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13 February 2026
Via website Environment Committee website

SUBMISSION TO ENVIRONMENT COMMITTEE ON THE PLANNING BILL

Thank you for the opportunity to submit on the Planning Bill and the Natural Environment Bill.

The Queenstown Lakes District Council (QLDC) supports the Government's direction to reform the Resource Management Act 1991 (RMA). If carefully designed and implemented, the proposed reforms present a significant opportunity to:

- Safeguard and enhance the substantial contribution our District makes to the national economy by facilitating millions of domestic and international visitors who come to experience our nationally recognised Outstanding Natural Features and Landscapes (ONFLs)
- Reduce the substantial administrative and financial burden associated with resource consenting and planning appeals
- Strengthen the alignment of land-use planning with infrastructure funding and strategic investment

While the RMA has provided essential tools for managing subdivision, land use, and development, it has also exposed councils to considerable risk—financially, operationally, and reputationally—through extensive litigation. Some of the country's most influential ONFL-related case law originates from within our District. Paradoxically, this legal environment exists alongside the fact that the protection and stewardship of our natural landscapes enable significant economic activity, generating substantial national and regional GDP through tourism and associated industries.

Our district's identity is deeply tied to its landscapes. Our communities choose to live here because of the mountains, and visitors seek out the unique experiences that our alpine environment offers.

International academic research reinforces this. High-quality landscapes are not simply environmental assets; they are core drivers of economic performance. A global systematic review of 152 studies shows that nature-based tourism generates approximately eight billion visits per year and around USD $600 billion in economic activity, with landscape quality consistently identified as the primary factor influencing tourist demand and willingness to travel.[1]

[1] Gross, M., Pearson, J., Arbieu, U., Riechers, M., Thomsen, S., & Martín-López, B. (2023). Tourists' valuation of nature in protected areas: A systematic review. Ambio.

While our submission focuses on issues of particular relevance to QLDC, we consider that the submission points we raise – supported by the examples and evidence provided – will offer wider value to the development of the new system and contribute meaningfully to the overall quality and practicality of the reforms.

We also acknowledge and support a number of the positions advanced in submissions such as that of Local Government New Zealand (LGNZ).

We trust that the recommendations outlined in this submission will assist in strengthening the Planning Bill. Although the Bill contains several well-considered technical planning provisions, QLDC has significant concerns about particular elements that pose material risks to our operational capacity, strategic planning functions, and broader economic environment.

It is not clear whether the drafting of the Bill fully accounts for the unique local context of the Queenstown Lakes District—context that, if overlooked, has the potential to generate adverse economic impacts locally with consequential effects at the national level. Furthermore, several proposals appear likely to intensify, rather than alleviate, the highly litigious planning environment in which councils and communities currently operate, contrary to the Government's stated objectives.

Accordingly, QLDC's submission is structured around the following key matters:

- **Part A: General Matters of Significance**
- **Part B: Clarification Points**
- **Part C: Supporting Points**
- **Part D: Points QLDC Is Unable to Support**
- **Part E: Other Significant Matters**

For clarity, these categories are intended to mean the following as they relate to our submission:

- **Clarification** points where QLDC seeks detailed guidance or further statutory direction to ensure consistent interpretation and implementation to avoid unnecessary litigation and significant costs to the community.
- **Supporting Points** – where QLDC agrees with, in principle, the intent and direction of the proposed legislative changes
- **Unable to support** – where QLDC considers that, if the Bill proceeds in its current form, it will create significant challenges and systemic risks for local government, communities, and New Zealand's broader planning and economic environment.

QLDC would appreciate the opportunity to be heard at any hearings that may arise from this consultation process.

Thank you once again for the opportunity to provide comments.

Yours sincerely,

John Glover
Mayor

Mike Theelen
Chief Executive

SUBMISSION TO ENVIRONMENT COMMITTEE ON THE PLANNING BILL

1.0 Land use and Planning Context

1.1 Queenstown-Lakes is one of the fastest-growing districts in New Zealand and the country's most sought-after visitor destination. The district has an average daily population of 81,660 (visitors and residents) and a peak daily population of 122,490. By 2055, this is forecast to increase to 147,518 and 221,276 respectively[2]. There are, on average, 0.5 visitors per resident in the district, at peak times this increases to 1.25[3].

