



Building NZ RMA Reform and Housing

Discussion Document

Contents

Introduction from the Leader	2
Introduction from National's Housing and RMA Spokesperson	3
Reform of the Resource Management Act	4
A Dedicated Approach for the Environment	13
Housing and Urban Development	16
Managing Housing New Zealand	19
Enabling Building and Construction	23
National's RMA and Housing Team	26
Questions and Feedback	27



Introduction from National Party Leader Simon Bridges

Building New Zealand is what Kiwis expect their Government to do. The infrastructure in our cities and towns gives them vibrancy as well as functionality. Quality infrastructure gets us to work on time in the morning and home again to our families at night. It connects communities both physically and digitally.

Labour promised a lot when it took office and New Zealanders expected it to deliver. The Government's inaction on housing since day one has quickly become its biggest broken promise. KiwiBuild is the biggest public policy failure in a generation. First-home buyers feel justifiably left down.

Home ownership is getting harder in New Zealand and this is largely the fault of our planning rules. The Government has not helped things by cancelling all new proposed Special Housing Areas at a cost to councils, developers and would-be home owners.

National has a plan to free up rules and

restrictions around consenting to ensure houses get built. Everyone now accepts planning reform must happen, which is why National is proposing to repeal and replace the Resource Management Act (RMA).

Throughout this discussion document we propose solutions and ask for feedback on ideas that have been tried in jurisdictions around the world.

National will make sure New Zealand is once again the place where Kiwis can build and own their own homes. We want your feedback on our proposals and suggestions in this document to make those dreams a reality.

A handwritten signature in blue ink, appearing to read 'S Bridges', with a stylized flourish at the end.

Simon Bridges
National Party Leader
Leader of the Opposition



Introduction from Hon Judith Collins

National's Housing and Urban Development, Planning (RMA Reform) Spokesperson

There is now widespread support for substantial reform of the way that New Zealand manages its resources. For the past year, a range of interest groups have considered possible solutions to the failure of the Resource Management Act (RMA) and the planning system that has built up around it, which has stymied development and failed to sufficiently protect the environment. We acknowledge and thank these agencies for the level of engagement that we have had with them.

National will replace the Resource Management Act (RMA) and reform planning rules. The RMA has failed to deliver for the environment as well as this country's infrastructure.

The building and construction sector once exemplified the best 'can-do' spirit of New Zealanders. This has been ground out of people who quietly and confidently ensured market supply met demand. Now, they wait and wait for consents, for approvals, and clearances. In the meantime, the cost of building, construction and land increases as the delays drag on.

National believes New Zealanders should be able to own their own home if they work hard and save for it. We are concerned that the dream of home ownership is drifting further away as regulations and red tape replace building homes with filling out forms.

"The RMA has failed to effectively deliver for the environment and for development and infrastructure."

Hon Judith Collins

National's Housing and Urban
Development, Planning (RMA Reform)
Spokesperson

Labour promised big but has under-delivered on housing. After more than two years in office, the Government has only delivered a few hundred KiwiBuild houses, its 100,000 homes promise has been scrapped, and the houses it has built haven't been suitable for first-home buyers.

Hard-working taxpayers have funded houses that cannot be sold for what they cost to build because they are in areas with no demand, and have been built to specifications that don't work for many New Zealand families.

The current government cannot be trusted on housing.

Both Labour and National agree the RMA is under-performing.

The challenge is the political will to take on roadblocks. National will reform the law to properly address housing affordability issues.

Judith Collins

National's Housing and Urban Development,
Planning (RMA Reform) Spokesperson



Reform of the Resource Management Act

"The unaffordability of houses and urban land is the number one issue facing New Zealand right now. This is largely due to our complicated planning rules. To fix this we need to reform the Resource Management Act. New Zealanders do not need to be continually bogged down by layers of red tape and compliance costs."

Hon Judith Collins

Spokesperson for Housing and Urban Development, and Planning (RMA Reform)

A Case for Reform

The RMA is seen as a major impediment to affordable and timely housing. This impacts on the health and wellbeing of New Zealanders who rightly expect the Government to sort things out.

Examples of the RMA and planning processes not working for New Zealand are:

- It is near impossible to get a resource consent within the statutory deadline of 20 working days. The cost of a consenting can quickly run into the tens of thousands with council processing fees typically starting at \$3000 per residential application, and
- a planning consultant also charging in the hundreds of dollars per hour.
- Objections to proposals for residential reuse of the old Erskine School site in Wellington held it up for more than 20 years. It involved claims that the decaying buildings had heritage value, as well as the routine RMA neighbour objections. Long after the school closed the buildings were red-stickered by Wellington City Council as being unsafe for occupancy. After two decades of costly objections and delays, development eventually started on the site providing 94 dwellings for families.

- A developer chose to alter his housing project in provincial New Zealand from 41 homes down to 25 homes with a wetland area and more green open space. This 'greener' development was required to go through a full resource consent process that was not required for the larger, less 'green' development. After two years and well over \$100,000 spent, approval has been given but that cost will ultimately be borne by the buyers of those homes.
- Homeowners in Devonport, Auckland wanted to landscape their section and build a swimming pool. When seeking a resource consent, they were required to have geotechnical boreholes drilled. One of

those boreholes contained a tiny amount of shell. An archaeologist consulted by Auckland Council recommended she be engaged to investigate the site as it could be from an ancient midden. The council was willing to take that advice but the owners were concerned by a blatant conflict of interest and engaged another archaeologist to undertake the investigation. The shell was determined to be from landscaping work undertaken by former owners. In this instance, one of the homeowners is a lawyer who knew what to do to protect herself from having to waste possibly tens of thousands of dollars on a wild goose chase.



Replace the Resource Management Act

The Resource Management Act was first legislated in 1991. Since then, it has been amended 80 times – more than twice a year. Eighteen RMA amendment bills have been passed making large scale changes to the Act.

