

15 February 2023

Secretariat
Environment Committee
Select Committee Services
Parliament Buildings
WELLINGTON 6160

Tēnā Koe

Submission on the Spatial Planning Bill and Natural and Built Environment Bill

Thank you for the opportunity to submit on the Spatial Planning Bill and Natural and Built Environment Bill. We thank the Committee for the extension of time to the submission period. Rangitikei District Council (Council) has developed one submission on both bills due to the interconnected nature of the proposed pieces of legislation.

Council agrees that reform of the resource management system is needed. We support amendments that incorporate increased strategic planning, increase the agility of the system, and decrease costs.

Council is concerned that the proposed system may not deliver the transformational change intended or create the efficiency gains sought. However, the vast volume of consultations out from Government, limits Council's ability to comprehensively comment on the proposed pieces of legislation. Therefore, Council has focused comments on 'local matters' and does not provide comments on the technical aspects of the bills. The following key areas are discussed:

1. Local input
2. Funding
3. Implementation and transition
4. Consenting
5. Treaty settlements

1. Local input

Council's main concern is the potential loss of local voice and knowledge in the resource management system, particularly in the development of the regional spatial strategy and natural and built environment plans. The comments provided below seek to ensure increased local decision-making is incorporated into a regional plan-making system.

Statement of Community Outcomes

We support the requirement under the Spatial Planning Bill (Section 24(2)(b)) and the Natural and Built Environment Bill (Section 107(1)) for the Regional Planning Committee to 'have particular regard to' any Statement of Community Outcomes in preparing the regional spatial strategy or

Making this place home.

natural and built environment plans. We see this as an important mechanism for consideration of local views and knowledge.

Section 645(2) of the Natural and Built Environment Bill identifies the purpose of the statement of community outcomes as “to record a summary of the views of a district or local community within the region”.

Council has invested considerable time and effort creating a spatial plan for the Rangitikei. We will finalise the document by mid-2023. This document provides a clear picture of the outcomes and priorities for our communities and should hold weight for the regional planning committee when developing the regional spatial strategy. Council requests that the purpose of the statement of community outcomes is expanded to make it clear that existing spatial planning, community planning or growth planning documents can form part of a statement of community outcomes.

Decision requested

That Section 645(2) of the Natural and Built Environment Bill is amended as follows:

The purpose of the statement of community outcomes is to record a summary of the views of a district or local community within the region. The statement of community outcomes may consist of, or include, local spatial planning, community planning, or growth planning documents.

Plan-making processes

Spatial Planning Bill

Section 30 of the Spatial Planning Bill sets out that the regional planning committee must adopt a process for preparing its regional spatial strategy. This section outlines that the process must comply with section 31 to 34.

- Section 31 – support quality decision-making
- Section 32 – encourage participation
- Section 33 – comply with Māori participation arrangements
- Section 34 – contain key steps.

We support Schedule 4, Section 3 which requires the regional planning committee to provide the body with the opportunity to review the draft regional spatial strategy. However, we request that subsection (2) is expanded to provide local authorities greater scope to comment on the content of the draft strategy.

Decision requested

That Schedule 4, Section 3(2) of the Spatial Planning Bill is amended as follows:

- (2) The purpose of a review is to allow the appointing body to—
- (a) familiarise itself with the content of the draft strategy;
 - (b) identify any errors;
 - (c) identify any risks in the implementation or operation of the draft strategy; and
 - (d) provide comment on the content that is relevant to that appointing body

Natural and Built Environment Bill

Schedule 7 of the Natural and Built Environment Bill sets out the process for preparation, change and review of natural and built environment plans.

Council supports Schedule 7, Clause 20 related to enduring submissions and Schedule 7, Clause 22(1)(e) that requires consultation with local authorities in the preparation of a plan. Council requests a strengthening of these clauses by requiring a review of a draft plan by the local authorities in the region.

Decision requested

That additional provisions are added to Schedule 7 of the Natural and Built Environment Bill to require the regional planning committee to provide a draft plan to local authorities in the region for comment prior to notification.