1.2 Approximately 97% (**906, 714 ha)** of the district's land area is classified as Outstanding Natural Landscapes and Features (ONFLs). These landscapes are a major drawcard for international visitors and a fundamental contributor to community wellbeing. This unique environment underpins the district's ability to contribute around 30% of New Zealand's total tourism GDP. The district is also a significant driver of national tourism employment: approximately 34% of all tourism sector employees in New Zealand are based in the Queenstown-Lakes District—the highest proportion of any region.[4]

1.3 Of the approximately **906,714 hectares** of Outstanding Natural Features and Landscapes (ONFLs) within the district, the majority is zoned **Rural** (approximately 30%), along with **Rural Lifestyle** and **Rural Residential** zones. Around **10% of ONFL land is in private ownership**, comprising approximately **5,000 land parcels** with a combined land value of **approximately $13 billion**.[5] The remainder of ONFLs is primarily zoned as Open Space (approximately 30%).[6]

[2] https://www.qldc.govt.nz/community/population-and-demand
[3] https://www.qldc.govt.nz/media/4x3b0dnq/qldc-demand-projections-methodology-may-2025.pdf
[4] Infometrics 2024 Tourism GDP data set
[5] Please note that all figures referenced are indicative only and have been derived from analysis of the operative Proposed District Plan GIS overlays. They are provided for contextual purposes and do not represent a detailed economic or valuation assessment.
[6] The Open Space Zone in the QLDC Proposed District Plan provides for Community Purposes, Nature Conservation, and Informal Recreation activities and government owned land.

1.4 In addition to ONFLs, QLDC protects other significant landscapes through the operative Proposed District Plan (PDP). These include the **Wakatipu Basin Rural Amenity Zone (WBRAZ)**, which has an underlying Rural zoning and covers approximately **4,500 hectares**, and **Rural Character Landscapes (RCLs)**, which collectively cover approximately **6,500 hectares**. It is these landscapes that would be considered first for development opportunities (in appropriate places) through Spatial Planning.

2.0 Current Spatial and Structure Planning Context for QLDC

2.1 The growth in resident and visitor populations has posed substantial challenges for QLDC in managing land use, subdivision, development, and infrastructure demands.

2.2 The combined effects of continued population growth, a high proportion of second homes and investment properties, the conversion of housing to short-term visitor accommodation, and significant physical constraints – particularly within the Wakatipu Basin – mean that housing pressures persist across Otago Central Lakes.

2.3 For these reasons, Otago Central Lakes faces a housing challenge that differs from many other parts of the country, and a bespoke response is required. Despite substantial zoned development capacity In Queenstown Lakes (approximately 67,000 plan-enabled dwellings, progressing toward 109,350) and ongoing high levels of construction activity, housing affordability remains out of reach for a significant proportion of the community.

2.4 Against this backdrop, QLDC's current zoning provisions provide sufficient capacity to accommodate more than 30 years of projected growth, reflecting a proactive approach to expanding housing supply ahead of demand.

2.5 In response to these pressures, QLDC has been working strategically across a range of projects, these include:

Project Name	**Description**
City and Regional Deal[7]	Partnering with central government to reinvest value from growth and visitors into infrastructure and affordable housing.
Grow Well Whaiora Urban Growth Partnership	Collaborative long-term spatial planning with Kāi Tahu, the Otago Regional Council (ORC), central government, and local communities has formed the basis of the Grow Well Whaiora Partnership and resulted in the district's first-generation Spatial Plan.
Structure Planning for Priority Growth Areas	Te Tapuae Southern Corridor (~9300 homes)[8] and Te Pūtahi Ladies Mile which will provide for ~1400 homes, potentially more with higher density if the infrastructure is provided.
Urban Intensification Variation	Implementing NPS-UD to increase building heights, densities, and development capacity.

[7] Together with Central Otago District Council and the Otago Regional Council.

[8] https://www.qldc.govt.nz/your-council/council-projects/te-tapuae-southern-corridor/

Economic Diversification [9] and Destination Management Plans[10]	Supporting a resilient and high-value local economy.
Joint Housing Action Plan 2023–2028[11]	Partnership with Kāinga Ora, the Ministry of Housing and Urban Development, Kāi Tahu, and the Queenstown Lakes Community Housing Trust (QLCHT) to address acute housing needs.

2.6 Whilst QLDC is seeking to respond to these pressures through a coordinated approach, fast-track legislation undermines the intent of the established spatial planning framework by enabling development decisions to occur outside it. As a result, QLDC is left managing piecemeal outcomes that weaken coordinated growth management, disrupt infrastructure sequencing, and compromise the effectiveness of spatial planning processes. This, in turn, jeopardises the delivery of housing that is affordable for our communities.

2.7 QLDC considers that the housing challenges facing Otago Central Lakes are distinctive and require a bespoke response. The ability to secure value capture for affordable housing is therefore a critical component of the Otago Central Lakes Regional Deal. One effective means of achieving this is through a proven value-capture mechanism for affordable housing. Under this approach, developers would be required to transfer, at no cost, a minimum of 5% of the residential land area within greenfield developments to a registered Community Housing Provider (CHP). This land would then be used to deliver perpetual affordable housing for both renters and owner-occupiers.

2.8 This mechanism has been successfully implemented in the Queenstown Lakes District through District Plan provisions negotiated as part of private plan changes, as well as through negotiated agreements for Special Housing Areas. These arrangements have resulted in contributions exceeding $55 million in land and financial resources to the Queenstown Lakes Community Housing Trust (QLCHT), a registered CHP. However, the policy tools previously relied upon are no longer available, limiting the ability to continue growing the pipeline of perpetual affordable housing. As a result, a new mechanism is required. QLDC has also contributed in excess of $14 million directly to QLCHT to support the delivery of affordable housing under this model.

