

PUBLIC COUNCILLOR BRIEFING

AGENDA & SUPPORTING MATERIAL

Commencing at 9.00am
Wednesday 25 June 2025
Council Chambers

This meeting will be livestreamed

MEETING	PUBLIC COUNCILLOR BRIEFING					
Date	Wednesday 25 June 2025	Time	Commences at 9.00am			
Location	Council Chambers					
AGENDA						
9.00am – 9.20am	SDC Benchmarks - DOCUMENT 1		Steve Gibling, Rob Steel, Allison Sneddon			
3.15 pm – 3.45 pm	Resource Management Reform Programme- DOCUMENT 4a and 4b		Emma Larsen, Geoff Deavoll, Michelle Flay			



DIA benchmarking Council Performance



Last year the Government announced it will begin benchmarking Council's performance



First phase to focus on Council financial performance

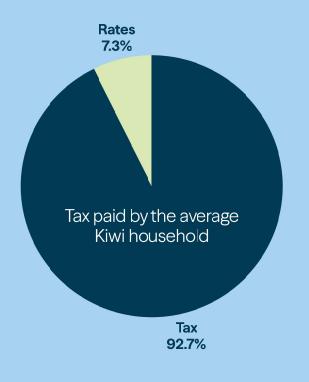


Following New South Wales Office of Local Government performance metrics



Future phases are likely to include service delivery and asset management performance

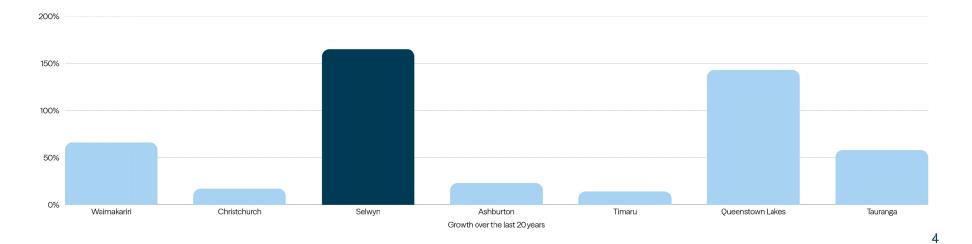
Rates



Infometrics estimates an average Kiwi household pays around \$2,900 a year in rates - and \$37,000 in tax. (Tax total is based on two median income earners and includes both income tax and GST).

Growth

Councils	Waimakariri	Christchurch	Selwyn	Ashburton	Timaru	Queenstown Lakes	Tauranga
Population	69,000	412,000	85,200	36,800	49,500	52,900	161,300
Growth over the last 20 years	66%	17%	165%	23%	14%	143%	58%



Growth and Rates



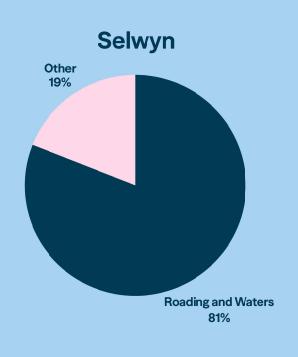
Growth, Rates and Debt

On 8 May 2025, Fitch Credit Rating Agency rated Selwyn District Council AA+

Councils	Waimakariri	Christchurch	Selwyn	Ashburton	Timaru	Queenstown Lakes	Tauranga
Population	69,000	412,000	85,200	36,800	49,500	52,900	161,300
Growth over the last 20 years	66%	17%	165%	23%	14%	143%	58%
Average rates per person (2023/24)	\$1,265	\$1,681	\$1,128	\$1,309	\$1,471	\$2,358	\$1,809
Total debt per population (2023/24)	\$2,640	\$6,238	\$2,171	\$3,549	\$3,293	\$12,329	\$7,180
\$14,000							
\$12,000							
\$10,000							
\$8,000							
\$6,000							
\$4,000							
\$2,000							
\$0 Waimakariri	Christchu	rch Selwy		Ashburton per population (2023/24)	Timaru	Queenstown Lakes	Tauranga 6

Capital expenditure per rateable unit

Selwyn District Council invests over 80% of its capital programme into roading and water infrastructure to enable growth and deliver on agreed levels of service.





Personnel costs Selwyn District Council has one of the lowest personnel costs per population compared with our Canterbury neighbours and growth councils. \$800 \$600 \$400 \$200 Waimakariri Christchurch Selwyn Queenstown Lakes Tauranga Personnel cost per population 8



MEMORANDUM

TO: Chief Executive Officer

FROM: Michelle Flay – Senior Policy Planner

DATE: 23/06/2025

SUBJECT: Resource Management Reform Phase 3

Executive summary

The purpose of this memorandum is to provide Council with an update of the Governments approach to reforming the resource management system (RM Reform).

