

### Full Council

4 September 2025

#### Report for Agenda Item | Rīpoata moto e Rāraki take [2]

**Department:** Strategy & Policy

**Title | Taitara:** Retrospective approval of the Queenstown Lakes District Council submissions on the Resource Management National Direction

#### Purpose of the Report | Te Take mō te Pūroko

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The purpose of this report is to seek Council's retrospective approval of the Queenstown Lakes District Council (QLDC) submissions to the Ministry for the Environment and the Ministry for Housing and Urban Development on the proposed new and amended resource management national direction.

#### Recommendation | Kā Tūtohuka

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That the Council:


1. **Note** the information provided in this report on the proposed new and amended resource management national direction; and
2. **Approve** retrospectively QLDC's submission to the Ministry for the Environment on the Resource Management National Direction Infrastructure, Development and Primary Sector [Attachment A].
3. **Approve** retrospectively QLDC's submission to the Ministry for Housing and Urban Development on the Going for Housing Growth Discussion Document [Attachment B].

**Prepared by:**



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8 August 2025

**Reviewed and Authorised by:**



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12 August 2025

### Context | Horopaki

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1. QLDC makes submissions on proposals that could have a significant impact on the district. This paper seeks retrospective approval of submissions where the consultation timeframes do not align with a Council meeting. Officers are currently reviewing QLDC's approach to submitting on external policy processes and intend to seek Council approval of a revised approach at the start of the new triennium.
2. The government has been engaging in a three-phase reform of the resource management system. Phase Two includes targeted changes within the current resource management system to improve its performance, including introducing new and amended national directions.
3. National direction supports local decision-making under the Resource Management Act 1991 (RMA), can direct plan changes, provide policy guidance for resource consent decisions and introduces nationally consistent rules and environmental standards. The government recently consulted on four packages of proposed new or amended national directions:
  1. Package 1: Infrastructure and Development.
  2. Package 2: Primary Sector.
  3. Package 3: Freshwater.
  4. Package 4: Going for Housing Growth.
4. Engagement on the packages 1-3 was open between 29 May and 27 July 2025. QLDC's submission to the Ministry for the Environment (MfE) on the Resource Management National Direction Infrastructure, Development and Primary Sector (packages 1-2) was circulated to Councillors between 17 July – 23 July for feedback. The Council's submission is included as Attachment A.
5. Package 4 was released later, and engagement was open between 18 June and 17 August 2025. QLDC's submission to Ministry for Housing and Urban Development (MHUD) on the Going for Housing Growth Discussion Document was circulated to Councillors between 6 August – 13 August. The Council's submission is included as Attachment B.
6. QLDC did not make a submission on package 3 as further consultation is planned for later this year through a more detailed exposure draft. It is considered preferable for QLDC to submit at this later stage when there is further detail about the proposed changes.

### Analysis and Advice | Tatāritaka me kā Tohutohu

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#### **Infrastructure, Development and Primary Sector National Direction (package 1-2):**

7. Due to the scale of national directions being consulted on (as part of this package and others) and the timing of the consultation period, the submission focusses on the following instruments:
  - a. National Policy Statement for Infrastructure (NPS-I).

- b. National Environmental Standards for Granny Flats (NES-GF).
  - c. National Environmental Standards for Papakāinga (NES-P).
  - d. National Policy Statement for Natural Hazards (NPS-NH).
  - e. Amended National Policy Statement for Highly Productive Land (NPS-HPL).
8. The submission supports the intent of the national direction reforms to simplify and improve resource management within Aotearoa New Zealand and makes the following overarching comments:
- a. Resource management national direction must be enduring to ensure long-term certainty and stability for councils and anyone implementing planning and environmental regulations.
  - b. Clear guidance is needed on how different National Policy Statements and Environmental Standards interact, and which instruments would take precedence when overlapping provisions apply. This is essential to provide councils with support to reconcile multiple instruments and to provide certainty during plan-making and consenting processes.
  - c. The draft national direction packages do not include national direction on Outstanding Natural Landscapes and Features (ONL/Fs). As 97% of the Queenstown Lakes District's land area is classed as ONL/F, which is of critical importance to the national and international tourism sector and the local community. QLDC was strongly supportive of clear national direction to ensure the ongoing protection and preservation of these significant landscapes.
9. National Policy Statement for Infrastructure (NPS-I): The intent behind the proposed NPS-I, particularly that decision-makers must recognise the national, regional, and local benefits of infrastructure and that infrastructure often has specific location and design requirements that must be explicitly considered and provided for in decisions, is supported. These considerations are critical for QLD which is facing significant growth pressures in a unique and constrained geographical context. The submission recommends that the proposed NPS-I further strengthens the linkage between spatial plans and infrastructure planning to manage interfacing activities and plan comprehensive, efficient development of areas. Additionally, it recommends that some definitions are refined, and further guidance is provided for decision-makers to ensure clear and consistent decision-making.

