Local Government Act adequately reflect these interests?</p>	<p>Yes, for more strategic decision-making so that a single engagement process can be applicable to a number of statutes which 'give effect' to agreed objectives (see paragraphs 41-47 of the submission). Engagement principles should be based on good practice, such as the IAP2 approaches (www.iap2.org.au).</p>
7.2	<p>Should all Plan changes have to go before the permanent Independent Hearings Panel for review, or should councils have the ability to choose?</p>	<p>No. If used at all, given the concerns raised under Rec7.7, an IHP would be best focused solely on full district plan reviews. Not all plan changes will be significance. An option could be for a council to have the ability to refer plan changes to the IHP.</p>
7.3	<p>Would the features proposed for the built environment in a future planning system (eg, clearer legislative purposes, narrower appeal rights, greater oversight of land use regulation) be sufficient to discourage poor use of regulatory discretion?</p>	<p>This question relates to a perceived problem. Figure 7.2 shows that changes in the use of activity classifications has sought to be more enabling, honing matters requiring assessment through greater use of restricted discretion. Urban design is highlighted as drawing complaints from applicants and this issue requires a much fuller debate given the current polarised views on the importance of urban design. System improvements which facilitate and incentivise pre-application discussions would likely have the greatest impact in this regard.</p>
7.4	<p>Would allowing or requiring the Environment Court to award a higher proportion of costs for successful appeals against unreasonable resource consent conditions be sufficient to encourage better behaviour by councils? What would be the disadvantages of this approach?</p>	<p>Using cost awards to change behaviour is a blunt approach that must sit alongside other system improvements. It also needs to be used equitably and the question singles out councils as the unreasonable party. The determination of what is 'unreasonable' is highly subjective and would be assisted by greater clarity through national guidance on the matters which give rise to such appeals.</p>
7.5	<p>Would it be worthwhile requiring councils to pay for some, or all, costs associated with their visual amenity objectives for private property owners? Should councils only rely on financial tools for visual amenity objectives, or should they be combined with regulatory powers?</p>	<p>No. This abdicates the applicants responsibilities to contribute to placemaking for which they would then likely benefit financially, an example being an attractive retail precinct encouraging footfall which maximises customers buying goods. The draft report already cites such an approach being unworkable and this is an example of exceeding the capability of a complex system to incorporate economic theory (see paragraphs 60-63 of the submission).</p>

Chapter 8 - Urban Planning and the environment		
8.1	What should be the process for developing a Government Policy Statement (GPS) on Environmental Sustainability? What challenges would developing a GPS present? How could these challenges be overcome?	If used at all, given the concerns raised in the submission, a GPS should be developed collaboratively (see paragraphs 16-17 of the submission), only addresses matters of national significance (paragraphs 27-32) and be a result of a clear options appraisal (paragraphs 37-40).
8.2	Would a greater emphasis on adaptive management assist in managing cumulative environmental effects in urban areas? What are the obstacles to using adaptive management? How could adaptive management work in practice?	Both 'predict and control' and 'adaptive management' approaches rely on good evidence, however the former would likely take a more precautionary approach, particularly on effects that may have uncertain but irreversible consequences. More analysis and discussion is required on a preferred approach but the statement in the draft Report "developing a more effective approach to the management of cumulative effects is a priority for any future planning system" needs to be elevated and clearly included within the inquiries final recommendations (as signalled in sections 13.5-13.6).
Chapter 9 - Urban Planning and Infrastructure		
9.1	Which components of the current planning system could spatial plans replace? Where would the greatest benefits lie in formalising spatial plans?	Spatial plans represent an opportunity to set clear shared strategic outcomes which drive subsequent detailed decision-making. In the current legislative context they would sit across the three main statutes and would not necessarily replace any components but instead minimise the strategic content, duplication/misalignment, and the engagement processes required to see such subsidiary plans adopted (paragraphs 19-26 of the submission).
Chapter 10 - Infrastructure: Funding and Procurement		
10.1	Is there other evidence that either supports or challenges the view that "growth does not pay for growth"?	Refer to the submission from Christchurch City Council. A more fundamental question is what is how best to distinguish between growth-specific infrastructure investment and infrastructure improvements which provide benefits to both existing and new communities and households.
10.2	Would there be benefit in introducing a legislative expectation that councils should recover the capital and operating costs of new infrastructure from beneficiaries, except where this is impracticable?	Refer to the submission from Christchurch City Council.