All of these changes have made the now 800 page RMA completely un navigable to anyone but the most expensive of planning and legal consultants. On top of this, people must also navigate thousands of pages of regional, city and district plans to understand what they can and cannot do in New Zealand.

Building and infrastructure costs are often dwarfed by the uncounted costs of delay. Approval of major infrastructure projects can take decades, and even if approved under the call-in processes for projects of national significance, they can be burdened with hundreds of millions in excessive mitigation costs.

The process can suffer delays even when councils want to change rules for the better, such as to increase the supply of affordable housing. The Auckland Unitary Plan, for example, received 49 High Court appeals.

The predictability of the process is also poor. In the event that an application is challenged, proceedings can drag out for years with the ultimate outcome hard to predict except that it will be expensive.

The Act has become so complicated that meaningful reform now requires the RMA to be repealed and replaced with new legislation.

- National will replace the Resource Management Act.

Development and Environmental Issues

Discussions about reforming the RMA often focus on balancing development and environmental issues. National believes the RMA has failed on both fronts.

This has been confirmed by the work of the Environmental Defence Society in its research *Reform of the Resource Management System – The Next Generation – Synthesis Report and Next Steps*. The report suggested that any future resource management system should:

1. Impose environmental bottom lines
2. Manage trade-offs above bottom lines
3. Fund and ensure the delivery of public goods (including infrastructure)
4. Pursue “good” outcomes (not just prevent or manage “bad” outcomes)
5. Protect and promote Māori interests
6. Resolve disputes
7. Allocate rights to use non-private resources

The RMA has also failed to effectively manage New Zealand’s natural environment. Measures, such as water quality, have gone backwards since the RMA was implemented. RMA processes have delayed or stopped projects such as windfarms and mini hydro-power schemes, that could help reduce environmental damage and produce much needed electricity for our comfort and for business.

We will replace the RMA with legislation that is efficient and predictable. There should be rules that are clear and well defined, outcomes that adequately balance costs and benefits, and timeframes are short and consistent.

We want your thoughts on the following:

- What should be the aim of reforming resource management laws?

Possible Solutions

It is clear there is no simple solution to the RMA dilemma.

The National Party has looked for answers to make good developments both easier and less expensive, while also considering the environment and the impacts of developments, such as a failure to provide adequate storm water infrastructure.

The work of the Environmental Defence Society, EMA, Planning Council, Business New Zealand, Infrastructure New Zealand and others provides some ideas, which we have borrowed extensively from in presenting alternatives.

Environmental Defence Society (EDS)

In essence, the EDS proposes that the RMA be rewritten with Part 2 of the Act recognising pre-eminence for environmental bottom lines, good urban planning and the need to resolve issues of allocation. EDS proposes a range of merged acts and new legislation in a fundamental rewrite of New Zealand's environmental laws.

That would require:

- Stronger obligations to Treaty of Waitangi principles
- Establishment of mandatory environmental targets
- Removing oceans management (beyond three nautical miles) from the jurisdiction of the RMA and regional councils
- Government to produce an integrated and comprehensive National Environment Plan for matters of national importance, rather than ad hoc pieces of national direction
- Retain separate national planning standards but apply them to national direction as well as council plans
- Replace existing council planning processes with two new processes:
 1. A process for creating and reviewing plans that resembles the Auckland Unitary Plan making process, and
 2. A process for plan changes involving a single-stage hybrid decision-making panel
- Require councils to work together and with iwi and hapū to create a combined regional plan
- A greater role for the Environmental Protection Authority (EPA) in regulation –making for national direction and council plans (e.g. freshwater)
- Revise settings for resource consenting, including removing jurisdiction from elected members and Boards of Inquiry
- Establish an independent Environmental Defender's Office, charged with undertaking public interest litigation
- Revise settings for compliance monitoring and enforcement
- Strengthen water conservation orders
- Replace a first-in, first-served approach to freshwater allocation with possible trading mechanisms and provide for Treaty obligations to evolve
- Establish a national Environmental Water Holder to participate in any future water markets
- Provide direct assistance from a national-level body to councils to implement national direction.

EDS also sees a need to amalgamate councils that are no longer viable economic entities in light of their responsibilities/functions, and greater regionalisation of functions where wider spatial scale is important, including the establishment of regional or cross-regional council-controlled organisations for the delivery of water and wastewater services.

EDS proposes an economic regulator oversees three waters services investment and pricing. This will require expanded funding and financing tools available for councils. It also proposes the Building Act and Building Code be strengthened to enhance environmental outcomes.

Both a Futures Commission and a Tikanga Commission are envisaged by EDS as having a 'standing watchdog' role over several statutes including the RMA.

A Future Generations Act would incorporate the Zero Carbon legislation and allow stronger enforcement measures for failure to meet targets. It would introduce tools to encourage mitigation and adaptation. The Act would also create a Climate Change Adaptation Fund.

EDS proposes establishing an Oceans Act by combining aspects of the RMA and other acts relating to the use of the oceans. It proposes a new Oceans Agency and a Minister for Oceans. There would need to be an integrated Oceans Plan and a mechanism by which marine spatial plans could be developed and implemented.

EDS sees a need to rationalise conservation legislation into a Protected Areas and Species Act, applying both to land and sea. EDS proposes strengthening protected areas, species and Māori concepts and involvement.

An appellate role for the Environment Court in relation to concession decisions, and investigating bio-banking framework in relation to biodiversity offsets are also envisaged.

Across the RMA system, EDS wants to strengthen monitoring and reporting requirements, strengthen directors and corporate duties of disclosure regarding the environment and climate change, use subsidies for ecosystem services, deploy resource rentals and use green taxes for the environment, provide government

action on green certification, embed environmental and climate change principles in the school curriculum and establish a cross-agency nudging unit to promote better actions for the environment.

