# **Impact Summary: National Planning Standards**

## Section 1: General information

## **Purpose**

This analysis and advice has been produced for the purpose of informing key policy decisions to be taken by Cabinet, the Minister for the Environment and the Minister of Conservation in relation to the scope of the first set of National Planning Standards (planning standards), as well as the appropriateness of the first draft of the planning standards to be included in a consultation package. Future sets of planning standards may have a broader scope as outlined within this Regulatory Impact Statement (RIS). The Ministry for the Environment (the Ministry) is solely responsible for the analysis and advice set out in this RIS, except as otherwise explicitly indicated.

### **Key Limitations or Constraints on Analysis**

- This analysis of the planning standards is limited by the requirements within the Resource Management Act 1991 (RMA), which mandates that the first set of planning standards must be completed by April 2019, and what this first set must include. Section 58G of the RMA states that:
  - (2) The first set of national planning standards must include the following minimum requirements (the minimum requirements):
    - (a) a structure and form for policy statements and plans, including references to relevant national policy statements, national environmental standards, and regulations made under this Act; and
    - (b) definitions; and
    - (c) requirements for the electronic functionality and accessibility of policy statements and plans.
- Therefore, a 'do nothing' option cannot be considered in this case. Rather, this RIS considers whether or not more than the minimum mandated planning standards should be promulgated. If more than the mandated planning standards are promulgated, this RIS also considers how much more would be optimal.
- The Ministry must also produce an Evaluation Report under Section 32 of the RMA during the process of developing the planning standards. This is a more detailed and comprehensive report, that considers the appropriateness of what is proposed against the purpose of the RMA. It also provides a detailed analysis of the costs and benefits of each proposal. This report will be published on the Ministry for the Environment's website, and should be read in conjunction with this report.
  - 5. The Ministry has a high level of confidence in the evidence used and the amount of consultation and collaboration with councils undertaken in the course of developing the planning standards.

Katherine Wilson Director Resource Management System Ministry for the Environment

## Section 2: Problem definition and objectives

## 2.1 What is the policy problem or opportunity?

- The RMA is a devolved system, in which councils have the ability to tailor their individual regional and district plans and policy statements to their particular circumstances and community. This has led to a large amount of variation - these plans and statements are currently inconsistently formatted and drafted, and are time- and resource-intensive to prepare and use. This is because councils have generally developed their plans and policy statements independently of each other, and without any standard structure or format as a reference point. This raises the question of whether or not there is too much variability in matters that do not require local variation between council plans and statements.
- 7. This situation has created a number of problems, including that:
  - using council plans and policy statements can be costly and time-consuming for the public, RMA consultants, environmental non-government organisations, businesses and other groups, particularly when using more than one plan
  - some plans and policy statements are overly complex, making them difficult to use
  - council implementation of national direction is inconsistent
  - it requires a lot of resource for councils to develop content that does not affect local planning provisions
  - best planning practice is not routinely applied
  - Ministry guidance alone is not sufficient to address variation problems<sup>1</sup>.
- Central government has provided guidance to address some of these issues through the Quality Planning website. This guidance has had limited effectiveness in standardising plans.
- The problem of inconsistent plans and policy statements was defined and canvassed during the legislative process for the Resource Legislation Amendment Act 2017 (RLAA), when the concept of the planning standards was introduced. The variety and complexity of RMA plans has also been identified as an issue for many years, and many parties have suggested a "Template Plan" since the RMA was introduced in 1991. The Ministry began work on a template plan called the "Arcadia" plan in 1999, before focusing on producing best practice guidance.
- 10. To address this issue, nine sections<sup>2</sup> where added to the RMA by the RLAA. This section mandates the Ministry to develop the first set of National Planning Standards. The purpose of the planning standards is to set out requirements (around the structure, format or content of RMA plans) to create national consistency in resource management plans. The first set of planning standards promulgated must include a structure and form for local government plans and policies, standard definitions and requirements for these plans and policies to be electronically accessible. The requirement to create the first set of planning standards and the reasoning for the planning standards themselves was discussed in the RLAA RIS.
- 11. Introducing the planning standards will support the implementation of National Environmental Standards, National Policy Statements and regulations under the RMA. It will make plans and policy statements easier to understand and comply with.
- 12. The planning standards are an opportunity to standardise the basic elements of RMA plans and policy statements. They are intended to improve consistency in plan and policy statement structure, format and content so they are easier to prepare and compare. The planning standards are also intended to reduce the complexity and cost of creating plans and policy statements and improve the user-friendliness of plans and policy statements.
- 13. This RIS proposes a set of planning standards that create an appropriate level of standardisation, that is also able to be implemented within reasonable timeframes and existing council resources wherever possible.