10. National Environmental Standards for Granny Flats (NES-GF): The intent of NES-GF to enable housing supply and the provision for local authorities to maintain more lenient standards is supported. Residential flats have been an important source of housing for a considerable period of time in urban zones across the QLD and are enabled through the Proposed District Plan. Minor changes to permitted activities are recommended to support the intended outcomes and implementation of proposed NES-GF (i.e., floor area, building setbacks, site coverage and maximum distances from primary dwellings in sensitive rural environments).
11. National Environmental Standards for Papakāinga (NES-P): The intent of the NES-P is supported. Recommendations seek clarification on details of the permitted activities (i.e., for ancillary activities) and that terminology used in NES-P is with that in National Planning Standards and the RMA.
12. National Policy Statement for Natural Hazards (NPS-NH): The proposed new NPS-NH is recognised as a positive step towards the implementation of a consistent risk-based approach to land use decision-making. It recommends that the proposed NPS-NH provides clearer directive on the proportionate response for local authorities at each level of risk, for known risks, and how/when management of risks would be undertaken as risks evolve. Also, that the NPS-NH considers options to improve natural hazard risk management for existing development, including by managing existing uses and provides decision-makers with further guidance (i.e., on best available information, direct when assessments should be undertaken).
13. National Policy Statement for Highly Productive Land (NPS-HPL): The amendments to the NPS-HPL are generally supported by QLDC alongside its Regional Deal partners Otago Regional Council and Central Otago District Council. Recommendations seek clarity as to whether the amendments would retain the ability for councils to map and protect land not classified as LUC 1-2 and that timelines for mapping are suspended so it can be completed through the new resource management system.

## **Options**

14. This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002 (LGA).
15. Option 1 Agree to retrospectively approve the contents of the attached submission to MfE.

### *Advantages:*

- The submission will be considered by MfE in the process of finalising the national direction instruments. Feedback may influence changes which improve implementation or outcomes of future national direction.

*Disadvantages:*

- No disadvantages to this option.

16. Option 2 Request that MfE withdraw the submission.

*Advantages:*

- If the position of QLDC is inaccurate in the submission, it could be removed from the public record going forward.

*Disadvantages:*

- Withdrawal of the submission would not correct any influence the submission has already had on the views of the select committee members.

17. This report recommends **Option 1** for addressing this matter to ensure that Council's position on national direction packages 1-2 and detailed feedback on instruments is considered by MfE.

**Going for Housing Growth Discussion Document (package 4)**

18. The submission is largely supportive of the changes signalled in the Going for Housing Growth Discussion Document (the discussion document). In particular, the proposed changes to strengthen strategic planning to achieve better integration between planning and infrastructure, to ensure cost effective infrastructure delivery that achieves coordinated strategic growth is supported.

19. The submission outlines that housing supply is one component of good urban development, and it must also focus on well-designed town centres, neighbourhoods and access to transport, education, healthcare, and other services. It also notes that good housing and urban development outcomes are unique for different districts. For the Queenstown Lakes District, this includes finding an appropriate balance between keeping pace and enabling sufficient growth and protecting outstanding natural landscapes which are key to the regions ongoing contribution to the tourism sector.

20. A key point is that the main barrier to development in the Queenstown Lakes District has not been the availability of zoned land, but rather the timely provision of infrastructure to support development on already-zoned land. The submission strongly recommends that new system adopts a network-wide approach and reflects all infrastructure providers (e.g., education, health, energy, transport), including social infrastructure to ensure growth is co-ordinated and future proofed.

