



Cabinet Legislation Committee

Minute of Decision

LEG Min (13) 7/9

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Housing Accords and Special Housing Areas Bill: Approval for Introduction

Portfolio: Housing

On 8 May 2013, the Cabinet Legislation Committee:

Background

- 1 **WITHHELD TO PROTECT THE CONFIDENTIALITY OF ADVICE TENDERED BY MINISTERS OF THE CROWN AND OFFICIALS**
- 2 noted that the purpose of the Bill is to enhance housing affordability by facilitating an increase in land and housing supply in regions or districts with housing supply and affordability issues identified in a schedule to the Housing Accords and Special Housing Areas Act (the Act);
- 3 agreed that the Act bind the Crown;

Policy changes agreed by the Minister of Housing under delegated authority

- 4 noted that in April 2013, Cabinet authorised the Minister of Housing (the Minister) to make minor policy changes and further decisions that are consistent with the policy proposals, including any necessary transitional arrangements [CAB Min (13) 12/14];
- 5 noted that the Minister has decided not to refer to the company names Roost and Demographia in the Act, but will continue to describe the same measures in the legislation in recommending scheduled regions or districts;
- 6 noted that the Minister still intends to rely on data provided by Roost and Demographia in proposing scheduled regions or districts;
- 7 noted that the Minister has decided to use the term "good faith" to describe the lengths that the government will go to in negotiating a housing accord with a local council,
WITHHELD TO PROTECT THE CONFIDENTIALITY OF ADVICE TENDERED BY MINISTERS OF THE CROWN AND OFFICIALS
- 8 noted that the Minister has decided that the height criterion in relation to qualifying developments may be varied in accordance with any existing or proposed plan;

- 9 **noted** that the Minister has decided that consents processed under the Act may go through a limited notification process if the authorised agency identifies a party for whom the effect of the proposed activity would be more than minor, but that the 60 day time limit will still apply;
- 10 **noted** that the Minister has decided that, where a plan change is being sought alongside a resource consent as part of a limited notification process, the timeframe for processing may be extended to six months;

Planning powers

- 11 **noted** the Auckland Council's view that, because the "future urban zones" in the proposed Unitary Plan do not contain any rules that define what types of urban development can occur within them, this will cause unnecessary uncertainty for developers and may affect the ability of developers to secure finance and to on-sell sections within the development;
- 12 **agreed** that a person may request a variation to a proposed plan in relation to a qualifying development in a special housing area if:
- 12.1 the activity that they are seeking to undertake is prohibited in the relevant operative plan; and
 - 12.2 the proposed plan anticipates that the land to which the request applies will be available in future for a qualifying development; but
 - 12.3 the proposed plan is silent as to the rules that shall apply to that development;
- 13 **agreed** that a person may request a plan change in relation to a qualifying development in a special housing area if:
- 13.1 the activity that they are seeking to undertake is prohibited in the relevant operative plan; and
 - 13.2 the proposed plan continues to describe the activity as prohibited, or there is no provision for qualifying developments in a proposed plan;
- 14 **agreed** that a plan variation or plan change process carried out under the powers in the Act shall be:
- 14.1 limited notified, with consultation occurring with adjoining landowners and the New Zealand Transport Agency only; and
 - 14.2 processed within a maximum of six months;
- 15 **agreed** that the planning variation and plan change powers set out in the Act will only apply to accord territorial authorities, not central government;
- 16 **agreed** that where an operative plan states that an activity is prohibited, but a proposed plan classifies it as controlled, restricted discretionary, or non-complying, the proposed plan will apply;

Transitional arrangements

- 17 **noted** that the Minister has agreed to the following three-stage process to ensure a smooth transition in the event that a housing accord is terminated or a special housing area is disestablished:
- 17.1 a three month notice period from the point at which a decision to terminate a housing accord or disestablish a special housing area is made public, to the point at which councils (or the Ministry of Business, Innovation and Employment (MBIE) if it is currently using the powers) can no longer accept new applications under the more permissive powers;
 - 17.2 a further six month processing period in which the council (or MBIE) can continue to process existing applications under the permissive powers;
 - 17.3 a further six month period for objections or variations in which the council or MBIE can continue to hear objections or make variations to consents that have been granted under the more permissive powers;
- 18 **noted** that the Minister has decided that, in the event that a housing accord is terminated, applicants that have had their consent granted by the council under the more permissive powers may have any objections or variations considered by MBIE rather than the council;
- 19 **noted** that the Minister has decided that, following the 1 July 2016 cut-off for the lodging of new applications, all powers operating under the Act shall cease on 1 July 2017;

Terminology

- 20 **noted** that the Minister has decided to retain the original titles of "housing accord" and "Housing Accords and Special Housing Areas Bill";

Introduction of the Housing Accords and Special Housing Areas Bill

- 21 **approved** for introduction the Housing Accords and Special Housing Areas Bill [PCO 17416/2.0], subject to the final approval of the government caucus and sufficient support in the House of Representatives;
- 22 **authorised** the Minister to make any necessary technical changes to the Bill prior to its introduction;
- 23 **agreed** that the Bill be introduced and have its first reading on 16 May 2013;
- 24 **agreed** that the government propose that the Bill be:
- 24.1 referred to the Social Services Committee for consideration;
 - 24.2 enacted by 31 July 2013.

G. Carter

Gerrard Carter
Committee Secretary

Reference: LEG (13) 55

Distribution: (see over)

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Hon Judith Collins
Hon Dr Nick Smith
Hon Nathan Guy
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