2.9 This approach has been demonstrated to be highly effective in delivering perpetual affordable housing. Its effectiveness is underpinned by the removal of land cost from the delivery model, meaning that the land does not require capital investment or a return on capital. In addition, the affordable housing portfolio is owned and managed by a not-for-profit trust that does not seek profit and is required to retain ownership of the land in perpetuity. These features are critical to ensuring that homes remain affordable on a sustainable and long-term basis. Importantly, this model does not require Government capital funding for land acquisition. While alternative mechanisms may be proposed, most rely on direct public capital investment and are therefore less efficient and more constrained.

2.10 **Queenstown Lakes District Council (QLDC) considers that there is an opportunity to amend the Bill to better support coordinated spatial planning and, in doing so, more effectively secure the delivery of quality, affordable housing for residents across the Otago Central Lakes.**

2.11 Since affordable housing is a core Government objective, as set out in the Government Policy Statement on Housing and Urban Development (GPS-HUD), the Planning Bill should be explicitly aligned with and incorporate these objectives. In the Otago Central Lakes context, increasing housing supply alone will not deliver affordable housing

[9] https://www.qldc.govt.nz/media/hmvpntis/queenstown-lakes-economic-diversification-plan_final.pdf

[10] https://cdn.prod.website-files.com/6699dbcdeaea923f22be7378/66f5fbd0b41443d22a3d4c6c_Queenstown_Lakes_Regenerative_Tourism_Plan_420c7b6c-d0a1-4656-bd5d-4026e9ef993f.pdf

[11] https://www.qldc.govt.nz/media/44ijufq0/1a-qldc_joint-housing-action-plan_a4_jun23_v5.pdf

outcomes. A bespoke requirement mandating the provision of affordable housing is therefore necessary to achieve meaningful and enduring outcomes.

2.12 The Bill presents an opportunity to secure quality, affordable housing across Otago Central Lakes in alignment with the Regional Deal ask. It provides a mechanism to include a bespoke condition within a national instrument to require the delivery of perpetual affordable housing. This would apply to both urban and rural land, and be limited to large-scale greenfield developments, including those progressed through plan changes, standard resource consent processes, and approvals under the Fast-track Approvals Bill.

2.13 This represents a significant opportunity to achieve an early and tangible impact for the sub-region. It would complement existing affordable housing policy settings and build on the established delivery capability of the Queenstown Lakes Community Housing Trust. While not a standalone solution, this initiative would form part of a broader suite of measures that could accelerate the achievement of the Government's housing objectives. Queenstown Lakes District Council would welcome the opportunity to contribute to the drafting of this provision.

2.14 QLDC's submission seeks targeted amendments to the Planning Bill, including the removal of particular provisions identified within this submission, to ensure the legislation better supports and enhances the well-considered and effective aspects of the reforms. These changes are necessary to ensure future planning legislation complements the important outcomes of QLDC's ongoing strategic work and improves the efficiency and effectiveness of local authorities' policy development, implementation, and monitoring/enforcement functions.

2.15 The topics discussed in the sections that follow are categorised under the structure outlined above. Each submission point is clearly identified within its relevant category to assist with interpretation and navigation.

2.16 The success of the new system is heavily dependent on the quality, clarity, and sequencing of the National Instruments. Their timely and accurate development is fundamental to ensuring the system operates as intended.

2.17 Before addressing the substantive submission points, QLDC wishes to outline several significant procedural and timing concerns that must be addressed in parallel with the content of the Bills. These general issues have material implications for implementation, resourcing, and the overall workability and success of the new system.

2.18 Accordingly, QLDC wishes to flag several general, overarching concerns regarding the Bills' implementation logic, transitional processes, and areas where key components appear unclear, contradictory, or difficult to operationalise.

Part A – General Matters of Significance

3.0 Timing of Regional Spatial Plans

3.1 The Bill currently requires Draft Regional Spatial Plans to be notified within 15 months of Royal Assent, with decisions issued six months later. However, the first suite of national direction will not be released until nine months after enactment, leaving councils only six months to prepare spatial plans that must give effect to that national direction. This timeframe is not practical and creates a high risk that early spatial plans will be inconsistent with national requirements. QLDC requests that the 15-month timeframe be reset to commence from the release of national direction.

3.2 To ensure high quality and durable Regional Spatial Plans, additional time is essential so that local authorities can:

- fully understand and operationalise new roles and responsibilities under the Bills
- undertake robust analysis, meaningful engagement with iwi partners, communities, and neighbouring councils
- avoid rushed or low-quality plans that undermine long term planning outcomes to meet Central Government goals
- establish the necessary inter council and cross agency relationships that are foundational to spatial planning

3.3 The Bill should also explicitly enable the sub-regional plans, particularly in regions with distinct and diverse sub-regional profiles, where urban environments face different growth pressures, constraints, and housing market dynamics.