Replacement legislation is expected to be in force ahead of the 2026 general election, so changes to SDC role, function and duties are imminent.

The key changes for territorial authorities, including Selwyn District Council include:

- a. Additional obligations for contributing to the development of the regional spatial plan.
- b. Closer coordination with other councils, as part of aligning regulatory plan development into one combined district plan per region.
- c. Reduced role in policy and plan development because of increased use of national standards and limits.
- d. Reduced resource consenting workloads.
- e. Reduced role in compliance and enforcement (limited to supporting the national regulator with information and intelligence).

Context

Council's regulatory functions, powers, and duties of local authorities¹ are largely derived from the RMA, so reforming this legislation may significantly change the regulatory activities of the Selwyn District Council going forward.

Cabinet has made initial decisions on the main recommendations of the Expert Advisory Group Blueprint.² Some of the recommendations will be progressed, progressed in part, or not progressed. While the Phase 3 Bills have yet to be released, the Cabinet decisions taken in March 2025 will form the basis from which the Parliamentary Counsel Office draft the replacement legislation and therefore the trajectory of policy direction can be considered with a degree of certainty.

² Comparison: Expert Advisory Group Blueprint recommendations and Cabinet paper recommendations. March 2025. Ministry for the Environment. Publication number INFO 1294.

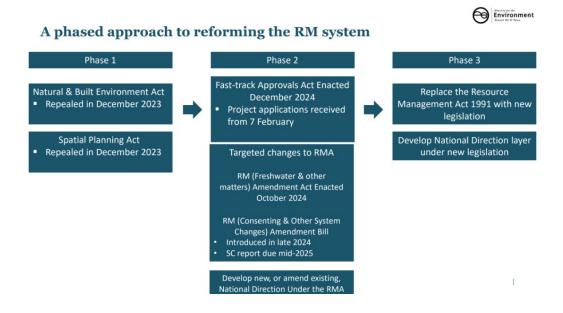


¹ Resource Management Act 1991, Part 4.



Reform Programme

The Government has proposed a suite of changes to the resource management system through a phased approach.



<u>Phase 1</u> was to repeal the previous Governments legislation that was to replace the RMA, and this was completed in December 2023.

Phase 2 is being delivered through four separate work programmes:

- the Fast-track Approvals Act, which was enacted in December 2024
- The **Resource Management (Freshwater and other matters) Amendment Act** which made changes to the freshwater planning regime under the RMA and national direction. Changes through this Act has led the subsequent pausing significant planning instruments, such as the development of the Canterbury Regional Policy Statement. Enacted 24 October 2024.
- The Resource Management (Consenting and Other System Changes) Amendment Bill has been referred to the select committee and will make a variety of changes to the RMA. The second reading is expected in the next few weeks and the Bill will be passed into law in the third quarter of 2025.
 - Amongst other changes, the Environment Committee has reported back suggestions for additional powers for the Minister of the Environment to intervene where a local authority is non-compliant with a national policy statement.
- A suite of changes to **National Direction** have been proposed, bundled into four packages; infrastructure and development, primary sector, freshwater and housing. Proposals to amend existing and create new national direction (in the form of National Policy Statements and National Environmental Standards) have been publicly notified and are due for decisions late 2025/ early 2026. Council staff will provide separate advice on a draft Council submission at the July Council meeting.

<u>Phase 3</u> is the proposed replacement of the RMA with two new laws. The Bills will be introduced late 2025 and passed mid-2026.





Phase 3: Blueprint for Resource Management Reform

An Expert Advisory Group (EAG) was established in 2024 to prepare a blueprint to guide the development of a system to replace the RMA and change the way resources are managed in New Zealand. The future resource management system to be guided by the principle of enjoyment of property rights and feature:

- a prescribed framework for environmental limits
- clearer definitions, and higher thresholds for managing adverse effects
- simplified national direction under each Act
- a single combined district plan per region
- standardised planning provisions and performance standards, including nationally standardised zones
- fewer activity categories and a higher threshold for determining affected persons
- a National Compliance Regulator, with a regional presence
- a Planning Tribunal for dispute resolution processes.

From the "EAG's blueprint" recommendations, on 24 March 2025 Cabinet has made decisions on those initial recommendations³. The following diagram outlines the structure and key components of the reformed system.