<sup>&</sup>lt;sup>1</sup> Ministry for the Environment. 2017. Introduction to the National Planning Standards Wellington: Ministry for the Environment.

<sup>&</sup>lt;sup>2</sup> Section s 58B to 58 J of the RMA.

#### **Objectives**

14. The first three objectives used in this RIS to assess the options for the National Planning Standards are based on the requirements of the Act, and the purpose of the planning standards. The fourth objective is based on the practicality and feasibility of implementation of the planning standards which is a critical success factor for the planning standards as a whole.

## Objective 1: An appropriate level of standardisation is achieved for matters that don't need local variation.

- 15. There are certain things that all plans and policy statements have to cover, and some of these can be standardised nationally. Achieving this objective should mean that helps local authorities and businesses spend less time on issues that can easily be standardised across the country, without affecting issues that require local variation and community input.
- 16. In addition, due to the differing layout of plans and policy statements around the country, the implementation of national direction has in some cases been patchy, and can be difficult to track for the Ministry. Having a standardised way of incorporating national direction will help councils spend less time doing this, and allow central government to more easily monitor the implementation of national direction.
- 17. The planning standards will require significant council resources for implementation. Considering the level of input required it is important that the level of benefit derived from standardisation is enough to justify the resource requirements.
- 18. Given these factors, this objective aims to:
  - avoid duplication of effort;
  - ensure that only matters that do not need local input are included in the planning standards;
  - standardises how national direction is represented and implemented in plans and policy statements;
  - result in planning standards where the effort put in by councils to implement the planning standards is commensurate with the level of standardisation achieved.

#### Objective 2: Improve the accessibility and usability of plans and policy statements.

- 19. The planning standards need to make plans and policy statements easier to understand and easier to access and use for the public. At present even experienced planners can have issues understanding different plans around the country. This is unnecessary and causes inefficiencies which add to the costs of the overall planning system, particularly for resource consent applicants.
- 20. In addition, while there have been many advances in geo-spatial technology, they have not all been implemented by all councils. Ensuring that councils use such ePlan technology will assist plan users accessing, understanding and using plans and policy statements.
- 21. Accordingly, under this objective, the ideal option will ensure that:
  - plans and policy statements are easier to access;
  - plans and policy statements are easier to understand;
  - electronic functionality is used to improve accessibility wherever possible.

#### Objective 3: Improve plan-making baseline performance.

- 22. By standardising plans and policy statements where possible, councils should save time and resources in the process of plan-making (after the initial implementation phase of the first set of planning standards). In addition, members of the public using plans will also save time and resources.
- 23. The planning standards will also improve the baseline quality of plans and policy statements, by making it easier to produce high quality structure and content.
- 24. By having more standardised plans and policy statements, it will also be easier for councils to adopt good practice. For example, if a local authority has recently dealt with an issue successfully and efficiently, it will be easier for surrounding councils to use their content where appropriate.
- 25. The planning standards will allow councils to focus their RMA plan making efforts on matters that make a difference to the local community as opposed to issues such as the structure of the plan.
- 26. Under this objective, plans and policy statements will:
  - have shorter timeframes;
  - be less resource intensive to produce;
  - be more focussed on local outcomes;
  - assist in good practice being adopted in a more timely manner.

