

Legal Update – What's in the pipeline that affects Local Government Property Professionals

Local Authority Property Association Conference
2022



Presenters



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What we will cover today

01

Overview of reform

02

Three Waters

03

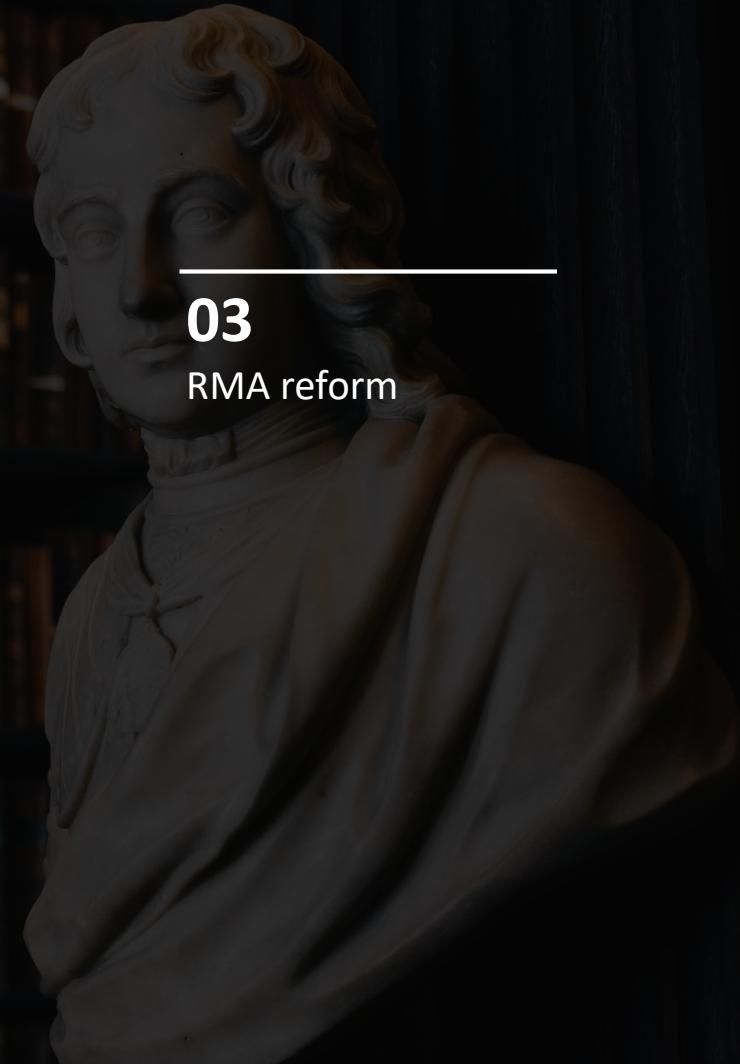
RMA reform

04

Future LGA reform?

05

Questions



Reform overview – significant local government sector overlap

01

Most significant reform programme in recent years

02

All aspects overlap with functions and responsibilities of local government

03

Will continue through 2023 and beyond (?)

