

25 July 2025

Secretary for the Environment Ministry for the Environment ndprogramme@mfe.govt.nz

Dear James,

LGNZ welcomes the opportunity to submit on the Government's package of changes to national direction.

LGNZ supports the need to reform the country's resource management system, through both improving how the current system operates and, eventually, replacing the Resource Management Act (RMA) with a new regime entirely, as the Government intends to do.

There is widespread agreement that the RMA has failed in its goal of promoting the sustainable management of natural and physical resources. For decades it has caused needless complexity and uncertainty for New Zealanders who, either directly or indirectly, are affected by the RMA in their day-to-day lives.

The lack of national direction for much of the RMA's lifespan has contributed significantly to these issues. LGNZ supports rectifying this, provided it does not overcorrect and nullify the local voice and autonomy of councils in doing so.

This submission focuses on Package 1: Infrastructure and Development. For feedback on packages 2 and 3 (as well as those aspects of package 1 not covered here) we would encourage the Government to consider the submissions of Te Uru Kahika and Taituarā, who we work closely with. They have provided detailed feedback on behalf of councils. It will also be vital for you to engage with submissions from individual councils, who will be responsible for interpreting and implementing this national direction to ensure the final product is workable and delivers on the Government's goals.

Our submission on Package 4: Going for Housing Growth, will be sent separately.

We welcome new national direction to support infrastructure and development, but the wider system needs to support its intent in order for it to be effective

Local government shares the frustration about the difficulties often encountered when trying to get key infrastructure consented and built.

We support the introduction of an NPS for Infrastructure that delivers a clear message about its benefits and helps resolve some of the tensions that have contributed to undue delay and added costs in the past. While we are confident that councils already largely adhere to the principles outlined in the draft provisions, it is nonetheless helpful to be explicit about them.



It is not clear to us why electricity transmission and renewable generation warrant their own separate National Policy Statements, given most other types of infrastructure are not afforded their own statements and the content seems to track closely to what is in the proposed NPS – Infrastructure. It also appears to contradict the Government's goal of simplifying and consolidating the various parts of our resource management system. We encourage the Government to consider greater consolidation in this space, or otherwise to clarify why these areas have been separated out when others (such as transport, for example) have not.

We support the need for decisions around infrastructure to have regard to spatial planning and other strategic exercises. This, however, needs to be accompanied by a rationalisation of the strategic infrastructure planning system, which currently feature a vast amount of documents and exercises across central and local government. We hope that the work being undertaken to establish mandatory spatial planning as part of stage 3 of the resource management reforms take this system-wide view and address any duplication or overcomplexity.

We note that under Policy 4 – "Enabling the efficient and timely operation and delivery of infrastructure activities", it is stated that "it is the role of the infrastructure provider to identify the preferred location for the infrastructure activity". We argue that while providers should obviously have a key role in this process, they need to collaborate with other stakeholders, and take spatial planning and other relevant strategic work into account. We encourage the Government to make those points clear.

To get the most out of these changes, local government needs to be better resourced to do its job. We were pleased to see the Government's announcement on its proposed new development levies earlier this year. These will better allow councils to build and maintain the infrastructure needed to accommodate and encourage growth. However, funding and financing settings for councils remain a significant issue for our members. More needs to be done to address the systemic disincentives that affect the ability of councils to be effective stewards of the approximately 25% of the country's infrastructure they are responsible for.

Cooperation between central and local government cooperation also needs improvement to get the most of the proposed new national direction. We support the Government's regional deals framework, and want to see greater pace in negotiating and agreeing these deals to deliver better alignment between councils, the Beehive, and other key stakeholders.

Key decisions around adaptation need to follow national direction on natural hazards

We <u>continue to support</u> the establishment of a standardised national framework for natural hazards — and climate change — decision making. It should include standardised terminology, mapping and risk assessment methodologies and definition of risk thresholds. It should also identify which risks should be assessed and to what extent, and establish clear processes for determining risk tolerance, underpinned by better information and evidence. We'd also expect to see the issues of funding, capability and capacity addressed.

The Government's proposals in the consultation document are a step in the right direction; however, we would like to see less risk of councils having their decision making challenged through clearer direction in this NPS on matters where a nationally consistent approach is preferable. We also note the Government is progressing further work in this space through national climate adaptation framework



legislation and replacement legislation for the CDEM Act. We look forward to engaging with this in the future.

The Government giving itself the power to intervene in council plans is bad lawmaking and undermines local voice

While we understand this isn't technically within the scope of this consultation, LGNZ is deeply concerned about the Government's announcement that it will amend legislation currently before the House to give itself the power to "to modify or remove provisions in local council plans if they negatively impact economic growth, development capacity, or employment". While we have not yet seen the detail of these proposed new powers, they appear incredibly broad and represent a radical imposition on the autonomy of councils.

It is also deeply concerning that these powers are being inserted in legislation that has already been considered by Select Committee, removing the ability of councils (or anyone) to have their voice heard on them. We would urge the Government to reverse its decision to move ahead with these powers.

Conclusion

LGNZ thanks the Ministry for the opportunity to submit on the proposed changes to national direction. We would be happy to work with the Government on the issues raised in our submission. For further information or if we can be of any assistance, please contact William Blackler, Senior Policy Advisor, at William.blackler@lgnz.co.nz.

Yours sincerely,

Sam Broughton President

Local Government New Zealand