## Objective 4: Implementation of the planning standards is practical and feasible

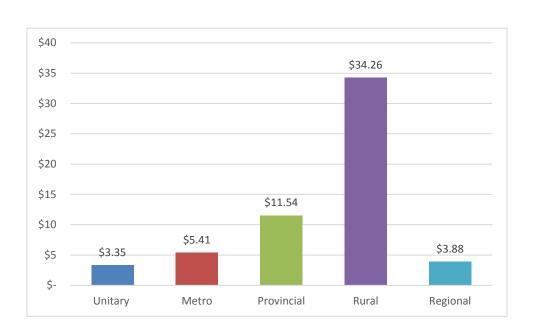
- 27. Central government needs to assist with the implementation of the planning standards. This work would potentially increase as the breadth of the planning standards increases. Central government will also be the "owner" of the planning standards, keeping them up to date and possibly taking a role in defending the planning standards against legal challenge. It is possible that the process followed to create the planning standards could be judicially reviewed by the High Court, and matters that are unclear under the RMA are clarified via declarations in the Environment Court. All of these tasks will require significant resourcing.
- 28. Councils and central government need to implement the planning standards. Councils will need to amend their plans and policy statements so that they are in line with the planning standards. This could take significant work, depending on the planning standards that are adopted. In addition, when councils are implementing the planning standards and amending their plans and policy statements there will be opportunity costs, as there is other work that the councils could be carrying out. This work includes implementing other national direction. It is important to strike the right balance and take opportunities to align plan changes on different topics where possible.
- 29. Under this objective, the following factors must be taken into account:
  - the resource intensity needed to implement the planning standards;
  - capacity and capability of councils to implement the planning standards;
  - efficiency of central government having ownership, associated ongoing responsibility and maintenance costs for this level of planning standard.

#### 2.2 Who is affected and how?

30. The planning standards aim to focus the effort of planning activity in councils on matters that affect the local area, as opposed to issues like the structure of the plan or common definitions.

- 31. Councils will be required to implement the planning standards and the majority of councils will need to substantially re-organise their plans and policy statements. In some cases, councils will need to re-write parts of their plans and policy statements to meet the planning standards.
- 32. As a result, the response to the planning standards from councils has been mixed. Engagement has revealed that some councils are supportive of the concept of the planning standards, and others are not. The level of support from councils, no matter what their size, is often commensurate to how recently they produced their latest plan change, and therefore how much extra work the planning standards will create for them. Around one third of New Zealand's councils have recently changed their plans, and so will be affected by the planning standards.
- 33. Having recently completed a plan change means that under the default deadlines these councils will need to bring forward their next plan review (rather than waiting a further 10 years for their next review as required by the RMA). This will place a greater cost burden on such councils.
- 34. However all councils will face costs as a result of the planning standards. Castalia prepared an economic analysis of the planning standards for the Ministry. This analysis identified that the largest councils in the country will incur the biggest overall costs as a result of the planning standards. This is because their plans are larger and more complex, and they are likely to have a higher number of interested parties take part in the planning process. However, this analysis also found that smaller councils will incur the largest proportional cost per capita (see Figure 1).

Figure 1: Council Costs of Implementation (Average Per Capita)<sup>3</sup>



- 35. Engagement has shown that the planning standards are welcomed by the majority of private consultants and businesses that operate under the RMA throughout the country, as they see benefits in improving the ease of understanding plans.
- 36. We also know that lay plan users who have used available ePlans have found accessing plan information much easier in this format. Improvements in the usability and accessibility of Council plans should lead to improved plan quality overall.

<sup>&</sup>lt;sup>3</sup> Castalia. 2018. Economic Evaluation of the Introduction of the National Planning Standards. Prepared for the Ministry for the Environment. Wellington: Ministry for the Environment.

- 37. The first set of planning standards will standardise administrative matters at a national level. As a result, councils will have more time to focus on local environmental issues when producing their plans and policy statements. This will create opportunity benefits for individual planning processes and the planning system as a whole, by enabling more council resources to be directed to managing environmental effects.
- 38. On the basis of quantitative and qualitative evidence, the Castalia analysis concluded that, once implemented, the planning standards would generate council time savings of 10 per cent. Similarly, the analysis assumed a cost reduction of five per cent from fewer public enquiries (as a result of the ePlan planning standards).

## 2.3 Are there any constraints on the scope for decision making?

- 39. As discussed earlier, section 58G of the RMA limits the scope for decision making in this RIS to:
  - a. whether or not more than the minimum mandated planning standards should be added to this first set of planning standards; and if so
  - b. how much more than the minimum planning standards should be added.
- 40. There are also interdependencies between this programme and other national direction that is proposed. This is because any new national direction or any updates to existing national direction instruments, would also require councils to change their plans and policy statements. If councils are facing too many pressures from Central Government on their plans and policy statements at the same time, they may have to prioritise work or look for opportunities to align work. This could lead to some national direction not being implemented within original planned timeframes. The Ministry is coordinating its work on national direction, to ensure that these pressures on councils are minimised.