We want your thoughts on the following:

- Do you support the focus of the EDS' proposed changes to the RMA?
- Which proposed changes do you support?
- Which proposed changes do you not support?
- Do you support retaining environment and development/ planning in one Act of Parliament?
- Do you support splitting the environment and development (planning) into two separate Acts as other similar jurisdictions have done?

Scotland

Scotland has separate planning and environment legislation. The planning (Scotland) Act 2006 established the legal framework to modernise the planning system in Scotland. Those entities most involved in planning are:

- The Scottish Government, which directs national planning policy and sets the National Planning Framework
- Local planning authorities (32 councils and two national park authorities), which process planning applications and make decisions in their areas

- Key national agencies that provide formal advice to central government, councils and those applying for planning permission.

There are three parts to the planning system:

- Development planning – policies for development, framework for decision making
- Development management – process for granting or refusing development permission
- Enforcement – Making sure what should be done is done.

Development Planning

Much like New Zealand's district, unitary or regional plans, each planning authority must prepare a Local Development Plan (LDP), that sets out the authority's plans for development and provides a framework for decision making. They need to keep within the national policy set out by the Government. The LDPs are revised and updated every five years and are also subject to a strategic environmental assessment.

Local authorities must consider resources available, neighbouring authorities, regional transport strategy, river basin management, local housing, the national waste management plan, climate change and carbon reduction targets, and issues of the control of hazardous substances. Local authorities in the four largest city regions of Aberdeen, Edinburgh, Dundee and Glasgow are required to work together in preparing a Strategic Development Plan. The Scottish Environment Protection Agency and Scottish Water are required to cooperate with planning authorities when the plans are being prepared.

Development Management

Development means building, engineering, mining or any other operation in, on, over or under land, or the making of any material change in the use of any building or other land. If 'permitted development rights' have been created then there is no need for planning permission for certain developments.

Development is divided into 'national', 'major' and 'local'. Each category has a different procedure.

Local developments must be decided within two months, while four months are allowed for major or national developments. Some planning decisions are determined by elected councillors while some by planning officers. Each planning authority has a Scheme of Delegation providing certainty regarding the process.

Enforcement

In deciding whether to take enforcement action, the planning authority has to consider if a breach of the planning control would have an unacceptable impact on public amenity. Fines and prosecutions, as well as demolition of the structure, can be undertaken.

The Environment

Environmental assessments are carried out on all qualifying strategies, plans, programmes or projects that may have an impact on the environment. These assessments are:

- Environmental Impact Assessment for assessing the significant environmental impacts of planned development
- Habitats Regulations Appraisal that relates to natural environments selected by the European Union
- Strategic Environmental Assessment for all qualifying public plans, programmes and strategies.

We want your thoughts on the following:

- Do you support regional planning authorities?
- What aspects of the Scottish system do you like?
- What aspects of the Scottish system do you not like?
- Do you support the requirement for the council to consider the damage done before deciding to take enforcement action?

recommendations on the administration of the PDI.

The State Planning Commission can issue practice directions that specify procedural requirements in relation to the preparation of a regional plan and assessment pathways as well as the establishment and appointment of assessment panels.

An example is the practice direction that establishes food production and environment areas in Greater Adelaide. Once established, only Parliament can overturn the boundaries of an environment and food production area – and only after a report by the State Planning Commission. An environment and food production area designation precludes the subdivision of land for housing but does not prevent small-scale quarries, agricultural production, mining operations or tourism-related activities.

Environmental Impact Statements are required if the proposed development is specified in the regulations as requiring impact assessment, or if the Planning and Design Code specifies the activity as 'restricted' and the Planning Commission has decided that it should be impact assessed, or if the Minister determines the proposed development should be assessed for environmental impact.

The final decision is made by the Minister, based on the impact statement. The process requires the Environment Protection Authority and other government agencies to consult with councils and the public. The Commission prepares an assessment report for the Minister.

South Australia

South Australia has a Planning, Development and Infrastructure Act (PDI) that came into force in 2017 to modernise the planning system. Implementation of the systemic change is expected to take five years.

The Planning, Development and Infrastructure Act

- Introduces a new system with a single set of rules to be applied across the State
- Provides for all planning information to be accessible on a central e-planning tool with the purpose of faster turnaround
- Provides fast-tracking of deemed-to-satisfy development applications, more consistent planning rules for assessment and ensures that planning rules are applied by professionals
- Aims for an early approval or rejection of proposed development to avoid costly waste of time and resources.

A State Planning Commission has been established to be South Australia's principal planning body, providing advice and making

We want your thoughts on the following:

- Are there aspects of the South Australian model that we should adopt?
- What are they?
- Do you like the concept of an e-portal so all planning applications are accessible on-line?
- Do you agree that certain 'food-producing' areas, such as Pukekohe soils, should be protected from urban development?
- Are there aspects of the South Australian model that you do not agree with? What are they?

The interaction of the Environment Protection Act and the Planning Act occurs when certain development activities are deemed to require an environmental authorisation. They are:

- A development application is made for a material change of use of premises
- The material change of use is for a prescribed Environmentally Relevant Activity (ERA)
- The application is categorised as an assessable development under a regulation made under the Planning Act.

In that case the development application is taken to be also be an application for an environment authority for the prescribed ERA. ERAs that are prescribed activities are generally industrial or intensive animal industries with the potential to release emissions that will impact on the environment and surrounding land uses.

Queensland

Queensland reformed its planning legislation in 2016. Under its decision rules, the assessment manager has the ability to approve all or part of the application, with the opportunity to impose conditions. The Planning Act has two statutory forms that need to be lodged (down from the 30 forms under previous legislation).

Another relevant Act is the Planning and Environment Court Act 2016, which governs the constitution, composition, jurisdiction and powers of the Planning and Environment Court. The court hears appeals regarding development assessment decisions.