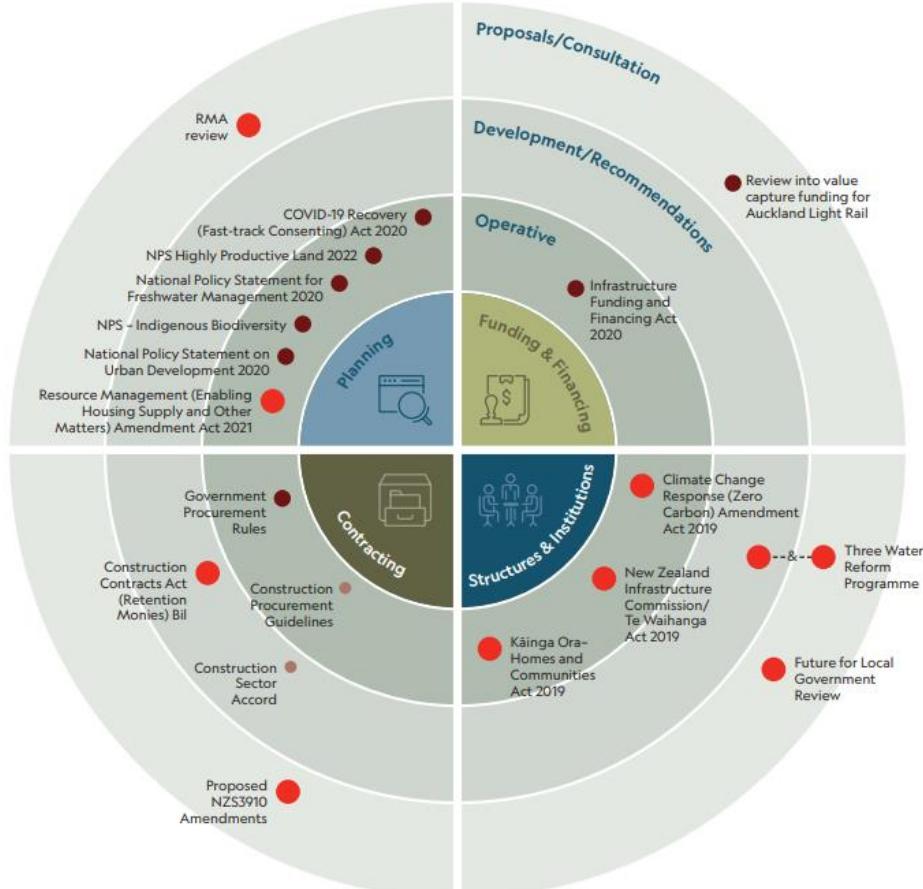
04

Local government reform – an issue for the next government

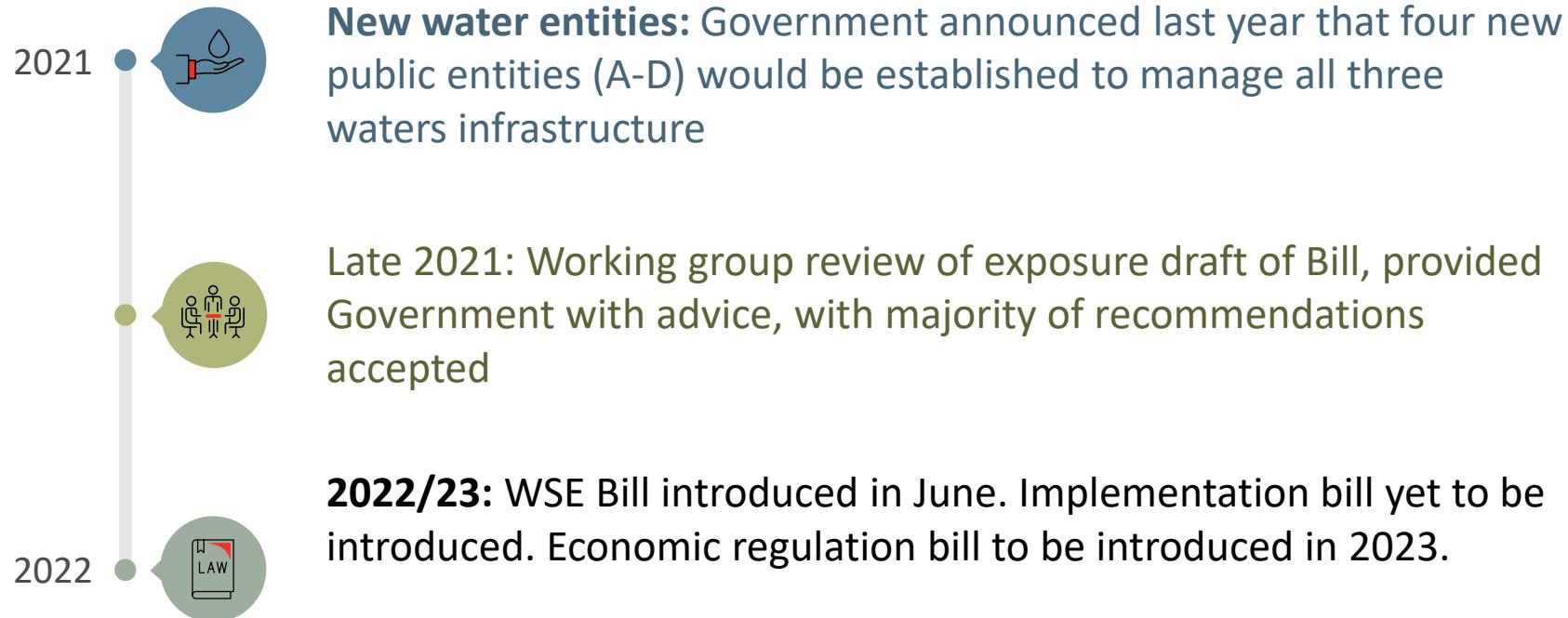
Reform overview

Key: Likely impact of reform

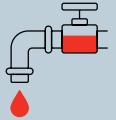
- High impact
- Medium impact
- Low impact



Three Waters reform – quick recap