3.4 Finally, clarity on the extent and parameters of the standardised zones should be available before spatial plans are prepared. Without this, spatial plans risk being overly broad or misaligned with the zoning framework that will ultimately be required to implement them.

4.0 Process for making a national instrument

4.1 QLDC requests that Territorial Authorities be added to Section 46(1) to ensure they can comment on, and be involved in, the development of national instruments. Given the compressed timeframe—nine months to develop the first national directions and a further six months to prepare the first spatial plan under those directions—early involvement of Territorial Authorities is essential to ensure national instruments are workable, locally informed, and implementation-ready.

5.0 Interaction of the Bills with Other Government Reforms

5.1 QLDC considers that the RMA replacement Bills do not sufficiently connect with other major Government reforms, particularly the *Local Government (Water Services) Act 2025 (LGWSA)*. Under the LGWSA, Regional Spatial Strategies (RSPs) set long-term spatial priorities for growth, sequencing, and infrastructure, while Water Service Strategies provide critical direction for three-waters services to service communities and to facilitate growth. Explicit integration between these instruments is essential to ensure coherent planning and investment decisions, avoid misalignment between growth areas and water-infrastructure provision, and reduce duplication and cost across agencies.

5.2 The Bills will operate largely independently of the LGA and the Local Government (Water Services) Act 2025 (LGWSA). However, as these regimes require the preparation of strategic planning documents at regular intervals, there is a need for the different regimes to interact in a workable manner. This will be important to achieve the stated objectives of regional spatial plans (RSP), which includes supporting a “co-ordinated approach to infrastructure funding and investment” and to “promote integration of development planning”.

Part B - Clarification Points

QLDC seeks detailed guidance, interpretation, and explanation, or further statutory direction to ensure consistent interpretation and implementation on the matters outlined below:

6.0 Part 2 Foundations Subpart 1 – Core provisions for decision making Section 11: Goals

6.1 Under Section 11 of the Planning Bill, the goals define the outcomes the planning system is intended to achieve. There is currently no hierarchy between the nine goals in the Planning Bill (PB), the six goals in the Natural Environment Bill (NEB), or between the two Bills themselves.

6.2 QLDC has concerns about how tensions between these potentially competing objectives will be resolved across separate, though interlinked, pieces of legislation.

6.3 QLDC considers Section 11 to be problematic in four key respects and that amendments and/or clear guidance will be required to address the following issues:

6.4 **Conflict Between Goals and Other Parts of the Bill:** The Bill's stated goals conflict with provisions within the Bill itself, particularly the regulatory relief framework. In the absence of an explicit hierarchy, the requirement to protect ONFLs appears to be deprioritised relative to enabling landowners to "enjoy" their land—despite ONFL protection being a core objective of the Bill.

6.5 This approach risks shifting the financial burden implementing central government direction on ONFL protection onto ratepayers, as the Bill does not clearly recognize and provide for councils to recover the costs of regulatory relief from those who benefit from it. In particular, there is no mechanism to address whether the tourism industry and central government should contribute to the costs of protecting landscape assets that underpin the nation's international reputation and visitor economy. This omission reflects a broader principle that the regulatory relief framework fails to address.

6.6 The resulting tension between competing objectives is likely to generate significant legal challenge, arising from differing interpretations by councils and applicants. This approach is also inconsistent with the treatment of other land-use controls, such as noise contours around industries, state highways, and airports, or setbacks and buffers for quarries and mines, which similarly restrict land use yet are widely accepted and not framed as regulatory relief.

6.7 A further conflict arises where the goals require *"well-functioning urban and rural areas,"* yet the narrowing of the effects framework in Section 14—particularly the removal of amenity considerations—works against the ability to achieve that outcome.

6.8 S**ubjective and vague terminology:** Terms such as *"unreasonably affect others," "economic growth,"* and *"change"* are ambiguous. Without clear definitions, implementation will be uncertain and litigation is likely.

6.9 **Separation of Built and Natural Environment Domains:** The Bills separate the definition and management of the built and natural environments, effectively removing the integrated approach previously provided through Section 5 of the RMA. The Planning Bill focuses on enabling land use and development, while the Natural Environment Bill manages environmental limits and protections. Although intended to clarify roles, this separation will create practical boundary issues (e.g., sediment from earthworks versus broader urban form management).

6.10 **Natural Hazards Alignment:** There is a significant misalignment between natural hazard goals across the two Bills. The Planning Bill requires safeguarding "communities," while the Natural Environment Bill's goal is less specific about protecting people. This discrepancy may create regulatory gaps and perverse outcomes, particularly given QLDC's reliance on ORC's hazard risk identification and mapping functions.

6.11 QLDC requests further clarification and amendment in relation to the following matter:

6.11.1 Additional drafting to clarify the hierarchy (or intended non-hierarchy) of goals and provisions within the Bill

6.11.2 The inclusion of clear definitions or statutory guidance for ambiguous terms used within the goals, to reduce the risk of litigation and avoid prolonged and uncertain consenting processes.