The environment is primarily governed by the Environmental Protection Act 1994. It provides a range of mechanisms to protect Queensland's environment that maintain ecological processes while allowing developments that improve the total quality of life now and into the future.

We want your thoughts on the following:

- What aspects of the Queensland regime do you support?
- Do you agree that a development application should be deemed to be an application under the Environmental Protection Act if required?
- What aspects of the Queensland regime do you not support for New Zealand?

Splitting the Act

None of the regimes we have considered – South Australia, Queensland and Scotland – have their primary development/planning and environment legislation in one document.

There is simply no need for the environmental protection mechanisms to apply to every planning decision, despite what district, regional and unitary plans from New Zealand's 67 Territorial Authorities (TLAs) provide.

The environment is not, for instance, in peril if a bedroom is extended in a suburban home, even if the district plan says the environment must be considered and both a resource consent and a building consent applied for.

An environmental Act should set clear and specific ways of regulating environmental issues. A development/planning Act needs to provide the tools to allow balanced decision making about where and how development can occur.

We want your thoughts on the following:

- Should we consider splitting in the RMA into two different Acts?
- What should be covered under different replacement Acts?
- How should they interact?
- Should the environment bill return the focus to protecting and enhancing air, water and natural habitat, such as flora and fauna?

Simply changing the structure of the Act will not prevent council plans that restrict urban development.

Scotland sets a national plan for growth, infrastructure and environmental goals. In New Zealand, this could be done by a national direction, such as a National Policy Statement (NPS) on housing, or the development/planning Act could specifically allow Ministers to pass regulations that place bounds or minimum levels for councils to adhere to.

For example, a requirement to have at least 30 per cent of a city available for dense housing, or a requirement to maintain an area of land available for greenfield development within the urban boundary.

Central government may also look to harmonise more aspects of district plans. For example, having a single set of rules for suburban land across the country. A central agency could be a repository for information that is sadly lacking, and could provide best practice knowledge and systems to everyone. An e-portal along the lines of the South Australian model is worth considering.

We want your thoughts on the following:

- Does central government need to work more closely with local government on matters of infrastructure planning to support development?
- Should there be more harmonisation of district and regional plans using common rules?

The Role of Central Government

The perverse aspects of planning law (those that make our houses so unaffordable) sit in our city and district plans rather than the RMA.



A Dedicated Approach for the Environment

"The RMA processes have not effectively protected the natural environment. Clear and efficient rules for environmental losses will allow for a stronger economy and improved environmental performance."

Hon Judith Collins

Spokesperson for Housing and Urban Development, and Planning (RMA Reform)

The RMA has not effectively protected our natural environment, which has become subsumed into abstract issues like urban amenity. This has seen the RMA used to undertake anti-competitive behaviour, whether it is a supermarket chain spending years to prevent a competitor being able to set up business or an apartment block developer using its privileged position to prevent nearby apartments being built.

We should decide what New Zealand's bottom lines are, with a central agency to enforce, educate and monitor. Environmental consents would then be a matter of complying with the rules. Non-compliance would mean no consent.

The same approach can apply to industrial users. Environmental discharge rules should be

clear and industrial organisations should simply be required to follow them. A resource consent process adds cost and uncertainty to our major industries.

National believes people deserve clear rules and bottom lines on the environment. An unpredictable, slow and costly resource consent process is not needed.

Clear and efficient rules for environmental losses will allow both a stronger economy and improved environmental performance.

We want your thoughts on the following:

- Do we need consents if the rules are adhered to?
- Should compliance with the environmental bottom lines be enough?
- Can environmental issues be managed with regulations and enforcement instead of consents?

Establish a Hierarchy of Decision Making

Government should take the lead on planning nationally significant infrastructure projects like roading, rail, electricity, telecommunications and water.

National has supported the establishment of an Infrastructure Commission. We recognise it is in New Zealand's best interests for Government planning to be implemented in a coherent way, with councils giving effect to these plans both regionally and locally.

Scotland has a national plan and South Australia a state plan to give certainty across their jurisdictions. A New Zealand version would identify areas where growth would be expected and planned. This would then be referenced in regional and district plans with these monitored by a central planning agency. Plans would be updated and refreshed regularly.

Relationship with Māori

None of the overseas jurisdictions that we have considered have an equivalent of the Treaty of Waitangi or anything similar to the unique Crown/Māori relationship.

We believe new legislation must accept and embrace that relationship and provide a way

for it to be honoured without it being used to prevent desirable development.

Some mana whenua say they object to being blamed for a lack of development and being required to consult on proposed developments where they have little interest.

Examples of this are:

- A rural business seeking to commence a water supply business to local homes is being required to consult with 13 iwi as part of its resource consent process. One iwi runs a water supply business that would be in competition to the proposed water supply provider.
- An Auckland CBD building owner sought permission to install a gate across an alleyway at the back of his building. The alleyway did not service any other premises and was being used as an informal toilet by some members of the public. The building owner was required to consult with five iwi, at a cost to him, before he was allowed to install the gate.

Examples such as these can lead to consultation with iwi disrespecting the consultation process. In the above examples, the requirements have been put in place by council planners who have seen fit to offload responsibility to iwi.

We want your thoughts on the following:

- How do you think the consultation process with iwi can be improved?

Rural Land Use and the RMA

New Zealand farmers have been free to innovate by either changing their land use or introducing new technologies into farm systems. This sets us apart from countries that subsidise favoured land uses. Sixty years' ago our biggest agricultural export was wool, 30 years ago it was meat. Today, it is milk.

Our view is that our biggest export in 30 years' time could be what we currently call 'other' – wine, kiwifruit, apples, avocados, apricots, cherries and hops. And who knows what else?

We need to ensure the sector has the capacity to take on new crops. Barriers must be removed and markets opened up. What we risk at the moment is introducing new barriers to land use flexibility that were not there before.

