

## **BEFORE**

### **NZ Productivity Commission Better Urban Planning Inquiry: Position on National Direction Summary**

The position of the NZ Productivity Commission (NZPC) regarding National Direction (ND) for RM changed as a result of the engagement process between the draft (2016) and final (2017) versions of its Better Urban Planning (BUP) inquiry. Initially, NZPC recommended that NPSs and NESs be replaced by a Government Policy Statement (GPS) on environmental sustainability in order to create more congruent, transparent and clearer national direction (2016, p. 207, 353). However, due to the warnings of submitters in response to the draft inquiry, NZPC did not include this in its final recommendations.

The overall response by submitters to the draft recommendation was that, while broadly supportive of more guidance and clearer standards from central government for local government decision-making, the risks of limited scope for tailoring regulations to local circumstances were too great to proceed with this level of centralisation.

Instead, the final NZPC recommendation on national direction was that the use of NPSs and NESs should be retained, but that a well-articulated and stable approach for deciding when to set environmental standards and policies nationally and when to leave standard setting to local decision makers would be desirable for the future planning system (2017, pp. 265-266).

#### **BUP Draft (2016)**

The GPS recommendation draws on the Land Transport Management Act model (LTMA), whereby central government issues a GPS on land transport every three years (2016, pp. 181-182). It was driven by the perceived lack of an authoritative policy that sets out the long-term visions and direction for environmental sustainability for NZ.

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## **AFTER**

### **NZ Productivity Commission Better Urban Planning Inquiry: Position on National Direction Summary**

The NZ Productivity Commission (NZPC) changed its position on National Direction (ND) for Resource Management (RM). This changed because of the engagement process between the draft (2016) and final (2017) versions of its Better Urban Planning (BUP) inquiry. NZPC initially recommended that the Government should replace NPSs and NESs with a Government Policy Statement (GPS) on environmental sustainability. They argued that this would create more congruent, transparent and clearer national direction (2016, p. 207, 353). But, submitters to the draft inquiry did not agree. As a result, NZPC did not include this in its final recommendations.

Overall, submitters to the draft recommended that the risks of limited scope for tailoring regulations to local circumstances were too great. They were broadly supportive of more guidance and clearer standards from central government for local government decision-making.

As a result, the NZPC recommended that the Government retain NPSs and NESs. They also recommended a well-articulated and stable approach for deciding when to set environmental standards and policies nationally (2017, pp. 265-266).