6.11.3 Clear drafting and written guidance on how the built and natural environment domains will operate in practice based on the proposed legislation.

6.11.4 Amendments to ensure both Bills are aligned in relation to natural hazard management.

7.0 New (Narrow) Effects Framework Section 14

7.1 The effects framework in the new system represents a deliberate shift away from the broad and open-ended approach of the RMA toward a more targeted and proportionate "funnel" model. Whereas the RMA required decision-makers to consider almost any potential effect, regardless of scale, the new framework narrows the range of regulated effects to reduce the number of consents and simplify processes.

7.2 Many existing classifications and overlays that QLDC relies on to protect valued landscapes—and that underpin both the district's tourism economy and the nation's wider economy—such as Rural Character Landscapes (RCLs) and the Wakatipu Basin Rural Amenity Zone (WBRAZ), currently embed amenity and landscape considerations within the Proposed District Plan (PDP). These landscapes, alongside ONFLs, are foundational to QLDC's identity and economy: approximately **97% of the district's land area is outstanding or rural landscape**.

7.3 The non-ONFL areas still comprise approximately **819,897 hectares** of non-urban or ONFL-adjacent land. Removing the assessment of visual amenity across such a significant portion of the district will result in the dilution of these landscapes and a loss of their legibility and coherence.

7.4 In this context, QLDC has two major concerns with Section 14 of the Planning Bill:

7.5 Operational Issues: Section 14 takes effect **one month after Royal Assent**, including during the transitional period when both the QLDC Proposed District Plan (PDP) and RMA provisions remain operative. This creates immediate conflict with PDP provisions that rely on amenity and landscape assessments. QLDC anticipates a high volume of queries from applicants and planning consultants seeking clarity on whether these PDP provisions still apply.

7.6 This uncertainty also creates a heightened risk of legal challenge, including judicial review, as it is not clear how decision-makers are to give effect to existing PDP provisions alongside, and in the context of the new and opposing legislative requirements during the transition period.

7.7 **Strategic Issues:** Section 14 ultimately removes the ability to consider key landscape effects other than ONFLs (such as the RCLSs and WBRAZ), despite QLDC and the community investing significant time, resources, and legal effort to develop, test, and defend these landscape overlays. This undermines provisions that support the district's key economic drivers, community expectations, and long-established case law recognising the value of these other landscapes. These landscape protections are central to maintaining QLDC's character, identity, and tourism-driven economy.

7.8 QLDC requests clarification and amendment on the following:

7.8.1 Detailed written guidance from the Ministry on how consent authorities should apply the narrowed effects framework during the transition period while RMA-based plans remain operative.

7.8.2 Redrafting of Section 14 to explicitly enable consent authorities to consider important landscape and amenity effects—particularly for extensive rural and rural-character areas that, while not classified as ONFLs, remain central to the legibility of QLDC's landscape environment, economy, and planning framework.

Part C Supporting Points

Below are the points where QLDC agrees, in principle, with the intent and direction of the proposed legislative changes, noting that local nuances and the aspirations of our communities will also need to be appropriately acknowledged and reflected.

From a technical perspective, the Bills introduce potential benefits, including a more certain resource management system, clearer processes, and fewer grey areas. QLDC welcomes these elements, while strongly emphasising that national direction and guidance must be sufficiently robust and flexible to reflect the unique context and needs of our district.

8.0 Standardised Zoning Provisions Section 78

8.1 QLDC supports the establishment of a consistent zoning framework underpinned by clear national standards. However, national guidance must remain mindful of its effects on meaningful community participation and the costs and complexity councils face when departing from standard zones to address local conditions. Achieving the right balance between efficiency and robust, representative plan-making is therefore essential.

8.2 For instance, QLDC has extensive experience with the use of private covenants across the district, which are commonly applied in both urban and rural environments. These covenants can impose additional land-use restrictions, design requirements, or development controls that operate alongside district plan provisions. In practice, they frequently influence built form outcomes, landscape character, and neighbourhood expectations—sometimes more stringently than the district plan itself.

8.3 Of particular concern are covenants that prohibit or restrict further subdivision. In areas identified as suitable for intensification due to servicing capacity, accessibility, and the relative ease of consenting, such covenants can significantly limit the ability of landowners to use their land in a manner anticipated by planning frameworks. This can undermine the effectiveness of proposed Government policies intended to promote growth and intensification and reduce the practical delivery of development capacity in appropriate locations. Where private covenants prevail, they may therefore frustrate both public policy objectives and the efficient use of urban land, despite enabling provisions within planning instruments.

8.4 Because they are privately administered and legally enforceable between landowners, covenants also shape the way communities engage with planning processes. They can limit the ability of neighbouring landowners or the wider public to advocate for outcomes that align with district-wide planning objectives, as covenants may prevail regardless of council policy direction.