For example, New Zealand has about 4000 hectares of avocados, supplying two per cent of the global market. In 2018, a resource consent to irrigate 600 hectares of Northland for avocados was declined. It was a great opportunity for a new industry and economic growth, but the application is now in the Environment Court.

This is the challenge we face. When we talk about growing these export industries, everyone supports it. It is the high value future they want to see for our primary industries. But too often our regulatory system blocks these developments from happening.

We want your thoughts on the following:

- Should we restore flexibility to land use so New Zealand is well placed to adapt to global trends?

Conclusion

There is now broad consensus that the RMA is problematic. It does not deliver for the environment or development. The planning practices that have taken shape around the RMA have worked against affordable housing, innovative development and a growing economy. It is simply past its use-by date.

Delay, waste and paralysis under existing laws waste initiative, energy, money. They lead to frustration and a lack of affordable housing and other development. The RMA needs to be replaced.

We want your thoughts on the following:

- Do you agree with the direction we are proposing?
- Do you agree that the RMA has failed both development and the environment?
- Are there any proposals that you do not agree with and, if so, what are they?
- What other changes would you like to see?



Housing and Urban Development

"New Zealand does not have sufficient good quality, affordable housing, where it is wanted and in the volume it is needed. Many Kiwis chose to come to New Zealand or chose to remain here because of the opportunities available to own their own home. Home ownership is part of our Kiwi psyche and even though it will not suit everybody at all times, the opportunity should be there."

Hon Judith Collins

Spokesperson for Housing and Urban Development, and Planning (RMA Reform)

Redeveloping Government-owned Land

Government, through Housing New Zealand (now renamed Kāinga Ora - Homes and Communities), is the largest landlord in the country. It also owns other land that is unused and suitable for development.

The previous National Government recognised this as an opportunity to support urban regeneration through development of Housing New Zealand and unused Defence Force and Justice land.

National, through the Hobsonville Land

Company, oversaw the redevelopment of the former Hobsonville Airbase into a new township of 11,000 residents.

Hobsonville Land Company became 'HLC' and began to undertake similar redevelopments across New Zealand. Land was sold to developers with a contractual agreement that at least a third of the houses were priced at affordable levels. Redevelopments were initiated on government land in Papakura, and on Housing New Zealand land in Porirua, Mt Roskill, Tamaki, Northcote and Māngere.

HAVE YOUR SAY > 2019 DISCUSS

Housing New Zealand redevelopments generally take older, rundown houses on large sections and replace them with three times the number of warm dry homes, increasing the total number of dwellings by a factor of about three. At least one third of the houses are returned to Housing New Zealand, with another third mandated as affordable housing and the final third being sold to the private market.

When National left office we had more than 27,000 homes in the development pipeline ready for the new government.

Labour criticised these developments while in Opposition. Now in Government, Labour has shifted this programme wholesale into its KiwiBuild brand along with the houses priced below the \$650,000 cap in Papakura, Porirua, Mt Roskill, Northcote and Māngere. Labour has increased the price cap in KiwiBuild to this \$650,000 level. The amount of affordable housing being delivered is the same – a KiwiBuild brand has simply been added.

KiwiBuild Buying Off The Plans

In addition to these HLC developments, Labour has also underwritten and bought houses the private sector was delivering. In total, Labour has bought more than \$900 million worth of houses 'off the plans'.

The Labour Ministers who are responsible for the programme have been wholly negligent in its management. Houses have been bought at high prices and in locations where demand is low. Many were already under construction before the Government changed and KiwiBuild was introduced. In some cases, houses were unsuccessfully marketed before they entered the KiwiBuild programme. It has simply become a bailout for housing developers who had surplus land and wanted to be rid of it.

Now the Government is unable to sell these houses and finds itself staring down a financial black hole.

What We Will Do

National will continue developments undertaken by HLC. It is a building programme we initiated and it has a proven track record.

We will also honour the contracts the Government has signed with developers. We have always honoured contracts.

The question we have is how we sell houses to the public. We don't believe it is feasible to shift all of these purchased houses to Housing New Zealand or for the Government to hold them indefinitely. They need to be sold. We will abandon the KiwiBuild brand as it has become apparent that smacking a KiwiBuild sticker on a house makes it harder, not easier, to sell.

- National will cancel KiwiBuild, save New Zealand taxpayers wasted money, stop the distraction of KiwiBuild and bring about regulatory reform to planning and RMA rules in order to make housing more affordable and quicker to build.
- National will continue to support an Urban Development Authority to encourage future housing focused around transport hubs and other amenities.

Supporting Home Ownership

National believes good homes strengthen families. A home is not simply a place to live, but where relationships are fostered and developed – both as family but also into the wider community. National supports stronger families and a stronger property-owning democracy.

Home ownership remains part of the New Zealand dream and directly relates to the public's sense of a fair go. From health, social

development, and economic perspectives, the provision of good quality accommodation makes sense. Many future costs to the taxpayer can be mitigated if appropriate housing is available.

National will continue to support those able to enter the private market to do so, be it through our KiwiSaver HomeStart programme, our Welcome Home Loan, rent-to-buy or shared equity programmes.

Helping to Buy a Home

National has a strong track record of enabling reliable and stable state tenants to purchase their homes on a deferred payment and/or rent-to-buy principle.

When a lack of home ownership is one of the biggest determinates of whether a family or individual is able to accumulate assets and provide for their family, the fact that so many New Zealanders are expected to pay rent for life and have little to leave to their children needs addressing.

Some estimates have put the cost of renting for life at three times the value of buying a home outright. The resulting lack of access to reasonably priced bank funding holds back families from investing in business and helping their children secure their own futures.

Many Housing New Zealand tenants have proven themselves to be responsible, stable tenants who have sufficient income to rent, buy or enter into a deferred payment scheme to purchase their state house. National believes these tenants should be given a chance to own their own homes and to have an asset that will benefit their families.