Three Waters reform – key changes



Provider of
Services



Quality of Service



Funding

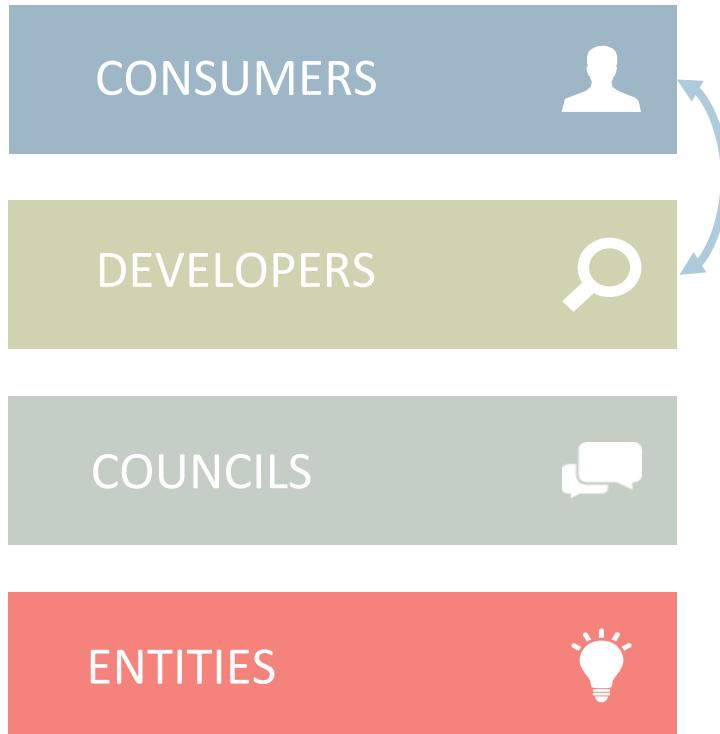


Delivery and
planning



Enforcement

The new provider of water services

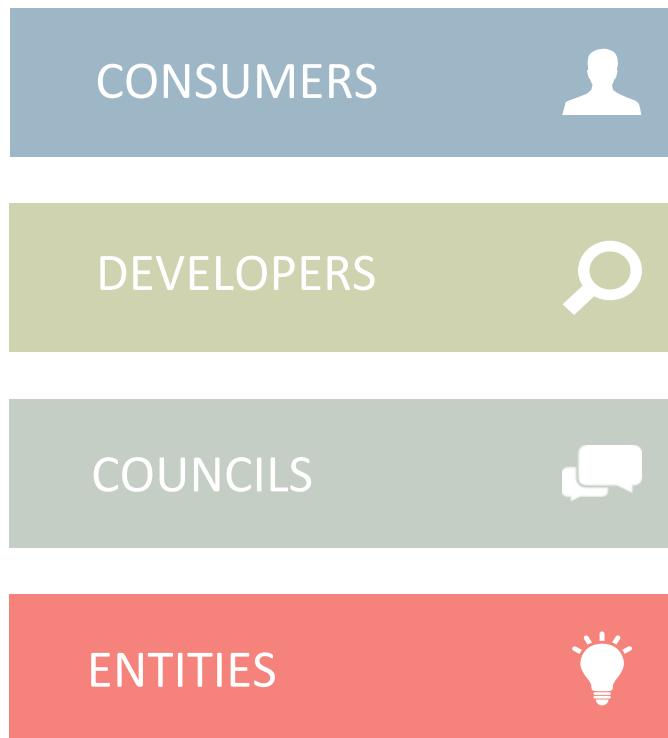


Consumers and developers: Future engagement will be direct with Entities.