8.5 For these reasons, any national zoning framework or standardised planning tools must be capable of providing a more flexible or proportionate set of tests to allow modifications to standard zoning provisions where necessary to reflect local geography, environmental constraints, and established development patterns. Failure to do so risks creating misalignment between national direction, land use plan provisions, and the private legal instruments that already shape how development occurs on the ground.

8.6 . Compulsory Spatial Planning

9.1 QLDC supports the intent of mandatory spatial plans to align infrastructure and land use, avoiding costly misalignment. This intention is also supported with the NEB's binding environmental limits to ensure thresholds to prevent further environmental degradation.

9.2 However, QLDC requests that Section 64 of the Bill be amended to enable flexibility for a sub-regional plan to be developed. The Simplifying Local Government Bill (SLGB) proposes changes to the governance of regional spatial planning, shifting oversight to the new Combined Territories Boards (CTBs). While the SLGB provides discretion for CTBs to adopt a sub-regional approach, there is a timing challenge given the release of the new Acts and the need to commence Regional Spatial Plan development as soon as possible.

9.3 Otago Central Lakes (OCL) is a sub-regional partnership established to participate in the Government's City and Regional Deal process. It comprises QLDC, the Central Otago District Council (CODC), and the Otago Regional Council (ORC). The proposal focuses on unlocking opportunities for this high-growth region, with a key objective of addressing the sub-region's unique housing and growth challenges by capturing value from growth and visitors and reinvesting it into critical infrastructure and affordable housing through new funding and delivery tools.

9.4 QLDC therefore requests that the Otago Central Lakes (OCL) partnership be explicitly enabled to prepare a sub-regional spatial plan that aligns with, and builds upon, the Otago–Central Lakes Regional Deal. This should be addressed through the inclusion of an exception to section 64, subject to Ministerial approval, to recognise these unique scenarios. In addition, Schedule 2 Part 1 Clause 3 should be amended to require regional spatial plans to give effect to any relevant Regional Deal matters.

9.5 The Bill presents an opportunity to secure quality, affordable housing across Otago Central Lakes in alignment with the Regional Deal ask. It provides a mechanism to include a bespoke condition within a national instrument to require the delivery of perpetual affordable housing. This would apply to both urban and rural land, and be limited to large-scale greenfield developments, including those progressed through plan changes, standard resource consent processes, and approvals under the Fast-track Approvals Bill.

9.6 This represents a significant opportunity to achieve an early and tangible impact for the sub-region. It would complement existing affordable housing policy settings and build on the established delivery capability of the Queenstown Lakes Community Housing Trust. While not a standalone solution, this initiative would form part of a broader suite of measures that could accelerate the achievement of the Government's housing objectives. Queenstown Lakes District Council would welcome the opportunity to contribute to the drafting of this provision.

9.7 There is a strong natural synergy between the issues facing inland Otago and the Otago Central Lakes sub-region, which differ materially from those of coastal Otago. Combining these distinct areas into a single regional spatial planning process would introduce additional complexity and risk, particularly given the short statutory timeframes proposed. Enabling a sub-regional approach would better reflect functional relationships, improve planning outcomes, and support timely and effective implementation.

10.0 The Funnel System

10.1 QLDC acknowledges that some components of the "funnel" architecture are desirable. For example, by narrowing the scope of matters open for debate, the system has the potential to reduce delays and limit objections that are not based on material planning considerations.

10.2 The system similarly moves away from costly processes such as Schedule 1 of the RMA, under which any person may submit regardless of whether they are directly affected. By addressing and resolving certain matters at the national direction level, the funnel has the potential to reduce litigation and streamline planning and consenting processes. QLDC considers there may be some positives in this regard, including cost savings and improved process efficiency.

10.3 QLDC has a highly engaged community**.** In particular, limitations on notification to only those persons deemed to be directly affected may reduce opportunities for broader participation, including from environmental groups who, while not directly affected in a site-specific sense, play an important role in environmental protection and in the consideration of cumulative effects.

10.4 However, QLDC is concerned that the intended efficiencies of the funnel may be undermined by its interaction with other legislation and approval pathways. Fast-Track legislation for significant housing development contrary to appropriate strategic planning is a clear example. Fast-track applications for housing in disconnected unplanned areas are contrary to internationally recognised objectives of spatial planning, which are explicitly designed to involve infrastructure partners in coordinating growth, sequencing, and investment.

10.5 Allowing development to proceed outside agreed spatial sequencing risks undermining infrastructure planning and funding decisions and has the effect of disenfranchising infrastructure providers whose participation in spatial planning is intended to be central to the new system. There is a potentially significant opportunity cost associated with these applications, which undermine the development of well-planned spatial plan priority areas identified to meet Central Government requirements.

10.6 Accordingly, QLDC is particularly concerned that the Bills continue to enable out-of-sequence development through the ongoing reliance on fast-track approval mechanisms. These pathways were originally introduced to address delays under the RMA—delays that the new Bills are intended to resolve through systemic reform. Their continued use risks undermining the primacy of spatial planning as the central mechanism for coordinating integrated growth, infrastructure provision, and investment decision-making.