## **Section 3: Options identification**

## 3.1 What options have been considered?

41. The following options were identified when considering what to include in the first set of planning standards. All of the options identified meet the requirements of the Act.

## **Option 1 – Minimum RMA requirements**

42. This option would mean that the first set of planning standards would only mandate the minimum requirements of section 58G of the RMA. The planning standards would outline the structure and form of plans and policy statements, set some national level definitions of common terms, and require some level of eDelivery of plans and policy statements (such as online access to all plans being available).

## Option 2 - Minimum requirements (to a greater level of detail) plus mapping planning standards, noise planning standards and metrics - Preferred option

- 43. This option includes all of option one, but to a greater level of detail. This would include more definitions, a more detailed structure for plans and policy statements, and more specific eDelivery functionality requirements.
  - 44. The planning standards would also include a zone framework and spatial planning tools (SPTs) as an element of structure and format. The SPT planning standard sets out the functions of tools such as zones, overlays and precincts and how they should be represented in plans.
  - 45. In addition, this option includes requirements around: how mapping must be represented in plans and policy statements; provisions for infrastructure to be included in regional policy statements and district plans, and noise standards and metrics. The eDelivery requirements would include minimum levels of functionality for online plans. An example of this would be requiring that users are able to search per dwelling site and have all of the relevant rules related to the dwelling site displayed on-screen.
- 46. The Tangata Whenua Standard includes provision with the proposed Structure and format for issues that relate Māori/iwi. It also includes a place for a te reo Māori glossary, a cultural purpose zone, overlays and mapping tools for sites of significance. This allows them to represent tangata whenua issues in a consistent way across the country, while still being able to create content reflecting the local situation and priorities.

## Option 3 - Minimum requirements plus option 2 and some metrics and standards and priority zone objectives and policies

- 47. This option includes all of option two in greater detail. This would include more definitions, a more detailed structure for plans and policy statements and more specific eDelivery functionality requirements. This option also includes standards ie, bulk and location standards and metrics ie, car parking metrics.
- 48. One possible example of metrics would be car parking metrics. These would standardise how carparks and vehicle access are calculated around the country (ie, car park size, turning circles and vehicle access widths). Another example of possible metrics would be bulk and location metrics. These could include site coverage rules, height-to-boundary rules, and yard rules.
- 49. This set of planning standards would also include objectives and policies for priority zones, such as common residential and commercial zones. These objectives and policies would contain many that currently are common in plans and policy statements, such as "retaining residential amenity" in residential zones.

### Option 4 - Minimum requirements plus Options 2 and 3, and methodologies for determining Section 6 matters

50. This option includes all of options one, two and three, as well as some methodologies for determining section 6 matters. Section 6 matters refer to certain plan overlays such as outstanding natural features and landscapes (ONLs), and areas of significant biodiversity. These are matters are of national importance under the RMA, and their representation in plans and policy statements often causes tensions. Issues such as overlays for ONLs and biodiversity are often appealed to the courts. Methodologies for such areas could be developed with the relevant professional groups (e.g. landscape architects for ONLs) and thoroughly tested. These methodologies would ensure that these overlays were created in a more standardised way around the country and lead to a reduction in appeals over time.

**Table 1: National Planning Standard Options** 

	What	Detail	
Option 1	Minimum first set required by the RMA – to the minimum level of detail	<ul><li>Structure &amp; form</li><li>Definitions</li><li>eDelivery</li></ul>	} 1
Option 2 (Preferred Option)	Minimum first set required by RMA - to a greater level of detail and:  • common content	<ul> <li>Structure &amp; form         (including zones         framework and         Spatial Planning         Tools (SPTs))</li> <li>Definitions</li> <li>eDelivery</li> <li>Mapping Planning standards</li> <li>Noise Standard content/metrics</li> </ul>	<pre>} 1</pre>
Option 3	Minimum first set required by RMA - to a greater level of detail and:	<ul> <li>Tāngata Whenua Standard</li> <li>Structure &amp; form(including zones framework and SPTs)</li> <li>Definitions</li> <li>eDelivery</li> <li>Mapping Planning standards</li> <li>Noise Standard content/metrics</li> <li>Tāngata Whenua Standard</li> <li>Metrics and Standards eg, Car parking, and bulk and location metrics</li> <li>Priority zone objectives and policies</li> </ul>	<pre>} 1</pre> <pre>} 2</pre> <pre>} 3</pre>
Option 4	Minimum first set required by RMA - to a greater level of detail and:  • common content  • high level content for core zones	Structure & form(including zones framework and SPTs)     Definitions     eDelivery  Standards Regulations  Mational Planning Standards Regular	} 1

