

Legal alert - Consultation opens on draft NPS on Urban Development Capacity

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The Government released its draft National Policy Statement (NPS) on Urban Development Capacity today, which is open for submissions until 15 July 2016.

The proposed NPS requires councils to carry out housing and business assessments every three years to estimate short-, medium-, and long-term demand for housing and business floor areas. These assessments will improve the information used to make decisions and are directly linked to other NPS policies which require councils to undertake "responsive planning" for further development, if the assessment identifies a shortage.

"Responsive planning" includes all options available to local authorities to enable "sufficient" development capacity to meet demand, such as changes to plans and regional policy statements, changes to consenting processes (to make them more customer-focused), and tailoring conditions of consents imposed.

"Sufficient" development capacity is defined as a minimum, so local authorities will need to identify if greater margins are needed. Councils must provide additional capacity of at least 20 percent above the short- and medium-term projected demand, and 15 percent above the long-term projected demand.

The Government has stated that the NPS will take effect from October 2016, following a period of consultation. The draft NPS and further information regarding the consultation process can be found [here](#).

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