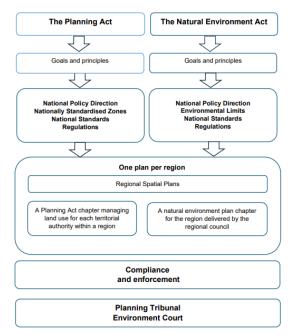


Figure 1 Main mechanisms for decision-making under the Planning Act and Natural Environment Act. CAB-25-MIN-0080.01

The Planning Act will establish a framework for planning and regulating the use, development and enjoyment of land. National policy direction (NPD) under the Planning Act would provide mandatory direction to local authorities and cover urban development, infrastructure (including renewable energy), and natural hazards issues.



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³ Replacing the Resource Management Act 1991 – Approach to development of new legislation. CAB-25-MIN0080.01 – Cabinet Economic Policy Committee Minute of Decision. <u>Proactive Release Coversheet</u>



Natural resource management matters will be managed by regional councils under the Natural Environment Act (NEA) ⁴going forward. Territorial authorities do not appear to have a mandate relating to these matters, therefore, there will be an impact on current district council work in relation to significant natural areas, and potentially other matters such as setting environmental limits. The following table outlines the split of responsibilities for regional councils and district councils.

Plan Chapters	Act	Entity Responsible	Description
Spatial plan chapter	Planning Act	All local authorities in a region including the regional councils	High level strategic direction for growth and infrastructure
Environment chapter	Natural Environment Act	Regional councils / Unitary councils	Regulate natural resource use
Planning chapters (per district)	Planning Act	District councils / Unitary councils	Regulate land use, utilising standard zones

Figure 2 Regional combined plans and responsibilities

The existing approach to the 'effects management hierarchy' will be replaced by the economic concept of externalities, meaning effects (relating to land use) borne solely by the party undertaking the activity would not be controlled.

The new system aims to reduce the consenting workload, and further constrain the use of regulatory powers applied (within a district plan) by Council, including;

- reducing the breadth and number of objectives and policies,
- defining how planning regulations should be applied locally,
- reducing the consent activity categories⁶
- extending the application of centralized regulations.

A new planning tribunal will be established to provide for rapid, low-cost resolution of disputes between neighbors and between property owners and councils. People who are not directly affected by an activity will not be able to object or relitigate an issue. Those that 'come to the nuisance' will not be able to complain about it, and reasonable expansion of an existing activity will be permitted where the site is 'zoned or owned'.

A significant shift in the new system will be the centralization of compliance and enforcement functions. The Cabinet have agreed to establish a national compliance regulator, whichwill not be included in the Bills at introduction but will instead be progressed in parallel, but over a longer timeframe.

Removing Compliance, Monitoring and Enforcement functions from councils, combined with the other system changes (i.e. national standards and zones) would involve a reduction in the role of local government and would have wider implications for the structure of local government in New Zealand.



⁴ The scope of the NEA will include managing the effects of activities on the air, water and soil components of the natural environment, and impacts on indigenous biodiversity, landscapes and the relationship of Māori and their culture with natural resources.

⁵ Replacing the Resource Management Act 1991 – Approach to development of new legislation. 24 March 2025.

⁶ Cabinet agreed to fewer activity classes through the removal of controlled and non-complying activity status categories.



The Minister of Local Government and the Minister for RMA Reform are to report back to the Cabinet Economic Policy Committee by December 2025 on whether local government reforms should be progressed as a consequence of changes to the resource management system. The Prime Minister and Minister for Regional Development have both made statements in relation to a diminished role for regional councils in the new system.⁷

The First Regional Combined Plans

A regional combined plan will be prepared, with each local authority responsible for a 'chapter'. The development of these plans will require substantial coordination across local authorities.

Local authorities will have the ability to approve the content of their chapter and receive submissions, while an Independent Hearings Panel (IHP) will be jointly appointed by all the relevant local authorities in a region and will have a specific role in ensuring the other system components are upheld.

The following image outlines the development process for the first combined regional plans:

Whytem A. Scrap regional councils, says regional development minister, The Post. 18 June 2025. <u>Scrap regional councils, says regional development minister | The Post</u>



⁷ Pearse, A. PM Christopher Luxon open to scrapping regional councils amid RMA reform, The New Zealand Herald. 23 June 2025. PM Christopher Luxon open to scrapping regional councils amid RMA reform - NZ Herald