<ul> <li>additional high use metrics</li> <li>key methodologies for determining areas which relate to matters of national importance under section 6 of the RMA.</li> </ul>	<ul> <li>Mapping Planning standards</li> <li>Noise Standard content/metrics</li> <li>Tāngata Whenua Standard</li> <li>Metrics and Standards eg, Car parking, and bulk and location metrics</li> <li>Priority zone objectives and policies</li> </ul>	<pre>} 2</pre>
<ul> <li>any other content to achieve consistency</li> </ul>	<ul> <li>Methodologies for determining Section 6 matters (such as outstanding natural features and landscapes and significant areas of indigenous biodiversity)</li> </ul>	} 4

Table 2: Advantages and disadvantages of Options 1 to 4

	Advantages	Disadvantages
Option 1	<ul> <li>Simple implementation.</li> <li>Lowest implementation costs for councils.</li> </ul>	<ul> <li>Will not create a meaningful level of standardisation across plans and policy statements.</li> <li>Does not truly recognise the purpose of the planning standards that is, will only effect superficial changes.</li> </ul>
Option 2 (Preferred Option)	<ul> <li>Medium level of implementation cost for councils compared to other options.</li> <li>Gives an achievable level of plan standardisation that will also achieve concrete benefits.</li> <li>The addition of mapping would ensure a smooth transition of planning system as a whole to a digital platform.</li> <li>Will enhance the ability of users to understand plans and policy statements.</li> <li>Tangata Whenua Standard will reduce resource requirements for councils and tangata whenua in developing provisions and defending them in court.</li> <li>The Ministry has carried out the appropriate research and analysis for this level of standard.</li> </ul>	<ul> <li>Will have a higher level of costs to councils than the minimum requirements.</li> <li>Has an opportunity cost of not standardising the matters contained in Options 3 and 4.</li> <li>Will need the Ministry to provide a higher level of support to councils than Option 1.</li> </ul>
Option 3	Would give a higher level of plan standardisation than Options 1 and 2.	<ul> <li>Bulk and location measures could be perceived as removing local level decision making and public input on issues that are likely to affect the community.</li> <li>Would require a high level of resource from local authorities to implement (greater than Options 1 &amp; 2).</li> <li>Would require significantly more analysis by the Ministry to develop metrics and understand consequences of implementation in every Council context (than Options 1 &amp; 2).</li> </ul>
Option 4	<ul> <li>Would give the highest level of plan standardisation.</li> <li>Could reduce the number of court cases for section 6 overlays in plans and policy statements, as these are parts of plans and policy statements that are often subject to appeal.</li> </ul>	<ul> <li>Could remove some local level decision making on section 6 matters.</li> <li>Would raise implementation costs for local government, because of the higher degree of standardisation (highest implementation cost to councils of all options).</li> </ul>

	Could be seen as taking away some rights to be involved in important issues from local communities.
	The current timeframes do not allow adequate time to create appropriate methodologies for section 6 matters, and carry out the necessary consultation with experts and the public.
	Potentially not enough time for councils to implement this option.
r	Bulk and location measures could be seen by some as removing local level decision making and public input on issue that are likely to affect the community.
	Would require the highest level of resource from local authorities to implement

Table 3: Alignment of Options 1 to 4 with the Objectives

Option #	Objective 1: An appropriate level of standardisation is achieved for matters that don't need local variation  avoid duplication of effort; ensure that only matters that do not need local input are included in the planning standards; standardises how national direction is represented and implemented in plans and policy statements; aims to result in planning standards where the effort put in by councils to implement the planning standards is commensurate with the level of national plan standardisation achieved	Objective 2: Improve the accessibility and usability of plans and policy statements:  plans and policy statements are easier to access; plans and policy statements are easier to understand; electronic functionality is used to improve accessibility wherever possible.	Objective 3: Improve planmaking baseline performance:  shorter timeframes; less resource intensive; more focus on local outcomes; assisting in adopting good practice in a more timely manner.	Objective 4: Implementation of the planning standards is practical and feasible, while taking into account the:  resource intensity needed to implement the planning standards; capacity and capability of councils to implement the planning standards; efficiency of central government having ownership, associated ongoing responsibility and maintenance costs.
1	✓	<b>√</b>	✓	<b>√</b> √
2	44	11	<b>*</b>	√√
3	✓	<b>1</b>	<b>√</b> √	X
4	X	√√	√√	X