National will explore ways to bring about home ownership to people who would otherwise spend their lives paying rent with nothing to show for it other than a roof over their heads.

We want your thoughts on the following:

- Should National allow reliable state tenants to buy their homes on a rent-to-buy or a deferred payment basis?
- Should the Government underwrite the building of social houses, holding the risk for community housing providers, allowing them to build more homes?





Managing Housing New Zealand

"New Zealanders believe in a fair deal. They are willing to pay taxes, donate, and volunteer their time to support those most in need. They expect, however, that those who need help will take responsibility for that which is shared with them. National speaks of this as being about personal responsibility. Social housing is provided by the generosity of taxpayers and no government should permit the abuse of that generosity, so we want to encourage responsibility."

Simon O'Connor

Spokesperson for Social Housing

National proposes to better manage the financial investment in social housing assets to build more and improve the quality of our social housing stock

As of September 2019, Housing New Zealand had 62,901 state houses. A further 6708 homes were contracted for through community housing providers. During our last term in government, National built well over 3000 new state houses. Many of the new homes currently being built were also started by National.

National was also working to rebalance the housing stock by ensuring the right sized homes

were in the right areas. These actions, alongside developments such as the Tamaki Regeneration Project, were coupled with insulating all state houses and ensuring more money was available for maintaining existing homes.

A well-run social housing programme not only leads to efficiencies in management but most importantly, it ensures the right home for the right families. We know individuals and families come with different needs and a social housing system needs to be responsive to these.

National is proposing to review the state housing portfolio to better understand whether the

current stock of houses are the right size, in the right place, and are of a suitable condition for New Zealanders to live in.

Housing New Zealand was providing homes to 180,000 of New Zealand's most vulnerable at the time of the last election. National left the Government with a plan to build 10,500 modern warm and dry state houses over three years.

National believes Housing New Zealand houses should be prioritised for New Zealand's most vulnerable. Often, a family will be granted a Housing New Zealand house but over the course of time circumstances will change, such as the number of children living at home decreasing or the family income substantially rising.

Labour has reversed this policy with predictable consequences. Since it came to office the Housing New Zealand waiting list has doubled. The number of people living in motels and caravan parks while they wait has also tripled under Labour. It may seem like kindness to let people keep a Housing New Zealand house after they no longer need it but the reality of this policy is that those who really need those houses end up missing out.

We also want to explore a Remind, Remedy, Remove system. This would see a housing provider given a warning (reminder) when poor behaviour is demonstrated; assistance to fix an issue (remedy); and in those cases where a tenant refuses to change, they should be removed. National is committed to ensuring that anti-social behaviours, such as violence and drug use, have consequences.

Another question that must be addressed is Housing New Zealand. While we acknowledge the hard work of those within the agency, many people have raised with us whether Housing New Zealand, as currently structured, is fit for purpose.

We want your thoughts on the following:

- Do you agree that the state housing portfolio needs to be reviewed and if so, what areas should we be focusing on?
- Do you agree with the policy of reviewing tenancy needs?
- How should the Government react to anti-social behaviour by state housing tenants?
- Is it time to separate Housing New Zealand into two separate government agencies – one that is responsible for building houses, and another to manage the tenancies?

Community Housing Providers

National is keen to continue engaging with community housing providers and help more people into appropriate accommodation or their own home. The community housing sector has indicated a willingness to do more but needs better support from Government. This may be in the form of rent-to-buy schemes, the development of housing bonds, shared equity schemes, or a policy shift to allow community housing providers access to Housing New Zealand homes.

National is also concerned about drug use in homes and is keen to make sure these homes are safe for everyone, including children.

National proposes to partner with a wider range of community housing providers to ensure local solutions to local housing challenges that support people to move from taxpayer-funded housing into private rental housing.

We want your thoughts on the following:

- Do you agree National should continue to increase the size of the Housing New Zealand estate?
- Should some Housing New Zealand houses be made available to community housing providers to manage?
- Can the services that Housing New Zealand currently provides – be that building and owning homes or providing tenancy management – be better done through community housing providers?

We want your thoughts on the following:

- Should National introduce a dollar for dollar scheme with existing homeless shelters to either improve or expand their facilities and services?
- Do you agree with extending Housing First to help people off the streets and into stable housing, including those with mental health issues?

Homelessness

Any discussion of social housing must acknowledge homelessness.

There are some people whose immediate needs are particularly dire and need to be addressed. The needs of many, if not most, of the people on our streets is a very complex mix of physical and mental health challenges.

Any steps forward need to address not only a place to call home, but a place that provides social, medical, physical, spiritual, and emotional support.

National started the Housing First programme, which focused on first providing roofs over the heads of homeless people and enabling further engagement. We would like to see this programme continue and expand, in cooperation with local councils.

Housing Targets

National wants to reduce the amount of time our most vulnerable wait to be housed.

The Ministry of Social Development has a priority system to assess those most in need of social housing assistance.

While all on this list are in some form of need, those deemed “Priority-A” are people whose need for housing is immediate. They either have no housing, or what they do have is completely inadequate. Over 85 per cent of those waiting for a state house are on the Priority A list

The aim of setting a target will be to reduce the amount of time Priority-A clients spend on the social housing register waiting for a home.

Under Labour, the number of people on the social housing register has continued to rise at an extremely fast pace. When the current Government took over, the median number of days spent waiting for social housing was at a relative low of 49 days. Since then, the wait time has risen quarter on quarter, to sit at 116 days for the three months to the end of September 2019.

That’s an increase of more than double. The list of those waiting for homes has also increased, topping 13,966 in recent months.

