

# SUBMISSION ON THE NPS – URBAN DEVELOPMENT DISCUSSION DOCUMENT

October 2019

## INTRODUCTION

The Aggregate and Quarry Association (AQA) is the industry body representing Construction Material companies which produce an estimated 40 million tonnes of aggregate and quarried materials consumed in New Zealand each year.

Funded by its members, the AQA has a mandate to increase understanding of the need for aggregates to New Zealanders, improve our industry and users' technical knowledge of aggregates, and assist in developing a highly skilled workforce within a safe and sustainable work environment.

We make the following submissions in relation to the discussion document on a proposed national policy statement for urban development.

## Context

We agree that our cities are under pressure and are not offering the benefits we want, because:

- urban land markets do not enable housing development to keep up with growth and ensure land is affordable
- transport systems are poorly integrated with land use, and lack high-quality options to improve access to jobs, and reduce car dependency.

An additional reason our cities are under pressure is that adequate provision has not been made in planning documents to recognise existing and potential aggregate and sand deposits or provide for their extraction.

New Zealand relies heavily on locally sourced aggregate resources for infrastructure repair following disasters, for road and rail transport corridors, major projects and for affordable housing development, all of which are essential for the social, economic and cultural well-being of communities.

We support a National Policy Statement (NPS) on Urban Development that aims to deliver quality urban environments and appropriately zoned land for urban development.

New Zealand needs a secure supply of high-quality aggregate materials to meet the Government's Urban Growth Agenda (UGA). With our population set to rise to between 5.3 and 7.9 million by 2060, this increase in population alone will require approximately 1.2 million new homes to be built over the next 40 years. That is 30,000 new homes every year and each requiring an average of 250 tonnes of aggregate (7.5 million tonnes p.a.).

In order to do this, it is critical that planning is enabling, quarry resources are protected to supply vital construction materials, and quarry land is returned as an asset to the community on completion of quarrying.

## Future Development Strategy

It is important that the changes proposed in this NPS strengthen and clarify the Future Development Strategy (FDS) requirements to better guide long-term planning.

The Government, in consultation with the aggregates sector, needs to confirm the available sources of aggregate and sand throughout the country, including aggregate quality, accessibility, and proximity to markets so that those sources identified as critical for the country's future growth, are protected and appropriate provision is made for their development to meet future demand for aggregates.

We consider it imperative that local authorities are directed to protect key resource areas and enable their development, in order to both protect existing quarries from encroachment of non-compatible land uses such as housing, reduce reverse sensitivity potential and to enable the expansion of these resources and development of new greenfield resources. This direction would ideally be achieved through recognition of the importance of aggregates through an amendment to s6 or s7 of the RMA, however it can also be achieved through direction provided in this NPS.

Planning needs to be enabling so that resource consents are quicker to obtain and less costly. Even where appropriate planning zones and controls exist, the time and cost for obtaining consents to a quarry can be significant. In the event of a favourable decision, it is often more than 3 to 5 years from commencement of the consenting process before many quarries will ever sell their first tonne of aggregate. This timeframe does not always allow for the industry to respond quickly to demands placed on it by large infrastructure projects and building growth, meaning that aggregates are often sourced from further away at significant cost.

## Enabling opportunities for development

### Addressing the concept of 'sufficient'

We support the addition of direction to provide development capacity that is both feasible and likely to be taken up.

This is particularly relevant when considering the availability of aggregates for future development. Quarry materials are not universally available and can only be sourced from where they are located; without planning to provide for adequate access to resources at workable locations, there is the real risk of losing access to such proximate resources, greatly increasing the costs of building and infrastructure development and maintenance.

Currently, the cost of a tonne of aggregate doubles when it has to travel 30 kilometres from a quarry, with additional costs for each extra kilometre thereafter. By ensuring quarries are close to their markets, transport costs, transport congestion and carbon emissions are significantly reduced.

### **Addressing the lack of development capacity**

Affordability of aggregates is critical in addressing a lack of development capacity.

An important issue for quarries operating in areas of expanding residential growth is reverse sensitivity. This occurs, when a new activity (i.e. residential) sensitive to the effects of another existing activity (i.e. quarrying) locates in close proximity to the existing activity. Complaints from the new activity lead to restrictions or cessation of the existing activity. In the case of quarrying, such restraints on operations leads to increased costs for more remotely sourced aggregate and lost opportunities for the local economy.

It is important any NPS recognises the potential for these effects to occur and provides for them to be appropriately managed.

### **Using market information to make decisions**

We support the requirements for local authorities with urban environments to use evidence and information about their land and development markets in their planning decisions.

It is critical that central and local government ensure that growing populations will have adequate affordable housing and infrastructure, and that local aggregate resources throughout the country are identified, understood and effectively managed, particularly near urban centres.

### **Alignment with other national direction under the RMA**

We consider that the NPS-HPL and the NPS-UD are complementary, as both require local authorities to identify areas where urban development may not be appropriate. The NPS-HPL will require local authorities to identify highly productive land where urban development, and other non-primary production activities, should be avoided.

In order to retain consistent definitions across planning documents, and avoid confusion and potential conflict, the 2019 National Planning Standards definition of primary production should be used in all NPS and other planning related documents.

Quarrying is a primary production activity under the National Planning Standards definition of primary production and therefore is a highly productive use of land.

While the Indigenous Biodiversity NPS has not been released for public consultation as yet, the draft prepared by the Biodiversity Collaborative Group (BCG) includes potential areas of tension or confusion between the NPS-UD and NPS-IB. The combined effect of:

- 1) an ecologically conservative definition of what equates to “significant” indigenous biodiversity, and;
- 2) a default requirement that adverse effects on anything significant be avoided (with no ability to offset, mitigate or compensate where avoidance is impractical), and;
- 3) an ineffective policy that inadequately identifies important activities that cannot avoid adversely affecting biodiversity values, and;
- 4) a tool for identifying when important activities that cannot avoid adverse impacts on important biodiversity values are able to utilise the options of mitigation, offsetting and compensation that will almost always result in those options being unavailable;

would result in an outcome where business activities critical to achieving the principles of the NPS-UD may be unable to operate because they unavoidably impact on “significant” biodiversity values and are denied access to tools necessary to deliver biodiversity gains.