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Infrastructure New Zealand Submission on Illustrative National Direction

Introduction

1. Infrastructure New Zealand (INZ) welcomes the opportunity to provide feedback on the illustrative National Policy Direction (NPD) for the proposed new planning system.
2. INZ is Aotearoa New Zealand's peak membership organisation for the infrastructure sector. We promote best practice in national infrastructure development through advocacy, policy, research and public and private sector collaboration. Our approximately 150 member organisations include government agencies, consultants, contractors, financiers, utilities and academics, collectively employing approximately 150,000 people in infrastructure-related roles.
3. INZ welcomes the inclusion of infrastructure as a dedicated theme within the illustrative NPD and the retention of key provisions from the National Policy Statement for Infrastructure (NPS-I). We particularly welcome the recognition of infrastructure benefits, functional and operational needs, and the importance of protecting existing infrastructure.
4. Building on our February 2026 submission on the Planning Bill and Natural Environment Bill, our feedback focuses on how national direction can provide greater certainty, consistency and stability for infrastructure planning and delivery, while supporting improved environmental outcomes.

Recognising infrastructure within national direction

Relevant provisions: Theme 2, Sub-theme 1 – All infrastructure (INFR-Directives 1.1–1.7); Cross-cutting directives CC-3–CC-6

5. INZ strongly supported the NPS-I and is pleased that many of its key provisions have been carried forward into the illustrative NPD. In particular, we welcome recognition of the national, regional and local benefits of infrastructure (INFR-1.2(a)), its functional or operational need to locate in particular environments (INFR-1.2(b)), and the role of infrastructure providers in determining appropriate routes and sites (INFR-1.2(e)).
6. We also support the provisions protecting existing infrastructure from incompatible activities and reverse sensitivity effects. These are important to safeguarding the continued

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operation of infrastructure networks and ensuring that future development does not unnecessarily constrain existing assets.

7. The proposed operational envelope approach (INFR-1.3) is a positive development. Enabling routine maintenance, repairs and upgrades within appropriate parameters should help reduce unnecessary consenting requirements and support the efficient management of existing infrastructure. Given the significant investment required to maintain and renew New Zealand's infrastructure networks, this is particularly important.
8. INZ also welcomes the recognition of strategic infrastructure priorities within regional spatial planning. Identifying infrastructure requirements early provides an opportunity to protect important corridors and sites, coordinate investment decisions and better align land-use planning with infrastructure provision.
9. These provisions establish a useful foundation for infrastructure delivery. Their effectiveness, however, will depend on how they operate alongside other national directives, particularly where competing objectives arise.

Reconciling competing objectives and enabling infrastructure delivery

Relevant provisions: INFR-Directives 1.2 and 1.5; Theme 5 – Public Values (PV-Directives 2.1–2.3 and 4.2); relevant system-wide directives

10. A central issue raised in INZ's February 2026 submission on the Planning Bill and Natural Environment Bill was how the new planning system would reconcile competing objectives. National direction should play an important role in resolving these tensions at a system level, rather than leaving them to be addressed through individual planning and consenting decisions.
11. INZ recognises that protecting the environment and achieving improved environmental outcomes are fundamental objectives of the new planning system. At the same time, infrastructure is essential to supporting communities, economic activity and environmental improvements. The challenge is ensuring that these objectives can be considered together through a clear and workable planning framework.
12. While the illustrative NPD recognises infrastructure benefits and functional or operational needs, it is less clear how these enabling provisions will interact with environmental protections where competing objectives arise. Infrastructure frequently has genuine location constraints, particularly where networks must cross waterways, connect existing assets or operate within particular environments.
13. The NPS-I provides a useful foundation for addressing these issues. Policy 9 establishes an enabling expectation for new infrastructure and major upgrades across environments,

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while recognising the need to consider other relevant national direction. Policy 7 also recognises the importance of ensuring that mitigation measures and consent conditions are proportionate to the scale of adverse effects. INZ considers that both principles should be preserved within the new framework.

14. In particular, recognising the functional or operational need for infrastructure to locate in a particular environment does not, in itself, resolve how competing environmental requirements will be applied. The NPD should provide clearer direction on how infrastructure benefits, location constraints and environmental protections are considered together, while ensuring that effects-management requirements and consent conditions remain proportionate to the adverse effects being managed.

15. While INFR-1.5 anticipates that national standards will establish requirements for managing adverse effects, the NPD itself should provide the overarching policy direction for reconciling competing objectives. Without this clarity, there is a risk that uncertainty and inconsistent interpretation will continue to be resolved through individual projects, undermining the predictability and efficiency sought through the reforms.

Aligning housing growth with infrastructure capacity

Relevant provisions: Theme 1, Sub-theme 1 – Housing Growth (HD-Directives 1.1–1.5); INFR-Directive 1.1; Cross-cutting directives CC-5 and CC-6; indicative national standard on infrastructure capacity

16. INZ supports the objective of enabling housing growth and improving development capacity. However, housing growth should be enabled alongside a credible infrastructure servicing pathway to ensure that development can be delivered efficiently and sustainably.

17. The illustrative NPD establishes housing growth targets and performance indicators, alongside provisions for strategic infrastructure planning and indicative requirements for monitoring infrastructure capacity. These provide a useful foundation, but greater clarity is needed on how infrastructure capacity information will inform development planning and investment decisions.