- National proposes to introduce a target to reduce the time it takes to house priority clients on the social housing register.

developments specifically for older people. These allow people to live independently, supported and surrounded by a community of other older people, and at a far lower cost than residential care. This works for many older people who don't require around the clock care. For them, a community environment is best as it can reduce loneliness, increase quality of life, and provide the level of support they need.

Senior Housing Developments

National knows that affordable and well-located housing is central to the quality of life for people of all ages, but especially older adults. Ease of accessibility is essential to seniors' health and safety as their physical and cognitive limitations increase.

Research shows 40 per cent of all Australians over the age of 70 enter residential care, which represents a huge cost to the system. The cost-benefit analysis suggests there is a strong rationale for increasing support for people to remain independent for as long as possible.

We can help older people retain their independence with special housing

We want your thoughts on the following:

- How to best support older people to remain in their homes for as long as practical?
- How to encourage and enable families to look after and care for their ageing family members?





Enabling Building and Construction

“National wants to support a strong and stable building and construction sector. We know that volatility continues to adversely affect the industry. We also need to redouble our efforts to reduce the cost of regulations, support businesses and individuals to enter, train and remain in the industry, embrace more innovative products and design, ensure risk is allocated fairly and update legislation covering the industry.”

Andrew Bayly

Spokesperson for Building and Construction

The building and construction sector contributes significantly to employment and the well-being of our families. It accounts for approximately seven per cent of New Zealand’s economic activity but it continues to struggle with its boom-and-bust nature.

Greater Industry Stability

The problems confronting the industry are clear. One is its continuous cycle of highs and lows. During the highs, we hire lots of skilled people, while during the lows they leave the industry, and often the country, in droves. This instability

affects the mental health of many involved in the industry.

It is essential that we have a more sustainable and stable building sector, capable of riding out the peaks and troughs. Government can lead with its procurement policies and practices.

One concern relates to sub-contractors. When construction firms go bust, sub-contractors often suffer through loss of payment for services or, in some cases, getting access to their tools or stock already on-site.

We want your thoughts on the following:

- What do you think can be done to help ensure more stability in this sector?

We want your thoughts on the following:

- Should we also encourage much more competition in the consenting process?

Consents

Developers and builders face continual problems with consenting and a lack of site inspectors. Many councils are slow to process consents and issue Code of Compliance Certificates. The rising cost of consents and delays associated with getting inspectors on site are major problems. We need to standardise the consent process across all councils through changes to the RMA.

We have 67 councils, all operating their own bespoke IT consenting systems with little technical innovation to assist the building inspection process. We need to speed up that process and reduce the time it takes to issue certification. This could involve greater use of electronic verification of completed works, such as the recently developed Artisan system of verification, as well as the storage of building information on an open-access IT platform.

Councils often struggle with hiring and retaining good staff, particularly in the area of consenting. One solution is to allow approved qualified third-party operators to be able to prepare building consent applications and significantly limit the time for those consents to be processed (i.e. five working days). The grounds for requests for further information and/or peer reports could also be restricted.

National is interested in whether the processing of more complicated building consents should be handled by specialist regional consenting organisations, removing the requirement that every council has access to these skills in-house.

Attracting New People

Recent company failures are worrying for reasons other than job losses. They colour perceptions of the industry and its long-term sustainability, particularly among younger people.

A Master Builders' survey in 2018 showed the industry's most important issue was a shortage of skilled people. New Zealand will require an extra 50,000 trained people over the next five years, and they will need increasingly complex skills to keep up with modern building technologies.

The Government's plan to merge 16 polytechnics and Industry Training Organisations (ITOs) into one institute managing apprentices and trainees will put training arrangements at risk. National supports industry as the organiser of industry training.

Most of our 17,000 building firms are one, two or three-person companies. Employer support is vital as taking on someone to train can be a major imposition.

We want your thoughts on the following:

- How can we support people into training and apprenticeships?

Non-conforming Products and Certification

Our product assurance system is not fit for purpose and needs an overhaul. Innovation should be encouraged, but some products imported into New Zealand don't meet our standards.

Certification is a continuing problem. A number of entities with the right to issue CodeMark certificates have recently withdrawn or been forced to cease offering this service.

National believes there should be a high level of scrutiny applied to products that affect a building's integrity and performance, particularly structural and watertight elements, as well as health (heating, ventilation and air conditioning) and fire.

Certification for less riskier products needs to be appropriate on a cascading scale, which includes BRANZ approval and greater use of reliable supplier representations.

Risk-sharing Arrangements

An increasing proportion of risk associated with construction projects is being transferred to building and construction firms. One reason is the sector's instability; when work is hard to get, building firms are forced to take on more risk.

Councils often end up as the last resort when building issues arise. This has made them over-cautious when it comes to reviewing consents and considering new products and technologies.

National wants government procurement processes to adhere to Construction Contracts NZS 3910:2013 and 3915:2005 as a basis for contract negotiations, and ensure risk is allocated fairly. We are also concerned that those directly responsible for defects can liquidate a company and re-emerge later under a new corporate guise.

We want your thoughts on the following:

- Should we consider a building warranty scheme covering structural defects?
- What changes should be made to amend the product approval process to ensure it is fit for purpose?

Building Act and Building Code

The Building Act needs to be updated to reflect modern building practices, including multi-storey buildings, offsite manufacturing, terrace housing, and apartment buildings.

We should also be using the Building Levy to continue to fund the review of building codes to ensure they are fit for purpose and reflect modern building techniques and processes.

We want your thoughts on the following:

- What specifically do you think needs to be updated in the Building Act?

National's RMA and Housing Team 2019



Hon Simon Bridges
National Party Leader



Hon Judith Collins
Spokesperson for
Housing and Urban
Development, Planning
(RMA Reform)



Simon O'Connor
Spokesperson for Social
Housing



Andrew Bayly
Spokesperson for
Building and Construction

Feedback

National's vision

Please fill out the below (feel free to add any additional comments) and post them to:

FREEPOST PARLIAMENT
Hon Judith Collins
Parliament Buildings
Wellington

Post to Parliament is free so you don't need to add a stamp. You can also visit national.org.nz for an online version.