10.3	Would alternative funding systems for local authorities (such as local taxes) improve the ability to provide infrastructure to accommodate growth? Which funding systems are worth considering? Why?	Alternative (and additional) funding systems are needed to both provide for infrastructure investment and to better target the beneficiaries of such investment, noting the point raised in response to Q10.1. The funding options in the SGS Report require further investigation (see paragraphs 51-55 of the submission).
10.4	Would there be benefit in allowing councils to auction and sell a certain quantity of development rights above the standard controls set in a District Plan? How should such a system be designed?	Development rights above standard controls are better used to incentivise broader quality outcomes above what might be required through a standard consenting route (e.g. density bonuses).

10.5	Should a requirement to consider public-private partnerships apply to all significant local government infrastructure projects, not just those seeking Crown funding?	This matter is already largely captured by the LGA requirement to periodically review service delivery. The LGAA Bill is seeking to enable councils to utilise this option on a wider basis, for example through joint procurement approaches. Any measures need to be at the determination of the local authorities concerned and on a case-by-case basis to ensure such arrangements are the most preferable option to deliver agreed outcomes.
Chapter 11 - Urban planning and the Treaty of Waitangi		
11.1	What policies and provisions in district plans are required to facilitate development of papakāinga?	Refer to the submission from Christchurch City Council. Similar enabling provisions have been inserted into the Waimakariri District Plan for appropriate development of MR873 at Tuahiwi. This has been supported by a comprehensive engagement process with the community and Ngai Tuahuriri.
11.2	How can processes involving both the Te Ture Whenua Act 1993 and the Resource Management Act 1991 be better streamlined?	Refer to the submission from Christchurch City Council.
11.3	Do councils commonly use cultural impact assessments to identify the potential impact of developments on sites and resources of significance to Māori?	Refer to the submission from Christchurch City Council.
11.4	What sort of guidance, if any, should central government provide to councils on implementing legislative requirements to recognise and protect Māori interests in planning? How should such guidance be provided?	Refer to the submission from Christchurch City Council. The recommendations in the supplementary report from the Māori Built Environment Practitioners Wānanga are also supported.
11.5	In what way, if any, and through what sort of instrument, should legislative provisions for Māori participation in land-use planning decisions be strengthened?	Refer to the submission from Christchurch City Council. The recommendations in the supplementary report from the Māori Built Environment Practitioners Wānanga are also supported (see paragraphs 48-50 of the submission).
Chapter 13 - A Future Planning Framework		
13.1	What are the strengths and weaknesses of these two approaches to land use legislation? Specifically: - what are the strengths and weaknesses in keeping a single resource management law, with clearly-separated built and natural environment sections? - what are the strengths and weaknesses in establishing two laws, which regulate the built and natural environment separately?	It is not possible to properly critique the two proposed approaches with the level of detail provided in the draft Report (see paragraphs 16-18 and 67-71 of the submission).
13.2	Which of these two options would better ensure effective monitoring and enforcement of environmental regulation? - move environmental regulatory responsibilities to a national organisation (such as the Environmental Protection Authority) - increase external audit and oversight of regional council performance.	It is not possible to properly critique the two proposed approaches with the level of detail provided in the draft Report (see paragraphs 16-18 and 67-71 of the submission). Further moves to narrow the functions of local government or undermine local decision-making are not supported (see paragraphs 4 and 31-36).

Summary of Recommendations		
Chapter 7 - Regulating the built environment		
R7.1	Future urban planning legislation should clearly prioritise responding to growth pressures, providing land use flexibility, and supporting the ability of residents to easily move through their city.	Not supported. The planning system is critical to 'placemaking' and supporting strategic wellbeing objectives, a component of which is of course effectively responding to growth (see paragraphs 8-26 of the submission).
R7.2	Information about land price should be a central policy and monitoring tool in any future planning system, and should drive decisions on the release, servicing and rezoning of development capacity.	Not supported. Land price is an important measure to include in a comprehensive monitoring, reporting and evaluation framework to support periodic plan reviews. On its own it should not drive policy making, land-use decisions and be a trigger for then requiring local authorities to enable greater development capacity (see paragraphs 61-63 of the submission).
R7.3	A future planning system should allow for more responsive rezoning, in which land use controls can be set in anticipation of predetermined and objective triggers and activated once those triggers are reached.	Not supported. A future planning system needs to be responsive to future housing and business needs but not do so in a manner that solely relies on narrow and coarse 'triggers' that rely on simplistic economic measures to guide a complex system (see paragraphs 61-63 of the submission).