### 3.2 Which of these options is the proposed approach?

- 51. Although option 1 would meet the requirements of Section 58G of the RMA, it would not create a significant level of standardisation in plans. This would mean that many of the anticipated benefits of the planning standards would not occur. For example, without a zone framework, each plan would still have different zones. This would mean that plans will more superficially standardised, and navigating between different plans would still be difficult.
- 52. A number of the additional planning standards proposed in options 3 and 4 are also valuable. However, as this is the first set of planning standards, these options are likely to put significant pressure on councils implementing them. Also, these options would put significant pressure on central government to assist with implementation, keep the planning standards up to date and to defend them in court if necessary. These options may be deemed to be appropriate at a later stage after the implementation of a first set of planning standards, when both central government and councils are likely to have better capacity and capability to implement further planning standards, as well as experience with implementing the first set.
- 53. We consider that option 2 is the best option for the first iteration of the planning standards. This is because it balances an effective level of standardisation with the ability of councils to implement the planning standards, and central government's ability to support implementation and effectively "own" the planning standards as New Zealand's environmental steward.
  - 54. Option 2 will lead to plans being consistent in their structure, and in some content including certain definitions. The introduction of the SPT standard will mean that the level of standardisation of plans is higher. The proposed planning standards will mean that the public can access a plan anywhere in the country and anticipate where certain content will be. They will also make using plans online significantly easier. The zone framework will lead to more visible and meaningful standardisation, especially as lay plan users generally prefer to immediately access their own zones.
  - 55. Option 2 will assist in making plans easier and less expensive to prepare and understand. The planning standards will improve also transferability of best practice between district plans, enabling ease of navigation and comparison. Option 2 is considered to provide a platform for collaborative opportunities for local authorities developing plans. Similarity it will also facilitate better, more targeted monitoring of plans; and create opportunities for easier transferability of findings from case law and declarations.
- 56. Proposed option 2 is also compatible with the government's 'Expectations for the design of regulatory systems' as the planning standards:
  - a. Have clear objectives
  - b. Are proportionate, fair and equitable in the way they treat regulated parties
  - c. Have scope to evolve in response to changing circumstances or new information

# Section 4: Impact Analysis (Proposed approach)

57. Table 4 summarises the costs and benefits of the preferred option. A section 32 Evaluation report has also been prepared for the planning standards along with the economic analysis as previously noted. The information in table 4 comes from the economic analysis prepared by Castalia.

## Table 4: Summary table of costs and benefits

(e.g. compliance rates), risks  monetised impacts; high, medium or low for non- monetised impacts	Affected parties	<b>Comment</b> : nature of cost or benefit (e.g. ongoing, one-off), evidence and assumption (e.g. compliance rates), risks	medium or low for non-
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Additional costs of	proposed approach, compared to taking no action	n
Councils	Local Council staff time costs - total FTEs to implement standard (excluding time required for Schedule One processes), by council type	\$11.41 million
	Schedule 1 process costs - cost to go through Schedule 1 process by council type ( Between \$92,000 and \$263,500)	\$3.50 million
	Appeals process costs - potential cost to councils to go through full appeal of plan process including court ( between \$60,000 and \$200,000)	\$4.12 million
	Technology costs - upfront costs of upgrading to an ePlan (\$70,000 for councils that do not currently have ePlans)	\$3.13 million
	Technology costs - ongoing technology costs (cost of ongoing ePlan subscription fees)	\$13.58 million
		\$23,000 per council per year
The Ministry for the Environment	Central government staff time costs - FTE by standard type (between 1 and 6 Fully loaded FTE= \$111,228)	\$937,066
Plan Users	Appeals process costs - compliance costs to appellant for going through the full appeal process (Between \$60,000 and \$200,000)	\$4.12 million
Total Monetised Co	ost	\$40.8 million
Non-monetised cos	sts	N/A