Reform of the Resource Management Act

Replace the Resource Management Act

Agree Disagree

1. National will replace the Resource Management Act.

☐
☐

Development and Environmental Issues

We want your thoughts on the following:

- What should be the aim of reforming resource management laws?

Environmental Defence Society (EDS)

We want your thoughts on the following:

- Do you support the focus of the EDS' proposed changes to the RMA?
- Which proposed changes do you support?
- Which proposed changes do you not support?
- Do you support retaining environment and development/planning in one Act of Parliament?
- Do you support splitting the environment and development (planning) into two separate Acts as other similar jurisdictions have done?

Scotland

We want your thoughts on the following:

- Do you support regional planning authorities?
 - What aspects of the Scottish system do you like?
 - What aspects of the Scottish system do you not like?
 - Do you support the requirement for the council to consider the damage done before deciding to take enforcement action?
-
-

South Australia

We want your thoughts on the following:

- Are there aspects of the South Australian model that we should adopt?
 - What are they?
 - Do you like the concept of an e-portal so all planning applications are accessible online?
 - Do you agree that certain 'food-producing' areas, such as Pukekohe soils, should be protected from urban development?
 - Are there aspects of the South Australian model that you do not agree with? What are they?
-
-

Queensland

We want your thoughts on the following:

- What aspects of the Queensland regime do you support?
 - Do you agree that a development application should be deemed to be an application under the Environmental Protection Act if required?
 - What aspects of the Queensland regime do you not support for New Zealand?
-
-

Splitting the Act

We want your thoughts on the following:

- Should we consider splitting in the RMA into two different Acts?

- What should be covered under different replacement Acts?
 - How should they interact?
 - Should the environment bill return the focus to protecting and enhancing air, water and natural habitat, such as flora and fauna?
-
-

The Role of Central Government

We want your thoughts on the following:

- Does central government need to work more closely with local government on matters of infrastructure planning to support development?
 - Should there be more harmonisation of district and regional plans using common rules?
-
-

A Dedicated Approach for the Environment

We want your thoughts on the following:

- Do we need consents if the rules are adhered to?
 - Should compliance with the environmental bottom lines be enough?
 - Can environmental issues be managed with regulations and enforcement instead of consents?
-
-

Relationship with Māori

We want your thoughts on the following:

- How do you think the consultation process with iwi can be improved?
-

Rural Land Use and the RMA

We want your thoughts on the following:

- Should we restore flexibility to land use so New Zealand is well placed to adapt to global trends?
-

Conclusion

We want your thoughts on the following:

- Do you agree with the direction we are proposing?
 - Do you agree that the RMA has failed both development and the environment?
 - Are there any proposals that you do not agree with and, if so, what are they?
 - What other changes would you like to see?
-
-

Housing and Urban Development

What We Will Do

Agree Disagree

- | | | |
|--|--------------------------|--------------------------|
| 2. National will cancel KiwiBuild, save New Zealand taxpayers wasted money, stop the distraction of KiwiBuild and bring about regulatory reform to planning and RMA rules in order to make housing more affordable and quicker to build. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. National will continue to support an Urban Development Authority to encourage future housing focused around transport hubs and other amenities. | <input type="checkbox"/> | <input type="checkbox"/> |

Helping to Buy a Home

We want your thoughts on the following:

- Should National allow reliable state tenants to buy their homes on a rent-to-buy or a deferred payment basis?
 - Should the Government underwrite the building of social houses, holding the risk for community housing providers, allowing them to build more homes?
-
-

Managing Housing New Zealand

We want your thoughts on the following:

- Do you agree the state housing portfolio needs to be reviewed and if so, what areas should we be focused on?
- Do you agree with the policy of reviewing tenancy needs?
- How should the Government react to anti-social behaviour by state housing tenants?
- Is it time to separate Housing New Zealand into two separate government agencies – one that is responsible for building houses, and another to manage tenancies?

Community Housing Providers

We want your thoughts on the following:

- Do you agree National should continue to increase the size of the Housing New Zealand estate?
- Should some Housing New Zealand houses be made available to community housing providers to manage?
- Can the services that Housing New Zealand currently provides – be that building and owning homes or providing tenancy management – be better done through community housing providers?

Homelessness

We want your thoughts on the following:

- Should National introduce a dollar for dollar scheme with existing homeless shelters to either improve or expand their facilities and services?
- Do you agree with extending Housing First to help people off the streets and into stable housing, including those with mental health issues?

Housing Targets

- | | Agree | Disagree |
|--|--------------------------|--------------------------|
| 4. National proposes to introduce a target to reduce the time it takes to house priority clients on the social housing register. | <input type="checkbox"/> | <input type="checkbox"/> |

Senior Housing Developments

We want your thoughts on the following:

- How do we best support older people to remain in their homes for as long as practical?
- How to encourage and enable families to look after and care for their aging family members?

Enabling Building and Construction

Greater Industry Stability

We want your thoughts on the following:

- What do you think can be done to help ensure more stability in this sector?
-

Consents

We want your thoughts on the following:

- Should we also encourage much more competition in the consenting process?
-

Attracting New People

We want your thoughts on the following:

- How can we support people into training and apprenticeships?
-

Risk-sharing Arrangements

We want your thoughts on the following:

- Should we consider a building warranty scheme covering structural defects?
 - What changes should be made to amend the product approval process to ensure it is fit for purpose?
-

Building Act and Building Code

We want your thoughts on the following:

- What specifically do you think needs to be updated in the Building Act?
-



This document is printed on an environmentally responsible paper.

Funded by the Parliamentary Service. Authorised by S Bridges, Parliament Buildings, Wellington.