R7.4	A future planning system should focus urban notification requirements (and any associated appeal rights) on those directly affected, or highly likely to be directly affected, by a proposed development. This would better align the planning system with the fundamental purpose of managing negative externalities.	Support in part. Recent amendments to existing planning legislation has arguably helped hone the balance between enabling participation and maintaining efficient and timely decision-making. The focus for a future planning system should be on enabling effective engagement and participation outside of the regulatory environment to reduce the adversarial nature of the consenting pathway. The view that the <u>fundamental</u> purpose of the planning system is to manage negative externalities is not supported (see paragraphs 8-9 and 41-47 of the submission).
R7.5	Any appeal rights on Plans in a future system should be limited to people or organisations directly affected by proposed plan provisions or rules.	See above submission point.
R7.6	Consultation requirements under a future planning system should: <ul style="list-style-type: none"> - give councils flexibility to select the most appropriate tool for the issue at hand; - allow councils to notify only affected parties of Plan changes that are specific to a particular site; - encourage and enable participation by people affected, or likely to be affected, by a decision; and - encourage the use of tools that ensure the full spectrum of interests is understood in council decision-making processes, and that allow the public to understand the trade-offs involved in decisions. 	See above submission point.

R7.7	<p>A permanent Independent Hearings Panel should be established to consider and review new Plans, Plan variations and private Plan changes across the country. As with the Auckland and Christchurch IHPs:</p> <ul style="list-style-type: none"> - councils should retain the rights to accept or reject recommendations from the permanent Independent Hearings Panel; and - once a council accepts a recommendation from the permanent Independent Hearings Panel, appeal rights should be limited to points of law. 	<p>Refer to Christchurch City Council and Environment Canterbury submissions and the above submission point. The main advantages of the IHP processes used in Auckland and Christchurch has been the streamlined processes and that appeal rights are limited to points of law. Their application more permanently needs to be set within a context of overall system improvements, particularly regarding engagement and participation. It should also address an ability to incorporate local knowledge alongside independent panel members, facilitate a process for the layperson that is welcoming and viable (time and money), and promote greater mediation and caucusing to agree on win-win solutions.</p>
R7.8	<p>A future planning system should enable councils to provide targeted infrastructure or services investment (eg, the expansion of green spaces or upgrades to existing community facilities) for areas facing significant change, to help offset any amenity losses.</p>	<p>Supported in part. The intent of this recommendation is sound and is often performed through area planning and masterplanning under current legislative framework. The financing of such investment is important to get right and links to the issue of attributing the costs of growth within existing communities. An auctioning system of development rights to finance such investment is not supported as discussed elsewhere.</p>
R7.9	<p>Central government should develop processes to more clearly signal the national interest in planning, and have protocols to work through the implications of these national interests with local authorities. It should also monitor the overall performance of the planning system in meeting national goals (ie, flexibility, sufficient development capacity and accessibility).</p>	<p>Supported in part. The intent of this recommendation to clearly signal national interest is sound and existing mechanisms, such as an NPS, already have the ability to do this. Any national level monitoring needs to be considered in an integrated manner so that arrangements for local, regional and national monitoring are efficient and effective.</p>
R7.10	<p>In a future planning system, central government should have the power to:</p> <ul style="list-style-type: none"> - override local plans in a limited set of circumstances, - co-ordinate or require common land use approaches to specific issues, and - direct council infrastructure units or CCOs to increase their supply, where the differential between the price of developable and undevelopable land exceeds a pre-determined threshold. 	<p>Not supported. Beyond the existing mechanisms which ensure national direction and consistent implementation the planning system needs to be based on a principle of subsidiarity (see paragraphs 27-36 of the submission) and allow for local variation based on individual circumstances.</p>
Chapter 8 - Urban planning and the natural environment		
R8.1	<p>A future planning system should include a Government Policy Statement (GPS) on environmental sustainability. The GPS should:</p> <ul style="list-style-type: none"> - set out a long-term vision and direction for environmental sustainability; - establish quantifiable and measureable goals against which progress would be monitored and reported on; and - establish principles to help decision makers prioritise environmental issues when faced with conflicting priorities or scarce resources. 	<p>Not currently supported. The rationale and detail behind this recommendation is not sufficiently expressed to determine if this would provide any additional benefits to the current system and the identified risks (see paragraphs 37-40 of the submission) have the potential for this to be a backward step.</p>

R8.2	Before attempting to use urban planning as a means of reducing GHG emissions in New Zealand, a more robust empirical research base should be developed reflecting New Zealand circumstances. Specifically, research should aim to improve the government's understanding of local factors that shape urban GHG emissions in New Zealand, and the extent to which urban planning can influence these factors.	Supported in part. The recommendation to agree robust empirical evidence is welcomed but this should not defer actions that can be taken now. The underlying principle behind measures to reduce GCG is one of resource efficiency and this goal is sufficiently grounded in legislation, policy and community outcomes for it to be integrated into urban planning.