Expected benefits o	f proposed approach, compared to taking no act	ion
Councils	Savings from council FTEs dedicated to plan changes (10 per cent savings on FTE dedicated to council plan changes every ten years by council type)	\$8.38 million
	Public enquiries savings (nNumber of enquires by council type with 5 per cent savings and assumption of 15 minutes per enquiry)	\$1.22 million

	Ongoing appeals process savings. savings to councils from reduced future appeal costs (appeal process including court)	\$3.26 million 5 per cent savings of average council appeal costs (between \$300,000 and \$1 million) during future plan reviews
Plan Users	User hour savings per standard by user type, per consent Between 0 and 2 hours per consent, depending on Standard Single plan user value of 1 hour: \$7.09 Multiple plan user value of 1 hour: \$57.69	\$46.28 million
	Ongoing appeals process savings - savings to appellants from reduction in future appeal costs (appeal process including court)(5 per cent savings of average council appeal costs – between \$300,000 and \$1 million – during future plan reviews)	\$3.26 million
General Public	Faster consent processing/ removal of barrier to entry for "mum and dad developers" leading to enhanced infrastructure development	Medium
	Admin savings flow through to rates decreases - multiplier effect on economic activity	Low
	Flexibility in labour movement around the country among the planning industry to move between districts due to consistency	Low
	Having plans more accessible to the public by being more user-friendly and available online has social benefits such as increasing government transparency, empowering citizens, creating opportunities and solving public problems	Medium
Total Monetised Be	nefit	\$62.4 million
Non-monetised Bend	efits	Medium

## 4.2 Levels of certainty

- 58. There is a good level of certainty about the scale of the costs and benefits of the proposed policy, as Castalia (who prepared the economic analysis) carried out interviews with councils and other plan users to gain information about possible costs and benefits.
- 59. Public consultation on the proposed planning standards will elicit more information on the scale of potential costs and benefits.

60. There are uncertainties around how the planning standards will be implemented in a consistent manner by councils this could lead to the planning standards not achieving the level standardisation anticipated. This will be addressed by the Ministry providing comprehensive implementation support.

## Section 5: Stakeholder views

### 5.1 What do stakeholders think about the problem and the proposed solution?

- 61. To ensure the success of the planning standards, the Ministry has made a strong effort to consult a wide range of different stakeholders and interested parties.
- 62. As part of this, the Ministry has taken an evidence based and collaborative approach to the development of the planning standards, including:
  - publication of 11 discussion papers these were informed by more than 20 research reports that examined the different components of plans and identified points of commonality and difference. The Ministry also sought public submissions on these papers;
  - 16 workshops with resource management professionals in 14 locations across the country;
  - face-to-face meetings with local authorities and other stakeholders;
  - testing draft planning standards with a 'council pilot programme', comprising a representative mix of 27 councils across the country. These councils were selected to provide a broad cross-section of large, small, urban and rural councils;
  - meeting with sector groups, including representatives from national utility operators, and other industry sectors;
  - meeting with other central government agencies and collaborating where appropriate (such as the New Zealand Transport Authority and Land Information New Zealand);
  - engaging with our practitioners drafting group and Māori advisory group, who are providing advice on technical planning matters.
- 63. The practitioners drafting group was set up with professional resource management practitioners including consultant planners, a senior council planner and an RMA lawyer. This group has four to five members (depending on the meeting). The Ministry used this group to peer review the draft planning standards in detail, and to support the drafting process. The group has also been used to support other parts of the process, including development of the template for the section 32 report.
- 64. The Ministry has taken feedback from all of these sources into consideration when drafting the planning standards. In addition, the planning standards have been drafted in an iterative process, with officials consulting with the pilot councils, the practitioners group and sector groups above throughout the process.
- 65. This is a pre-consultation RIS. At this stage, the planning standards are only being notified for submission for further public, council and expert consultation. Ministry officials will again consider all submissions from this next round of consultation when finalising the planning

standards. This engagement will help further shape the planning standards, to ensure they are fit for purpose and trusted by all stakeholders before they are gazetted in April 2019.