Part D – Not Able to Support / Oppose

11.0 Regulatory Relief Part 4 of Schedule 3 as referred to in Section 92

11.1 The proposed regulatory relief framework is currently highly uncertain and requires councils to consider the impact of specified planning controls, such as significant historic heritage, Outstanding Natural Landscapes and Features, Sites of Significance to Māori, on landowners when developing plans. Where these impacts are deemed significant, councils must provide "regulatory relief" through mechanisms such as cash payments, rates relief, bonus development rights, no-fee consents, land swaps, or access to grants and expert advice. Councils must therefore be prepared to identify appropriate relief mechanisms and establish frameworks to deliver them when triggered.

11.2 The proposed regulatory relief regime is conceptually unclear, operationally unworkable, and financially untenable for Councils. It conflicts with councils' statutory responsibilities, relied on undefined concepts such as "reasonable use" and "significant impact", creates overlapping appeal pathways, and exposes councils to open-ended liabilities that cannot be planned for through the strategic long-term planning required of all councils.

11.3 The regime should be removed or substantially redesigned, with clear thresholds, defined terms, prospective application, and without shifting Crown obligations and costs onto local authorities and ratepayers.

11.4 Approximately 97% of QLDC's land area is protected as Outstanding Natural Features and Landscapes (ONFLs) or rural landscapes, creating a substantial and largely unquantifiable potential fiscal liability under the proposed regulatory relief framework. As outlined earlier in this submission and supported by quantitative evidence, privately owned ONFL land comprises approximately 5,000 land parcels with an estimated combined land value of around $13 billion.[12]

11.5 The regulatory relief framework provides a wide range of potential compensation mechanisms, including direct financial payments, rates relief, no-fee consents, land swaps, and other forms of non-monetary relief. There is currently no practical or credible methodology for calculating or modelling the cumulative fiscal exposure that could arise if landowners subject to ONFL controls were to seek relief on the basis of impacts on the "reasonable use" of their land without any definition of what 'reasonable use' is.

11.6 If QLDC were required to compensate landowners at or near the value of their land holdings within Outstanding Natural Features and Landscapes (ONFLs), the potential liability could approach $13 billion. This figure could be substantially higher if compensation were required to reflect a landowner's intended use of land for extensive development and sale. Additional ongoing costs would also arise where relief is provided through land swaps, ongoing land management obligations, or foregone cost recovery for consenting services. All such costs would ultimately need to be accounted for through Long-Term Plan processes and funded by the public, and, by the nature of long-term planning, planned for well in advance.

[12] Please note that all figures referenced are indicative only and have been derived from analysis of the operative Proposed District Plan GIS overlays. They are provided for contextual purposes and do not represent a detailed economic or valuation assessment.

11.7 QLDC considers this level of fiscal exposure to be unacceptable, unmanageable, and inconsistent with sound public finance principles, particularly where councils are being required to implement nationally directed landscape protection outcomes. QLDC will be required, under the Planning Bill goals (Section 11), to protect these landscapes. However, the regulatory relief threshold— "significantly impacting landowner's reasonable use of land"—is broad, easily contestable, and sets a lower bar than the RMA. This could result in QLDC being compelled to provide compensation funded through Long Term Plan budgets when landowners challenge ONFL protections.

11.8 It is concerning that the proposed system may empower the Courts to direct councils to make such payments. QLDC considers this inappropriate and a misuse of public funds. For QLDC, where litigation rates are already high, the introduction of a compensation-based regime will significantly increase legal challenges. While other districts with limited ONFL coverage may not face the same level of risk, for QLDC this exposure is unavoidable due to the scale of protected landscapes.

11.9 The vagueness of the Bill, combined with the lowered threshold for seeking regulatory relief, will create substantial legal uncertainty. Terms such as "reasonable use of land" and "significant impact on the reasonable use of land" are ambiguous and will inevitably leave gaps that enable landowners to argue—and litigate—over what constitutes reasonable use, even under nationally directed zoning arrangements.

11.10 Even if councils are successful in arguing that a landowner's proposal represents an unreasonable use of land, there remains a significant cost associated with defending that position in an unclear regulatory environment where key definitions are absent from the enabling legislation. Further, given the high value of land and the restrictions currently required to protect significant landscapes under existing legislative requirements, there is a strong incentive for landowners to challenge councils in order to obtain regulatory relief, even where such relief may be unreasonable. This is likely to place an untenable burden on councils and ratepayers in terms of the resources and funding required to respond to and defend these challenges.

11.11 The litigation risk would be further compounded where central government enables a broader range of activities through the identification of standard zones or requires QLDC to apply a standard urban zone to areas currently zoned rural. In such circumstances, the Council would be exposed to heightened legal challenge and significant costs under the regulatory relief framework, as decisions would be driven by centrally determined zoning and activity expectations that may conflict with local landscape constraints and community outcomes.