Councils: Short term, assist with transition of assets, knowledge, resources to the new Entities. Longer term, TAs will be consumers, rather than suppliers.

Entities: Providers from 1 July 2024, will need to have all systems operational by Day 1.

Responsibility for delivery / planning?



Consumer forum and consumer engagement stocktakes. Engagement on particular WSE documents (ie. asset management plans).

Councils: Strategic input through RRG, but Entities will be independent. Influence less than if were CCOs. Council's will retain planning and regulatory functions under the RMA (although in a new form).

Entities: Collaboration / alignment with councils re development of strategic planning and asset management plans? Subject to RMA requirements

3 Waters transition - immediate TA priorities during “establishment period”



Manage burden of requests for staff and information from DIA

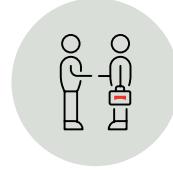


Identify key projects across establishment period – expected to continue, but with DIA endorsement



Identify assets (tangible and intangible) for allocation schedule

- Important to identify mixed assets that deliver ongoing council functions
- Interface with open space and transport functions particularly difficult and important



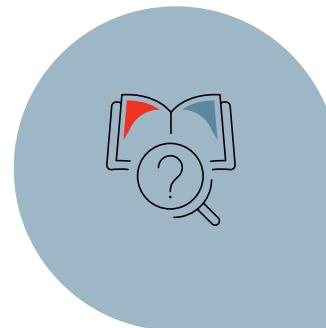
Co-operate with DIA where it needs to exercise “oversight powers”

Three Waters – key implications for Local Government property

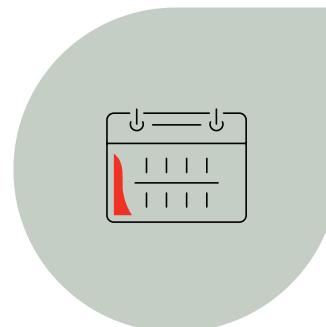
- 01 **Build relationships with key stakeholders / new partners:** central govt / Entities / iwi – resourcing issue
- 02 **Mixed / shared assets – careful treatment:** Will Council hold assets, but with access rights for Entities?
- 03 **Asset transfers to complete:** Parks, reserves, other Council owned freehold land? Rating impacts?
- 04 **Policy / strategy preparation:** Financial and infrastructure strategies – LTP cycle coincides with Day 1 for Entities.
- 05 **Proactively consider strategic and funding priorities:** DCs policies likely to undergo review
- 06 **Operating model:** Working with Entities from “Day 1” e.g. relationship agreements? How to involve in consenting / strategic planning. Will Entities be able to exercise LGA powers?

RMA related reform – what's going on?

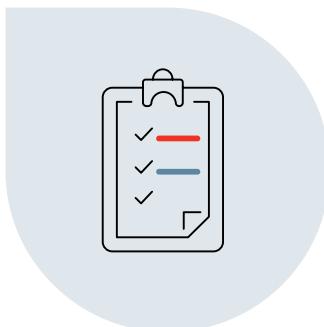
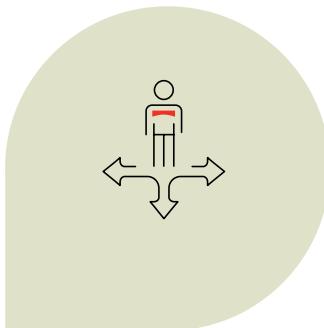
New (and
conflicting) national
policy direction