# Section 6: Implementation and operation

### 6.1 How will the new arrangements be given effect?

- 66. The proposed planning standards will be gazetted in April 2019. From that time, the RMA sets a default timeframes of one-year and five-year implementation deadlines for different types of directions within planning standards.
- However, councils have expressed concern about these default deadlines, as they believe that 67. they do not have the resources to carry out plan changes within the timeframes (particularly the one year deadline for mandatory directions). The original timeframes would have meant that a significant number of councils need to carry out plan changes well before they were due for their next review. The timeframes would have also lead to poor plan quality as the planning standards would have to be implemented at different times. This could lead to overly complex plans in some cases. The one year deadline for mandatory directions was particularly considered to be problematic in regard to the ability of councils to deliver the changes required.
- 68. The RMA allows the Minister to set out the implementation deadline for any standard within the standard itself. In response to council concerns, the Minister has decided on implementation deadlines to five years for the majority of councils and an additional two years for certain other councils who have notified the decisions version of a plan within three years of the planning standards being gazetted (ie, between April 2016 and April 2019). This means that most councils will be able to implement the planning standards at a plan review that is already scheduled.
- 69. Although the timeframes for implementation partially mitigate the risk of councils not amending their plans, this will still be a possible issue. The Ministry intends to carry out significant implementation support, including guidance and workshops and possibly one on one council support where deemed necessary. This support could include Ministry officials assisting in the plan changes needed, or obtaining the necessary support for the council. In all this work, the Ministry will prioritise action to ensure that the implementation of the planning standards results in the greatest possible impact.
  - 70. The Ministry will encourage councils to include their priorities for implementation support in their submissions on the planning standards. Ministry implementation support will also be canvassed with the practitioners drafting group and pilot councils, among others.

71. The Ministry plans to stay in close contact with councils, and monitor the uptake of the planning standards and assess implementation needs over the one-, five- and seven-year implementation timeframes. The final details of the implementation plans are yet to be confirmed as these planning standards are only proposed and not final. The implementation plans will be confirmed before gazettal in April 2019.

# Section 7: Monitoring, evaluation and review

## 7.1 How will the impact of the new arrangements be monitored?

- 72. The Ministry is the steward of New Zealand's environment. This means ensuring New Zealand's continued prosperity does not compromise the needs of future generations. As a regulatory steward, the Ministry ensures that environmental regulation is achieving this aim as effectively and efficiently as possible.
- 73. In the RMA regulatory system, the Ministry is focused at present on: implementing the RLAA reforms; implementing the national direction priorities for 2017/18; developing best practice guidelines for councils on their compliance, monitoring and enforcement functions; and examining the causal links between the RMA system outputs and outcomes.
- 74. The RLAA introduced the planning standards, which the Ministry is currently preparing drafts of for consultation. As part of this process, the Ministry is still considering the final monitoring and evaluation plan for the planning standards. As these planning standards are not final, there is time during the submission period and the final drafting period before gazettal in April 2019 for these plans to be finalised.
- 75. The Ministry is the steward of the planning standards, and so aims to gain the maximum benefit from them for New Zealand. In order to ensure the success of the planning standards the Ministry considers that the monitoring and evaluation of the implementation of the planning standards will include:
  - a question in the National Monitoring Survey for councils on the stage of implementation of the planning standards
  - the Ministry monitoring policy statements and plans as they are published
  - annual reports to the Minister on Council uptake of the planning standards
  - baseline and subsequent monitoring of number of plans and polices that give effect to each instrument of national direction
  - baseline testing using focus groups what is the current situation, repeated as plans updated to test change
  - poll of Council websites to check the stage of implementation of the planning standards
  - repeat of the 'Plan Scan' survey of Council websites
  - monitoring issues that may require new planning standards to address matters of national consistency or support national direction. It includes coordination within the Ministry to monitor matters that may be of national significance, and should be included on the national direction forward work programme or feed into the next set of planning standards

Ministry officials monitoring the effectiveness of the first planning standards, and the need for any changes to the national planning standards and guidelines.

## 7.2 When and how will the new arrangements be reviewed?

- 76. As noted earlier, the Ministry is still considering the final review plans for the planning standards. There is time during the submission period and the final drafting period before gazettal in April 2019 for these plans to be finalised.
- 77. However, the currently proposed approach is a two tiered review, with:
  - a. the eDelivery Standards being reviewed within three years after gazettal (as technology moves quickly); and
  - b. all remaining planning standards being reviewed within 10 years after gazettal (subject to the rate of implementation).

Both timeframes will give the Ministry the ability to track the progress of the planning standards and consider how they are working in practice.