11.12 QLDC opposes regulatory relief provisions in the Bill and therefore requests that the regulatory relief provisions be removed in their entirety from the proposed Bill.

11.13 If the regulatory relief provisions remain, QLDC requests the Ministry to:

- Define what constitutes a 'significant impact on the reasonable use of land' and provide guidance to support this and improve the definition of "impact" and ensure it is not circular
- Reverse the onus currently placed on local authorities and instead place the onus on affected persons to apply for relief where they consider themselves to be significantly affected, and to meet the full costs of such challenges. This would help avoid placing an undue burden on ratepayers in an already highly litigated environment within QLDC, characterised by high land values and strong incentives for landowners to challenge council decisions.

- Remove the Environment Court's ability to direct the use of financial tools like rates relief

12.0 Permitted Activity Rules Section 38

12.1 Under the new system, the registration of permitted activities functions as a gatekeeping process. Councils must verify that specified criteria are met before an activity can proceed without consent. Under Section 180, an applicant must notify the authority in writing and demonstrate how they meet the rule conditions. The authority then has 10 working days to determine whether the conditions are met and, if so, to register the activity and commence monitoring.

12.2 QLDC currently has no capacity to perform this new statutory duty. Significant staff time would be required to assess whether permitted activities meet the necessary conditions such as, certificates of compliance under the RMA, and every such activity must then be monitored. This creates major operational pressure, requiring new resources, systems, and ongoing monitoring capabilities. Although some cost recovery is allowed, the increase in permitted activities will create a high-volume, low-value workload that QLDC is not equipped to deliver under existing resourcing.

12.3 The combination of mandatory registration (s38) and mandatory monitoring (s180) imposes substantial operational and strategic resourcing requirements. Council would need to determine whether to scale capacity (additional FTEs, training, systems), adjust fees and charges within statutory limits, invest in new technology (e.g., online registration systems, automated condition checks, field monitoring tools), and set performance targets to meet statutory timeframes such as the 10-working-day determination period.

12.4 Some of these costs would need to be recovered through Long Term Plan processes, placing additional pressure on rates and funding allocations. The monitoring obligations also create a heightened risk of community dissatisfaction, as Council staff will be required to actively verify activities that landowners have self-declared as compliant—potentially leading to perceptions of increased council intrusion or enforcement activity.

12.5 **QLDC therefore requests that the permitted activity registration process be removed from the proposed Bill, or alternatively that the onus on councils to pre-emptively monitor compliance—particularly in the absence of a substantiated complaint—be removed.**

Part E Other Significant Matters

13.0 Climate change

13.1 QLDC is concerned that the Planning Bill adopts a markedly different approach to climate change than the RMA. The Bill's emphasis on enabling development and strengthening property rights is not balanced with explicit requirements for climate change mitigation or adaptation.

13.2 The Bill omits the RMA's explicit reference to the "effects of climate change" (formerly in RMA section 7), which required decision makers to *"have particular regard to"* these effects as part of the legislation's guiding principles. The lack of any equivalent direction in the Planning Bill results in a significantly weaker statutory stance on addressing climate change. It is unclear whether the Government's position on predicted climate change and its associated effects has changed.

13.3 QLDC is also concerned that the Bill does not give sufficient recognition to the significant and wide-ranging long-term economic impacts of climate change. Without clear statutory emphasis, councils may be hindered

in planning for climate resilience and managing the increasing risks facing communities, infrastructure, and the natural environment.

13.4 QLDC therefore considers that the Bill must be amended to more explicitly address climate change across all decision-making processes to ensure New Zealanders are appropriately protected from and prepared for adverse implications of predicted climate change. A strengthened framework is essential to ensure the new planning system can meaningfully support emissions-reduction objectives and climate-resilience goals.

14.0 Te Tiriti Obligations

14.1 The Bills weaken the RMA's longstanding protections for Māori interests by removing key Part 2 provisions and replacing them with lower-level participation requirements.

14.2 Clauses 9 and 10, relating to Treaty settlement provisions, risk compelling councils to reinterpret Crown settlement arrangements—an inappropriate and unintended transfer of Crown obligations to local authorities.

14.3 QLDC requests that clear statutory obligations to uphold Te Tiriti o Waitangi principles, provide for Māori interests, and maintain the integrity of existing Treaty settlements be reinstated in the new legislative framework.

15.0 Schedule 2 Matters

15.1 QLDC requests that Schedule 2, Clause 14(c) be amended to provide greater flexibility for the public submission period on Draft Spatial Plans. The current limit of 20 working days is insufficient given the complexity, scope, and long-term significance of these plans. A longer submission period is necessary to enable meaningful community participation and high-quality feedback, particularly in the Queenstown-Lakes District where community engagement in planning outcomes is consistently high.

15.2 QLDC seeks clarification on the meaning of "gross pattern of urban, rural, industrial and other developments" within the **Schedule 2, Clause 3(1)(i)**. The terminology is ambiguous, and further guidance is required to ensure consistent interpretation and application across regions.

ENDS