



Registered Master Builders Association of New Zealand Incorporated

Submission to the Environment Committee on the Spatial Planning Bill

February 2023

The Registered Master Builders Association submission on the Spatial Planning Bill

The Registered Master Builders Association (RMBA) welcomes the opportunity to submit to the Environment Committee on the *Spatial Planning Bill* (“the SP Bill”).

About RMBA

The RMBA represents over 3,000 commercial and residential builders and are the leading sector advocates on the built environment. Our sector is a key contributor to the New Zealand economy, with every \$1 million spent on house building supporting \$2.6 million across the wider economy. We are working hard to lead the change our sector needs. Ensuring we have the regulatory systems and processes which will enable us to build faster and better. We are supporting our members to grow their capability and business acumen to ensure a strong and healthy sector; to innovate and make the most of new technologies so we meet the climate change challenge; and to attract, train and retain skilled talent. We are proud to be New Zealand’s best builders.

At Master Builders we are committed to transforming the sector and rebuilding our economy. We are focused on building better homes, communities and workplaces, and ultimately better lives for all New Zealanders. We want to ensure that the houses that we build now are accessible, affordable, and appropriate to the needs of our ever-changing society. We are building a better New Zealand.

1. Overarching view

- 1.1. RMBA welcomes the need for resource reform and supports the action taken by Government to reduce the number of plans from 100 to 15 and introduce Spatial Plans which seek to plan for 30+ years. We support the Government and officials for producing the SP Bill and the Natural and Built Environment Bill (NBE Bill).
- 1.2. There are, however, certain sections of the SP Bill that are of concern to RMBA and our members. These include the lack of detail for the governance structure of Regional Spatial Strategies, the lack of sector expertise within the planning and decision-making process, and how local councils intend to implement the new planning regime, and finance or fund infrastructure in future plans.
- 1.3. We recommend greater clarification and legislative amendment throughout the SP Bill. The submission presents a list of key recommendations to influence more efficient outcomes, and it outline issues relevant to RMBA’s members.

2. Recommendations

1. We recommend the Government to provide more detail and certainty on the actions and outcomes of the regional spatial strategy.
2. We recommend expert views to be incorporated within the National Planning Framework (NPF) to ensure that realistic and appropriate outcomes are set and are met.
3. We recommend for plans to focus on being practical and implementable.
4. We recommend providing further clarity on how regional plans will be financed, including funding and financing arrangements, to provide for more certainty of the delivery of projects within regional spatial strategies.

5. We recommend providing further clarity on the roles and responsibilities within government agencies and ministries.

3. Part 1 – More detail required

- 3.1. The SP Bill seeks to determine what level of detail and certainty the regional spatial strategy will be. We recommend more detail as to the projects that the plan wishes to see in areas that have current and expected growth.
- 3.2. The more detail and funding arrangements that a regional spatial strategy has, the more certainty the region will have in relation to delivery of projects. Lack of detail will create uncertainties and contribute to the spread of different interpretations, slowing down processes and outcomes.
- 3.3. We recommend incorporating funding and financing arrangements within clause 19 to provide for more certainty where possible. There are already too many covenants that are cost prohibitive on sites based on developers being conservative.

4. Part 2 - Need for early engagement with affected parties

- 4.1. We are pleased to see that as part of this process, the regional planning committee must provide an opportunity for interested parties and the public to participate in determining the matters to be included in the draft strategy and their relative importance. This is critical in making sure regional spatial strategies address the challenges and opportunities that face the regions over the next 30 years.
- 4.2. However, the legislative wording throughout the SP Bill falls short in addressing engagement with development and construction providers. The engagement with infrastructure providers is explicit but engagement with construction and development providers is non-existent.
- 4.3. Collaborating with local construction and development providers is critical in ensuring that plans are workable, feasible and can be implemented.

5. Part 3 - Need for plans to be practical and implementable

- 5.1. RMBA strongly supports moving from 100 plans to 15. Reducing the number of plans will see greater consistency between local authorities and allow for less architectural and re-do of development designs to suit a particular local authority plan. Although supportive, RMBA does have concerns around whether these changes will produce beneficial outcomes in practice.
- 5.2. The SP Bill seeks to determine what level of detail and certainty the regional spatial strategy will be. We support improving flexibility but also wish to see more detail and practicability as to the projects that the plan wishes to see in areas that have current and expected growth.
- 5.3. Some of the purpose and system outcomes in the SP Bill are likely to conflict with each other in many situations. The current list presents no indication or understanding of how any particular outcome will be achieved. Given the purpose of the SP Bill will affect how use and development is undertaken, in the short term this could create uncertainty for the sector and could slow down or halt construction pipelines.

5.4. We recommend the Government focus on education throughout the transition period to help clarify the purpose of the SP Bill with concrete examples of what the purpose statement means in practice. Education is critical in providing certainty on how the purpose statement is intended to impact future use and construction development.

6. Part 4 - Clarity on how regional plans will be financed

6.1. We recommend the SP Bill be amended to include funding and financing arrangements to provide for more certainty of the delivery of projects within regional spatial strategies.

6.2. We support the SP Bill in allowing for the incorporation of Resource Management Act (RMA) planning documents (i.e. regional policy statement, regional plan or district plan) into regional spatial strategies.

6.3. However, focus should be on funding and building infrastructure as connectivity continues to be a significant problem across regions. A more efficient, monitored and coordinated approach to infrastructure funding and investment by central government, local authorities, and other infrastructure providers needs to be developed.

7. Part 5 - Clarity on roles and responsibilities

7.1. We recommend the Government provide more clarity on roles and responsibilities within government agencies and ministries in relation to both the NBE and the SP Bills. Regional Planning Committees are responsible for developing the regional spatial strategies for each region. However, the SP Bill provides the Minister with powers to intervene and assist under certain circumstances.

7.2. Given the significant powers the Minister has under the NBE Bill, we are concerned that there will not be adequate checks and balances put in place to balance ministerial decision-making with local/regional views.

7.3. We recommend limiting Ministerial powers to intervene if the plan is inconsistent with the NPF or Government priorities.

8. Questions for the Select Committee

8.1. We have several questions that we would like the Select Committee to consider and respond to. These include:

- What are the repercussions, if any, for local authorities if they purposely fail to achieve or implement outcomes within regional spatial strategies?
- Who or what agency will be monitoring the performance and timeframes of committees' decision-making processes?
- Who will be responsible for actions and monitoring of performance in relation to the SP Bill?

9. Conclusion

- 9.1. The Registered Master Builders Association is committed to reform the Resource Management Act to transform the sector and rebuild our economy. We are focused on building more and better homes, communities and workplaces, swiftly and efficiently, contributing to building better lives for all New Zealanders.
- 9.2. We congratulate the Government and officials for producing and presenting a first draft of the Natural and Built Environment and Spatial Planning Bills.
- 9.3. There are many aspects of the current drafting that we support such as establishing long-term regional spatial planning and intentions to increase certainty for future urban development and infrastructure projects. However, we have some concerns on the level of detail provided and how the actions presented will work in practice.
- 9.4. We also recommend extending engagement to development, construction, and infrastructure provider organisations and groups when implementing spatial plans.

We thank you for the opportunity to make this submission.

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