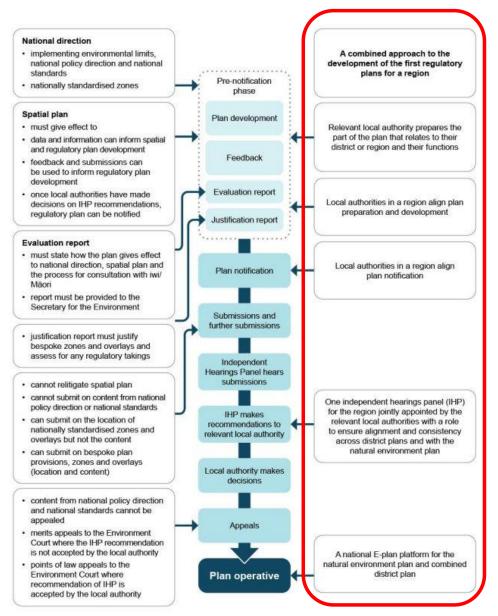


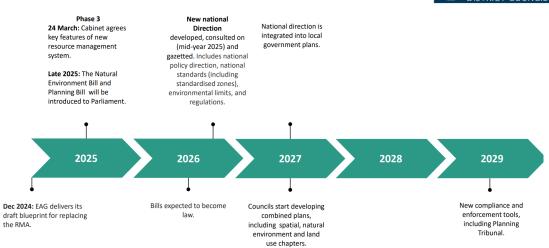
Figure 3 Regulatory planning process. Blueprint for resource management reform - A better planning and resource management system 2025 (page 75).

Timing and transition

Timing for the key elements of the reformed system are set out in the diagram below, for local government to begin implementing the new system in 2027.







The cabinet paper anticipates the new system 'turning on' on a fixed date to achieve the governments' objective for a rapid transition⁸.

Existing district plans will be deemed to be part of combined plans under the Planning Act to enable decision-making and planning consents and permits to begin under the new legislative framework as soon as possible without affecting access to natural justice.

The following key concepts will commence as soon as practicable after enactment:

- the more-than-minor adverse-effects threshold,
- activity categories,
- notification parameters and decision-making criteria,
- scope of the system,
- planning consents and permits, and
- designation process improvements.

New plan changes are to be restricted in the period between the development of a spatial plan and the development of the combined district plan and the natural resource plan.

The EAG recommended consent applications that have been lodged and plan changes or reviews that have been notified under the RMA should be allowed to continue under the RMA until they have finished, and all appeals and objections have been resolved.

The new compliance and enforcement tools will commence as soon as practicable after enactment. Noting that the legislation required to establish the national compliance regulator is not anticipated when the Bills are introduced late 2025 but will be progressed in parallel.

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⁸ CAB-24-MIN-0315



Introduction

This presentation provides **a snapshot** of what we know about resource management (RM) reform, with a particular focus on RM Reform, Phase 3.

The intent of this presentation is to **prompt initial thinking** around what the changes might mean for you, acknowledging a great deal of uncertainty and limited detail exists on the future system.

And as regulators we know.....

..... the devil will be in the detail!



Phase 2 – status

In 2024, the Government proposed a suite of targeted changes to the RMA through:

Resource Management (Freshwater and other matters) Amendment Act (complete)

Resource Management (Consenting and Other System Changes) Amendment Bill

Amends a range of existing RMA provisions across 5 themes:

(Select Committee stage, second reading expected in coming weeks. To be passed 3rd quarter 2025)

- Infrastructure and energy
- Housing growth
- Farming and the primary sector
- Natural hazards and emergencies
- System improvements

Progress of the Bill



National direction proposals under the RMA (at public notification, further details next slide).



In the news: Resource Management (Consenting and Other System Changes)

'Despot' or housing saviour? Chris Bishop to gain power to overrule councils

Amendment Bill



'That is nuts':

Christchurch councillor in spat with minister over housing intensification

Government gets new powers to overrule councils



The Bill will:

Introduce new ministerial powers to ensure compliance with national directions

- Applies to the Minister for the Environment (and Minister for RMA Reform if related to reform matters and setting the strategic direction for the system)
- Where a local authority did not comply with a national policy statement, the Minister could direct a local authority to prepare a plan change to address the non-compliance.
- Empowers the Minister to investigate and make recommendations about a local authority's function, powers, or duties and its omission or failure to exercise or perform them



National Direction (Rescoped package)

Released three packages for public consultation until 27 July 2025.

An SDC draft submission will be considered at the 23 July 2025 Council meeting

Package 1: Infrastructure and development

Package 2: Primary sector

Package 3: Freshwater

Package 4: Going for Housing Growth (Proposals will form the basis of what will be implemented through Phase 3 of RMA Reform, rather than via the RMA)

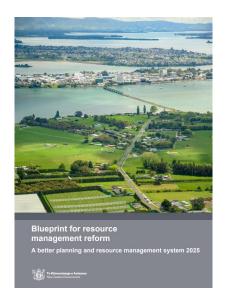
There is no select committee as part of the process for developing national direction.

