

17 August 2025

Infrastructure New Zealand's Submission on the Going for Housing Growth Discussion Document – Pillar 1 Proposals.

1. Introduction

- 1.1 Infrastructure New Zealand (INZ) welcomes this opportunity to provide feedback to the Ministry for Housing and Urban Development and the Ministry for the Environment on the Governments Going for Housing Growth Pillar 1 proposals.
- 1.2 INZ is Aotearoa's peak membership organisation for the infrastructure sector. We promote best practice in national infrastructure development through research, advocacy, and public and private sector collaboration. Our membership is comprised of around 150 organisations, including government agencies, consultants, contractors, financiers, utilities, and academics. These organisations employ approximately 150,000 people in infrastructure-related roles and are united in their commitment to creating a better New Zealand through outstanding infrastructure.
- 1.3 This submission represents the views of INZ as a collective whole and may not necessarily represent the views of individual member organisations. We have encouraged members to provide their own submissions to raise issues specific to their expertise and areas of interest.

2. General Comments

- 2.1 INZ strongly supports the overall intent of the policy proposals to increase the supply of housing in Aotearoa New Zealand. We also recognise the close relationship between infrastructure and housing provision and are pleased to see this connection being address within the Programme's three pillars.

- 2.2 The focus of Pillar 1 on freeing up land for development and removing unnecessary planning barriers is supported, particularly the requirement for councils to enable at least 30 years of housing capacity in their district plans and strengthening urban intensification requirements. These proposals will be implemented via amendments to the resource management system.
- 2.3 The introduction of new and updated national direction, designed to carry forward into the new Planning and Natural Environment Acts, will be critical. INZ urges that this work is pursued with a bipartisan approach to ensure long-term certainty.
- 2.4 INZ also highlights the importance of Pillars 2 and 3 of Going for Housing Growth which will focus on infrastructure funding and financing tools to support new housing, and incentives for councils and communities to embrace growth. We look forward to engaging further when these details are released.
- 2.5 We have focussed our feedback on specific points of interest and have responded to the discussion document in its entirety.

3 Part C Design Details of Going for Housing Growth - Comments

Future Development Strategies and Spatial Planning

- 3.1 INZ strongly supports the inclusion of future development strategies within spatial plans under the Planning Act as an essential tool to provide for critical infrastructure, housing, urban development, commercial and industrial requirements at both a regional level and sub-regional level. There needs to be strong alignment of housing, infrastructure and investment if we are to avoid housing developments without basic infrastructure such as water services or investing in infrastructure in sites where housing development is severely lagging.
- 3.2 Spatial plans should build on work already undertaken in regions. However, longer time horizons are required for key strategic infrastructure. A minimum of 30 years is necessary, with 50 years preferable, and up to 100 years for infrastructure in coastal areas subject to sea-level rise. Strategic corridors need to be preserved for transport needs and other support infrastructure.
- 3.3 INZ supports realistic minimum infrastructure content requirements, covering all infrastructure types required to support growth areas in the short, medium, and long term. We also support flexibility to require prerequisite infrastructure for a growth area to be deemed 'development ready'.

- 3.4 INZ supports reducing the number of land-use zones. While it may not be realistic to reduce from New Zealand's current 1,175 zones to Japan's 13, there is a significant opportunity to simplify zoning and provide nationally consistent specifications for permitted activities.
- 3.5 We also support regional business and industrial land assessments and the enabling mixed-use development with appropriate controls.

Housing Growth Targets

- 3.6 INZ supports the use of the high growth projections and their calculation methodology. These targets should be considered a minimum with councils able to use a higher demographic projection or target to ensure there is more than adequate development capacity. Infrastructure readiness must be factored in as a critical enabler of development.

Providing an agile land release mechanism

- 3.7 INZ agrees with agile land release which is responsiveness to market indicators and follows a streamlined process with clear national direction and funding mechanisms. Specifying triggers such as infrastructure availability, agreed structure plans, or land price indicators will provide clarity for all stakeholders.
- 3.8 A package of indicators should include external factors, such as topography, natural hazards, and biodiversity areas, and should especially take into consideration factors such as public investment in infrastructure that increases land values.
- 3.9 It should be recognised that infrastructure is often delivered in stages. For example, roads may be completed before three waters services are connected. A progressive development framework, such as designating development as a controlled activity once a road is open, with full development status once services are connected, would help align infrastructure delivery with planning.
- 3.10 Spatial plans should communicate infrastructure constraints and sequencing of infrastructure readiness for land development at a high level. INZ supports the use of capacity and heat maps as seen in Hamilton City Council and Auckland Council. This helps all stakeholders understand constraints within infrastructure networks, green spaces, and service provision and which areas are infrastructure-ready for development.