R8.3	Central and local government should develop an agreed set of principles to govern the development of national regulations that have implications for the local government sector. This should be along the lines of the 'Partners in Regulation' protocol recommended in the Commission's report Towards Better Local Regulation (2013).	Any further mechanisms that can support effective and balanced central-local government collaboration are supported (see paragraphs 27-36 of the submission).
R8.4	When regulating urban spillovers affecting the natural environment, a future planning system should provide government bodies access to the full suite of policy tools including market-based tools.	Supported in part. Further detail and evidence is required on this issue. Market-based instruments may be an effective <u>additional</u> tool to manage spillover effects by helping internalise costs into decision-making and practices. Bottom-line regulatory approaches still provide a 'stick' for those which ignore the 'carrots' and to reflect that economic theory does not always work in the real world (see paragraphs 60-63 of the submission).
Chapter 9 - Urban planning and infrastructure		
R9.1	Spatial plans should be a standard and mandatory part of the planning hierarchy in a future system. Spatial plans should be tightly defined and focus on issues closely related to land use, in particular the provision of water and transport infrastructure and community facilities (eg, green space, reserves, conservation areas, and libraries), protection of high value ecological sites, and natural hazard management.	Supported in part. The inclusion of spatial plans in the planning hierarchy is critical and supported. The limitations placed on the scope and role of a spatial plan is not supported (see paragraphs 19-26 of the submission).
R9.2	As part of the transition to a future planning system, central government should establish a centre of excellence or resource that councils could draw on to conduct real-options analysis in the development of land use plans.	Any further mechanisms that can support effective and balanced central-local government collaboration are supported (see paragraphs 27-36 of the submission).
R9.3	A future planning system should include institutions or formal processes through which councils and central government can work together to assess major programmes of urban infrastructure investment with wider spillover benefits.	See above submission point and comments made with regard to subsidiarity in decision-making. Within a framework of national direction the implications of infrastructure investment can be considered locally, regionally, or inter-regionally (with government assistance where appropriate), often through existing collaborative partnership models.
Chapter 10 - Infrastructure: funding and procurement		
R10.1	A future planning system should allow councils to: - set volumetric charges for both drinking water and wastewater; and	Supported in part. Additional tools are welcomed, both financial and regulatory. Infrastructure funding and

	- apply prices for the use of existing local roads where this would enable more efficient use of the road network.	procurement must remain at the discretion of local councils and institutions (see paragraphs 51-59 of the submission).
R10.2	Councils should use targeted rates to help fund investments in local infrastructure, wherever the benefits generated can be well defined.	See above submission point.
R10.3	A future planning system should enable councils to levy targeted rates on the basis of changes in land value, where this occurs as the result of public action (eg, installation of new infrastructure, upzoning).	See above submission point.
R10.4	A future urban planning system should give councils the capability to use a wide range of innovative infrastructure delivery models, including public-private partnerships. Councils, either alone or through joint agencies, will need to develop the capabilities to operate such models successfully. Future arrangements could build on current regional shared-services initiatives that increase project scale and develop project commissioning expertise.	See above submission point.
Chapter 12 - Culture and capability		
R12.1	A future planning system should place greater emphasis on rigorous analysis of policy options and planning proposals. This will require councils to build their technical capability in areas such as environmental science and economics. It would also require strengthening soft skills – particularly those needed to engage effectively with iwi/Māori.	Supported in part. Rigorous analysis, technical capacity and strong communication and engagement skills all support good decision-making but are applicable to all parties in an urban system (see paragraphs 64-66 of the submission).
R12.2	Central government should improve its understanding of urban planning and knowledge of the local government sector more generally. An improved understanding will help promote more productive interactions between central and local government.	Any further mechanisms that can support effective and balanced central-local government collaboration are supported (see paragraphs 27-36 of the submission).