



Factsheet: New requirements for councils

The Government has made decisions aimed at freeing up land for housing and removing unnecessary planning barriers.

The supporting policies will be progressed through a Resource Management Amendment Bill and national direction process. Formal consultation on the detailed design of these changes will occur in early 2025. Councils are at different stages of implementing current requirements, covered in a separate factsheet.

Current requirements and key changes

POLICY	CURRENT REQUIREMENTS	KEY CHANGES
<p>Housing Growth Targets</p>	<p>Currently, the National Policy Statement - Urban Development (NPS-UD) requires councils to plan for 30 years of housing demand. Capacity is considered 'plan-enabled' if:</p> <ul style="list-style-type: none"> In the short term (0-3 years), it is on land that is zoned for housing in an <u>operative district plan</u>; In the medium term (3-10 years), either the above applies, or it is on land that is zoned for housing in a <u>proposed district plan</u>; In the long term (10-30 years), either the above applies, or it is on land identified by the local authority for use in a <u>Future Development Strategy</u> or equivalent <p>Development capacity must also be infrastructure ready. Development capacity is infrastructure-ready if:</p> <ul style="list-style-type: none"> In the short term (0-3 years), there is <u>adequate existing infrastructure</u> to support land development for housing; In the medium term (3-10 years), either the above applies, or funding for adequate infrastructure to support land development for housing is identified in a <u>long-term plan</u>; in the long term (10-30 years), either the above applies, or infrastructure to support land development for housing is identified in a council's <u>infrastructure strategy</u>. 	<p>Tier 1 and 2 councils will need to zone for at least 30 years of housing demand, rather than a minimum of 3 years.</p> <p>A wider range of funding sources can be used to meet medium-term infrastructure requirements including a levy under the Infrastructure Funding and Financing Act 2020, a development agreement, or through central government funding streams.</p> <p>New prescriptive rules and guidance will be set for how councils calculate how much housing capacity they need (e.g. requiring councils to use 'high' demand projections).</p> <p>New requirements that price indicators (such as urban fringe land price differentials) do not deteriorate (and ideally improve) over time.</p>
<p>Enabling greenfield growth</p>	<p>Tier 1 and 2 councils must prepare Future Development Strategies (FDS), which are required to spatially identify locations where growth can occur in the future, the infrastructure required to service that growth, and any constraints on development, over a 30 year time period.</p> <p>Councils are required to be responsive to private plan change proposals that would provide significant development capacity</p>	<p>Ministry officials are exploring options to improve FDSs (such as requiring councils to plan for growth over a 50 year, rather than 30 yeartime period).</p> <p>Officials are also looking at strengthening the responsiveness policy in the NPS-UD, to better support developers to progress private plan changes.</p>



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	<p>would contribute to a well-functioning urban environment.</p>	<p>Councils won't be able to impose a rural-urban boundary line (or equivalent) in a plan (they can still have rurally zoned land).</p>
<p>Intensification in the right places</p>	<p>Tier 1 councils are required to allow:</p> <ul style="list-style-type: none"> In city centre zones: Building heights and density to realise <u>as much development capacity as possible</u>; In metropolitan centre zones, and within a walkable catchment of city and metropolitan centre zones and existing and planned rapid transit stops: <u>Building heights of at least six storeys</u>; and Within and adjacent to neighbourhood, local, and town centre zones: <u>Building heights and density in line with the level of commercial activity and community services</u>. <p>Councils determine the size of walkable catchment areas that trigger intensification requirements.</p> <p>Tier 2 councils are required to allow heights and housing densities in line with the level of accessibility of services; or demand for housing.</p>	<p>Tier 1 councils will be required to allow heights and housing densities across their urban areas in line with the level of accessibility of services or demand for housing, rather than just in and around neighbourhood, local, and town centres at present.</p> <p>Tier 1 councils must identify 'strategic transport corridors' (e.g. key bus routes) and upzone around these, not just around rapid transit (e.g. train stations) as at present.</p> <p>Government will simplify the definition of rapid transit.</p> <p>Government will set minimum catchment sizes rather than leaving this to council discretion.</p> <p>Tier 1 councils will be required to offset the loss of housing capacity resulting from the use of an 'unlisted qualifying matter' (such as defining an area as having special character) by a direct and corresponding increase in housing capacity elsewhere.</p> <p>There will be stronger evidentiary requirements on decision-makers seeking to apply qualifying matters.</p> <p>Tier 2 requirements remain the same.</p>
<p>Mixed-use development</p>	<p>No specific direction on mixed-use.</p>	<p>There will be new national direction on mixed use.</p> <p>Tier 1 and 2 councils will be required to enable a baseline level of small-scale mixed-use (such as dairies and cafes) across their urban areas (including outside of NPS-UD intensification areas).</p> <p>Tier 1 councils will also be required to enable a specified set of small-to-mid-scale activities (such as restaurants, retail, metro-style supermarkets and offices) in areas subject to the NPS-UD's intensification requirements.</p>
<p>Minimum floor area and balcony requirements</p>	<p>No specific direction on minimum floor area and balcony requirements.</p>	<p>Councils will not be able to set these requirements.</p>
<p>Making the MDRS optional</p>	<p>Tier 1 councils (and Rotorua District Council) must enable the MDRS.</p>	<p>Tier 1 councils (and Rotorua District Council) will be given the ability to alter or remove the MDRS, provided they</p>



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		<p>demonstrate compliance with their Housing Growth Target.</p> <p>Councils will be required to hold a ratification vote to decide whether they plan to retain, alter, or remove the MDRS from their urban areas.</p> <p>If the outcome of a council’s ratification vote is a decision to alter or remove the MDRS, councils will be required to start work on a plan change to do this.</p>
<p>Compliance and enforcement</p>	<p>Councils prepare and publish Housing and Business Development Capacity Assessments (HBAs), but do not need to publish the underlying data.</p> <p>Existing compliance and enforcement powers in the RMA, including:</p> <ul style="list-style-type: none"> • investigating the performance of a council; • directing a council to do a plan change (but cannot direct specific process to follow); • appointing a person to perform the RMA functions of a council. 	<p>There will be a new requirement for councils to provide HBAs, and underpinning data and assumptions, to central government.</p> <p>New ability for central government to require councils to amend part or all of their HBA, or direct councils to use a specific plan change process (including the streamlined planning process), in the event of non-compliance with requirements.</p> <p>Existing powers in the RMA remain in place.</p>

Tier 1 Councils and urban environments

- Auckland (Auckland Council)
- Christchurch (Canterbury Regional Council, Christchurch City Council, Selwyn District Council and Waimakariri District Council)
- Wellington (Wellington Regional Council, Wellington City Council, Porirua City Council, Hutt City Council, Upper Hutt City Council, Kāpiti Coast District Council)
- Tauranga (Bay of Plenty Regional Council, Tauranga City Council and Western Bay of Plenty District Council)
- Hamilton (Waikato Regional Council, Hamilton City Council, Waikato District Council and Waipā District Council)

Tier 2 Councils and urban environments

- Whangārei (Northland Regional Council, Whangārei District Council)
- Rotorua (Bay of Plenty Regional Council and Rotorua District Council)
- New Plymouth (Taranaki Regional Council, New Plymouth District Council)
- Napier-Hastings (Hawke’s Bay Regional Council, Napier City Council and Hastings District Council)
- Palmerston North (Manawatū-Whanganui Regional Council and Palmerston North City Council)
- Nelson Tasman (Nelson City Council, Tasman District Council)
- Queenstown (Otago Regional Council, Queenstown Lakes District Council)
- Dunedin (Otago Regional Council and Dunedin City Council)