Membership of regional planning committee

The membership of the regional planning committee is a key part of ensuring local voice in the reformed planning system. Council supports each local authority being able to appoint one member onto the committee. Council does not support Clause 3(2)(d) which gives weight to population when considering the composition of the committee. The Rangitikei has a small population, but significant land area to manage. The districts resource management issues are no less important or deserve less weighting than those of larger centres in our region.

Decision requested

That Schedule 8 Clause 3(2)(d) of the Natural and Built Environment Bill is removed.

2. Funding

The second most significant concern about implementing the proposed legislation is the potential funding implication. There are several areas that will create cost increases for local government.

1. Plan-making - Schedule 8, Clause 36(1) requires local authorities to *jointly fund and provide resources sufficient to enable the committee and the secretariat to perform or exercise their functions, duties, and powers.*
2. Monitoring and Enforcement – increased monitoring and reporting requirements (sections 836/837 of the Natural and Built Environment Bill).
3. Implementing actions from the Regional Spatial Strategy – such as provision of infrastructure.

Council's concerns are supported by the *Supplementary Analysis Report* that identifies an increase in cost to the local government sector of 11% under the proposed system. This report identifies cost increases for the sector associated with developing and monitoring new economic instruments (\$27m annually), increased monitoring and enforcement activity (\$18m annually) and reviewing and implementing additional national direction under the NPF (\$15m annually).

As a small local authority cost increases to deliver reform may have a significant impact on our ratepayers and could result in unintended outcomes, such as the reduction in levels of service for other functions to maintain rating affordability for our communities. In addition, there appears to be little alignment with the long term planning (funding cycle). Council requests additional support is provided by Central Government for the implementation of the new system.

Decision requested

That Central Government provide funding to support transition to the proposed resource management system including; funding support for the development of the first regional spatial strategy and natural and built environment plan, funding for Māori participation in the system, and funding for additional administrative costs incurred with the new system.

That key phases of implementing the new resource management system are aligned with local government long term planning cycles.

3. Implementation and transition

Council supports a phased transition process which develops the planning framework in the correct hierarchy – national direction first, followed by the development of regional spatial strategies and then the natural and built environment plans.

Council has reservations about the capacity in the planning sector and iwi sector to resource the transition. Council notes the Ministry for the Environment has engaged a consultant to investigate capacity of the system for the transition. Staff will be needed to continue to implement the existing resource management system (which is already under resourced), as well as, implement the new system. Council suggests significant effort by Central Government should be placed into resourcing the transition. Without adequate resourcing the effectiveness of the new system could be compromised.

Council supports the ability for local authorities to undertake plan changes under the Resource Management Act 1991 up until the adoption of the regional spatial strategy.

The proposed legislation could also benefit from greater alignment with 3 Waters and local government reform.

Decision requested

Retain the ability to enable local authorities to undertake RMA plan changes up until adoption of the regional spatial strategy.

That significant Central Government resource is placed into ensuring capacity of the planning and iwi sectors in the implementation and transition.

4. Consenting

The Natural and Built Environment Act proposes resource consenting will remain a function of local authorities. Council supports this approach as a way of retaining local oversight in the resource management space.

Decision requested

That the resource consenting function remains with local authorities.

5. Treaty settlements

Council has been able to talk about this submission briefly with our Te Roopuu Ahi Kaa (the Council's standing Iwi advisory committee). Council supports the proposed greater role for mana whenua participation in the proposed system. A key area of interest and concern for the iwi and hapū in the Rangitikei is ensuring existing Treaty Settlements are protected under the new system and any outstanding settlements are not adversely impact by the proposed system.

Te Roopuu Ahi Kaa Komiti does not support the establishment of a national Māori entity

Decision requested

Retain provisions in the Spatial Planning Bill (section 20 and Schedule 2) and Natural Environment Bill (Section 111 and Schedule 2) that protect treaty settlements and statutory acknowledgements.

I look forward to the opportunity to appear before the committee to speak to Council's submission.

Naku noa



Andy Watson
Mayor of the Rangitikei