18. In particular, there is an important distinction between land that is enabled for development through planning provisions, land that can be serviced through existing infrastructure, and land that depends on future infrastructure investment. Making these distinctions visible would provide a more accurate understanding of development capacity and the barriers to delivering housing.

19. INZ considers that infrastructure capacity should be assessed and reported alongside housing development capacity, using appropriately aligned measures. This should include consideration of existing network capacity, planned upgrades, the feasibility and cost of

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providing additional infrastructure, and the timing of investment required to support growth.

20. This does not mean that all infrastructure must be in place before land can be enabled for development. Rather, planning decisions should be informed by a credible understanding of how and when development will be serviced, including where new infrastructure is to be funded or delivered by developers.

Enabling waste and resource-recovery infrastructure

Relevant provisions: Theme 4, Sub-theme 2 – Waste management, resource recovery infrastructure and managing emergency waste (RW-Directives 2.1 and 2.5); Theme 4, Sub-theme 4 (RW-Directive 4.1); Interpretation – definition of infrastructure, limb (m)

21. INZ welcomes the explicit recognition of waste management and resource-recovery facilities as infrastructure within the illustrative NPD. These facilities provide essential services to communities and businesses and support economic activity, construction and emergency recovery.
22. We particularly support the recognition of operational or functional location needs under RW-Directive 2.1(a). Waste infrastructure often has significant location constraints, including suitable land availability, transport access and separation from sensitive activities. Recognising these requirements is important to enabling necessary infrastructure while managing environmental and public health effects.
23. INZ also welcomes the intent of RW-Directive 2.5 to protect existing and identified future waste infrastructure from incompatible urban development. Importantly, the recognition of functional and operational need should be carried through consistently across the wider national direction framework, including other relevant national policy instruments. This would help avoid differing thresholds or interpretations that undermine the enabling intent of these provisions.

Providing clearer national direction for water services

Relevant provisions: Theme 2, Sub-theme 1 – All infrastructure (INFR-Directives 1.2–1.5); Theme 5 – Public Values (PV-Directives 1.4 and 1.7); Interpretation – definition of infrastructure.

24. INZ supports Water New Zealand's recommendation for a dedicated water services sub-theme within the NPD, recognising the distinct planning and operational requirements of drinking water, wastewater and stormwater infrastructure.
25. Water services differ from many other forms of infrastructure because their operation depends directly on the availability and management of natural resources. Drinking water supply requires secure access to water sources, while wastewater and stormwater services

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depend on appropriate discharge pathways and receiving environments. These requirements must be considered alongside the planning, development and maintenance of physical infrastructure.

26. While the general infrastructure provisions provide an important foundation, they do not fully address the interdependent decisions required to plan and deliver water services. In particular, there is a need to better connect infrastructure planning with resource availability, future community demand and environmental management requirements.

27. Clearer national direction would also support the coordination of water services investment with housing growth and other development. Enabling land for development without adequate provision for drinking water, wastewater and stormwater services risks creating additional costs and constraints for infrastructure providers and communities. A dedicated water services sub-theme would help address these matters within the applicable environmental framework.

Recognising digital connectivity in development planning

Relevant provisions: Theme 2, Sub-theme 1 – All infrastructure (INFR-Directives 1.1 and 1.2); Theme 1 – Housing and Development; Interpretation – definition of infrastructure

28. INZ considers that digital connectivity should be more explicitly recognised as an essential component of well-functioning urban and rural environments. Telecommunications infrastructure is included within the definition of infrastructure, but there is an opportunity for the NPD to provide clearer direction on its integration with land-use and development planning.

29. Reliable digital connectivity supports economic activity, access to services and community wellbeing. As new developments are planned and constructed, early consideration of telecommunications infrastructure can reduce the cost and disruption associated with retrospective installation and ensure that households and businesses have access to appropriate connectivity.

30. This is particularly relevant to the provision of open-access fibre infrastructure in new developments. Where suitable networks are available, early coordination with telecommunications providers can support efficient infrastructure installation and help preserve consumer choice. Consideration should also be given to the different circumstances of rural and remote areas, where alternative technologies may be more appropriate.

31. INZ considers that the NPD should recognise digital connectivity as part of the infrastructure required to support growth, with proportionate requirements for new developments addressed through national standards where appropriate.

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Conclusion

32. INZ welcomes the recognition of infrastructure within the illustrative NPD and the retention of important provisions from the NPS-I. As emphasised, the effectiveness of the proposed framework relies on whether it provides sufficient clarity and consistency in how competing objectives are interpreted and applied, and whether infrastructure planning is appropriately integrated with future development.
33. INZ also reiterates the importance of policy stability, as raised in our February 2026 submission. While national direction must be capable of responding to changing government priorities and emerging evidence, infrastructure projects are planned, financed and delivered over long timeframes that frequently extend beyond electoral cycles. Substantive changes to national direction should therefore be subject to an appropriately high, evidence-based threshold, with clear justification and scrutiny.
34. Mandatory transitional safeguards, or equivalent protections, are also needed to prevent changes to national direction from unnecessarily disrupting projects already in planning, consenting or delivery. Greater certainty in both the interpretation and durability of national direction is fundamental to maintaining investment confidence and supporting infrastructure delivery.
35. INZ welcomes the opportunity to continue engaging with officials as the national direction framework is developed, including through the formal consultation process.