The Minister will consider submissions and for the NES, these will be issued by the Govenor General by Order in Council and the NPS proposals will be gazetted



Phase 3 – Replacing the RMA/ Reforming the Resource Management System

An Expert Advisory Group (EAG) was established in September 2024 to prepare a blueprint to replace the RMA.



Based on direction of Cabinet, the new system will be developed in accordance with the guiding principle of the enjoyment of property rights, and;

- manage a narrower scope of effects
- define more closely what effects may be considered
- raise the threshold of effects that are permitted
- not control activities if land use effects are borne solely by the party undertaking the activity.

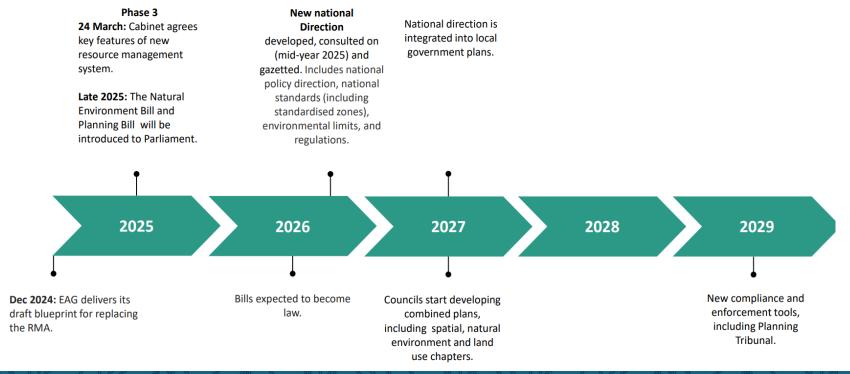
Initial Cabinet decisions were taken in March 2025

Advice from MfE is to look to the Blueprint for the trajectory of whats coming

Phase 3 - Timing

New Bills will be introduced to parliament in 2025 and will be in force ahead of the next general election in 2026.

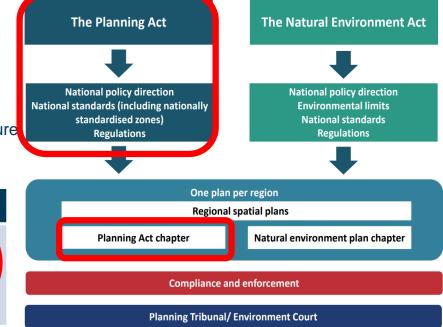
Local government will start implementing the new system in 2027.



Key System Components

The RMA will be replaced with two new laws.

- The Natural Environment Act
 - Focused on managing the natural environment.
- The Planning Act
 - Focused on planning to enable development and infrastructure



Natural Environment Act

Freshwater
Indigenous biodiversity
Coastal policy

Planning Act

Urban development
Infrastructure (including renewable energy)
Natural hazards

Notes:

Highlights in red are of particular relevance to territorial authorities

There are **no** Regional Policy Statements in the new system.

Nationally standardized zones (NSZ) will be mandatory with Council decisions largely focused on 'which zone goes where'.

Phase 3 – Main Changes for Territorial Authorities

The main changes for territorial authorities:

- a. Additional obligations for contributing to the development of the regional spatial plan.
- b. Closer coordination with other councils, as part of aligning regulatory plan development into one combined district plan per region.
- c. Reduced role in policy and plan development because of nationally standardized zones, national standards and limits.

 The Post
- d. Reduced consenting workloads.
- e. Reduced role in compliance and enforcement (limited to supporting the national regulator with information and intelligence).

In the News:

The Minister for Local Government and RMA Reform will report to Cabinet before the end of the year about the future structure of local government as a consequence of these reforms.

Note: I New Zealand

PM open to scrapping regional

councils amid RMA reform

OPINION AUCKLAND CULTURE SPORT PUZZLES

Scrap regional councils,

development minister

says regional

Other Implications

EAG Recommended approach to transition

Existing district plans will be deemed to be part of combined district plans under the Planning Act. The intent of this approach is to enable decision-making and planning consents and permits to begin under the new legislative framework as soon as possible without affecting access to natural justice.

Key concepts such as the more-than-minor adverse-effects threshold, activity categories, notification, decision-making criteria, and scope of the system commence as soon as practicable after enactment

New compliance and enforcement tools commence as soon as practicable after enactment.

Planning consents, permit and designation process improvements commence as soon as practicable after enactment.

New plan changes be restricted in the period between the development of a spatial plan and the development of the combined district plan and the natural resource plan.

Consent applications that have been lodged and plan changes or reviews that have been notified under the RMA should be allowed to continue under the RMA until they have finished, and all appeals and objections have been resolved.

Pātai | Questions

What do you still want to know?