21. The submission notes that more information on the funding and financing settings (Pillar 2) is required to ensure councils can comprehensively assess signaled changes alongside funding mechanisms for infrastructure enabled through district plans.
22. The proposed requirements for councils to be responsive to unanticipated or out-of-sequence developments were highlighted as a concern, the submission emphasised that these requirements must not compromise planned growth. It is recommended that the new system provides councils with the ability to prioritise developments in Priority Development Areas (identified within spatial plans) when considering out-of-sequence developments and charge for the time of Council in the process (including consultant fees). The submission strongly recommends that the direction for 'growth pays for growth' to be reflected in Pillar 2.
23. The submission recommends that the new system should takes a 'whole of area' approach, by requiring developers of out-of-sequence projects to work alongside councils for the broader and integrated planning of the area to ensure areas are future-proofed for infrastructure provision, development of the area and any trunk upgrades (i.e., access, road connections, three waters, electricity). This is to avoid multiple disjointed small scale infrastructure solutions for growth areas that would be far more effectively and efficiently served by single large-scale solutions that facilitate growth, reasonable maintenance and replacement requirements for ratepayers.
24. The Queenstown Lakes District has a context different to most districts, with the vast majority of land classified as ONL/Fs and significant demand for urban growth. These geographical and growth conditions generate land affordability, infrastructure capacity and resilience challenges. Therefore, ensuring that the new system provides local authorities with flexibility to manage local resource management issues and planning (i.e., growth projections, development capacity tests) is supported.
25. Currently QLDC is enabling key public transport corridors and ensuring there is enough plan-enabled housing and business development capacity. The submission seeks confirmation that the proposed amendments to intensification requirements continue to only apply to Tier 1 authorities.

## **Options**

26. This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002 (LGA).
27. Option 1 Agree to retrospectively approve the contents of the attached submission to MHUD.

### *Advantages:*

- The submission will be considered by MHUD and influence direction set in Phase 3 of the resource management reform.

### *Disadvantages:*

- No disadvantages to this option.

28. Option 2 Request that MHUD withdraw the submission.

### *Advantages:*

- If the position of QLDC is inaccurate in the submission, it could be removed from the public record going forward.

### *Disadvantages:*

- Withdrawal of the submission would not correct any influence the submission has already had on the views of MHUD officials.

29. This report recommends **Option 1** for addressing this matter to ensure that Council's position on the Going for Housing Growth Discussion Document is considered by MHUD as part of Phase Three of resource management reforms.

## Consultation Process | Hātepe Matapaki

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### Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

30. The decision to make a submission on these matters is of low significance, as determined by reference to criteria set out in the Council's Significance and Engagement Policy 2024.

31. The persons who are affected by or interested in this matter are residents, ratepayers and visitors of the district.

### Māori Consultation | Iwi Rūnaka

32. Council did not engage with Iwi or Rūnaka in preparing the submissions.

## Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

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33. This matter relates to the Strategic/Political/Reputation risk category. It is associated with:

- RISK10006 Ineffective planning for property and infrastructure within the QLDC Risk Register. This risk has been assessed as having a high residual risk rating.
- RISK10009 Strategy for growth fails to meet objectives within the QLDC Risk Register. This risk has been assessed as having a high residual risk rating.

- RISK10056 Ineffective provision for the future planning and development needs of the district within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.

34. The approval of the recommended options will support Council by allowing it to implement additional controls for this risk. Future changes in government policy, legislation and regulation will be monitored so issues that directly affect QLDC and the district's community can be addressed.

### Financial Implications | Kā Riteka ā-Pūtea

35. There are no financial implications for Council to submit on this consultation.

### Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

36. The recommended option is consistent with the principles set out in the following policies, plans and strategies:

- QLDC Strategic Framework;
- Vision Beyond 2050;
- 30 Year Infrastructure Strategy;
- Climate and Biodiversity Plan;
- The QLD Spatial Plan;
- Operational and Proposed District Plan;
- 2024-34 Long Term Plan; and,
- Waste Management and Minimisation Plan.

### Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kiaka

37. Section 10 of the LGA states the purpose of local government is:

- a. to enable democratic local decision-making and action by, and on behalf of, communities; and
- b. to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

38. Feedback provided by QLDC in the submissions will guide decision making across both processes to better prioritise the social, economic, environmental, and cultural wellbeing of the district's present and future communities. As such, the recommendations in this report are appropriate and within the ambit of Section 10 of the LGA.

39. The recommended option to retrospectively approve the submission:

- Can be implemented through current funding under Council's Long Term Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council or transfer the ownership or control of a strategic asset to or from the Council.

### Attachments | Kā Tāpirihaka

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A	QLDC Submission to the MfE on Infrastructure, Development and Primary Sector National Direction
B	QLDC Submission to the MHUD on Going for Housing Growth Discussion Document