Timing, hard to see
RMA being enacted
pre-election



Policy tension –
intensification vs
greenfield expansion



Fast track consenting /
streamlined planning
processes

RMA – proposed new structure

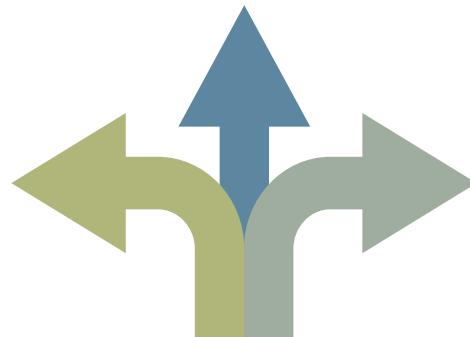
Natural and Built Environments Act

National Planning Framework: environmental outcomes and targets, specified limits

Natural and Built Environment Plans: combined plans for regulating activities and use of land

Climate Adaptation Act

Tools for adaptation re effects of climate change – eg powers to require managed retreat, and to address liability and compensation



Spatial Planning Act

Regional spatial strategies: to identify areas suitable for development or needing protection, and better plan for provision of integrated infrastructure

National Adaptation Plan – climate change resilience / risk-informed decisions

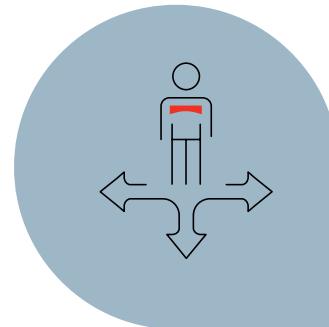
Critical actions to enable better risk-informed decisions

| | | | |
|---|---|--|--|
| Establish a platform for Māori climate action | Provide access to the latest climate projections data | Design and develop risk and resilience and climate adaptation information portals | Deliver a rolling programme of targeted adaptation guidance |
| Develop guidance for assessing risk and impact on physical assets and the services they provide | Raise awareness of climate hazards and how to prepare | Support high-quality implementation of climate-related disclosures and explore expansion | Improve natural hazard information on Land Information Memoranda |

What will reform mean for climate change and natural hazard risks?

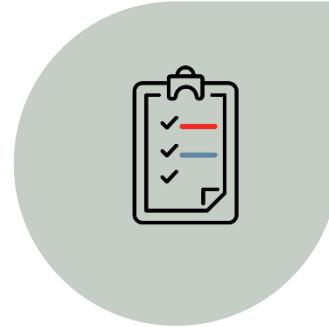
Changing role

Shift to a more proactive risk environment, *improve resilience / significant risks reduced*

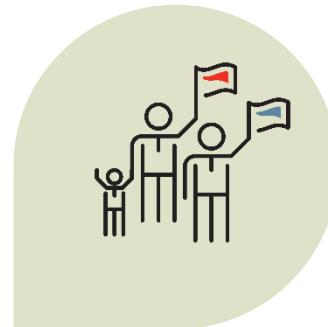


Increased monitoring

Environmental outcomes and limits will need to be regularly audited



Implementation of NBA Plans and Spatial Strategies tested



Improved information

LIM requirements will change

Reliable information and risk assessments will be critical



Increased costs / risks

Managed retreat - Crown will not fully fund

Location of development / voluntary assumption of risk

Insurance implications

RMA reform – key implications for Local Government property

01

Intensification likely to be a focus –
wider use of permitted status?
Infrastructure capacity issues?

02

Potentially more limited role in strategic growth planning processes –
potential to create tension

03

More enabling framework for certain activities - but balanced against
restrictive standards / limits?

04

Increased focus on natural hazard resilience

05

Climate change responsiveness and adaptation – new tools required

Future for Local Government – key themes



improved allocation of roles and functions



New Tiriti-related provisions required within the LGA



Citizen-led democracy - Councils as *enablers*, not *holders* of local democracy



Stronger relationship with central government



Recommend overhaul of electoral system / processes – to improve representation



Local government should be a champion of local well-being



Funding – rates to remain, but with additional central government support



Review system design?



Improvements required re stewardship roles – current lack of clarity



The big *unanswered* question: is wholesale reform required?



Pātai me kōrero

Questions