Infrastructure Requirements

- 3.11 INZ supports allowing council discretion to choose the growth projection they consider is most likely when deciding if there is enough infrastructure-ready capacity. We should avoid over-capitalising on infrastructure too far ahead of urban development. There are funding and financing implications for both councils and the new water service providers.

- 3.12 Recognising uneven council capacity, we recommend establishing a centre of excellence to share expertise and resources across councils and water service entities.
- 3.13 Critical trunk network infrastructure availability should be the main indicator of infrastructure-readiness. The cumulative ability to service growth should also be considered in deciding infrastructure readiness.
- 3.14 It is vital that councils, in performing their planning functions, have access to critical information on infrastructure in their jurisdiction. INZ strongly supports mandatory reporting of infrastructure capacity to councils, and particularly the reporting of three waters infrastructure capacity by water entities. Water entities' statement of expectations should include the requirement to provide councils with timely information and advice on infrastructure to meet council resource management and urban planning needs. The Council is providing more detailed advice on this matter to the water reform programme.

Responsive Planning

- 3.15 INZ supports responsiveness to initiatives for unanticipated development but there needs to be recognition of the high risk to councils of ongoing funding commitments for these developments. Developers should be able to demonstrate the benefits, mitigation of risks, and ability for growth to pay for growth.
- 3.16 National direction should confirm councils are not required to fund infrastructure for developments not anticipated in spatial or regulatory plans. A funding mechanism ensuring growth pays for growth, covering both upfront delivery and long-term maintenance should be mandatory before development proceeds.

Rural – Urban Boundaries and Intensification

- 3.17 INZ recognises the limitations that some current rural urban boundaries have imposed on development and housing supply. However, in the absence of other planning regulation, they have been a tool to direct development to areas serviced by appropriate infrastructure including transport connections and public transport services and encourage intensification.
- 3.18 Spatial plans with identified land-use zones should help to direct development to appropriate areas and will negate the need for a hard rural-urban boundary. The lack of infrastructure will be a key determinant of development in greenfield sites.

Intensification of Key Public Transport Corridors

- 3.19 INZ support the establishment of clear national definitions of both Categories 1 and 2 key public transport corridors with fixed criteria applying to all local authorities.

- 3.20 INZ agrees that the definition of rapid transit service should be clarified by specifically listing existing rapid transit services. It is sensible too to require councils to intensify around two new categories of key transit corridors, in addition to rapid transit. National standards for walking catchments should reflect walkability factors (e.g. topography, street crossings) rather than line-of-sight distances.

Minimum Building Height

- 3.21 INZ supports an increase in minimum building heights to aid intensification along transport corridors and at key hubs. There are already several barriers to delivering high density developments, including construction costs including geotechnical work, higher building standards, compliance costs, and construction materials. Narrow sites in some cities can make tall buildings difficult without breaching height to boundary standards.
- 3.22 Height-to-boundary standards should remain unchanged, as they balance development potential with neighbour aspects such as sunlight. Existing RMA provisions for negotiated breaches should carry through to the new system.

Impacts of proposals on Māori

- 3.23 INZ supports flexibility to enable responsiveness to Treaty settlements and partnership agreements. Facilitating mixed-use development and enabling re-zoning empowers iwi to develop land in line with long-term community needs and aspirations.

4. Conclusion

4.1 INZ thanks the Government you for the opportunity to submit on the discussion document *Going for Housing Growth*.

4.2 Overall, we welcome these proposals to create a more flexible and responsive housing market and is pleased to see this work will transition in the Phase 3 Resource Management reforms.

4.3 INZ would particularly welcome the opportunity to contribute to Pillars 2 and 3 of the Going for Housing Growth programme and the ongoing development of the resource management legislation.

Michelle McCormick

Policy Director



Infrastructure New Zealand

Michelle.Mccormick@infrastructure.org.nz

Ph 021 526 473