

Special housing urgency



Politics this week saw an unusual amount of filibustering.

Question time was ditched and MPs formed tag teams for a late night stoush on **special housing areas**, reflecting the political hot potato that housing affordability has become.

The Government was trying to pass the Housing Legislation Amendment Bill, aimed largely at protecting and extending its policy for fast-tracking housing development.

Special housing areas (SHAs) allow for housing development to be accelerated using more flexible planning processes and faster consenting - Auckland is now dotted with SHAs with housing development in various stages of completion.

The urgency in the House this week was to prevent the Auckland SHAs from lapsing before the Unitary Plan takes force.

The Bill eventually passed, against protest from opposition parties promoting various different preferences including a capital gains tax, restrictions on foreign buyers and a lot more state houses.

None of the options for rapidly increasing Auckland houses are particularly shiny.

The SHA policy is at least beginning to bear fruit, but it is a patch-up policy.

Special housing areas – where resource consents are fast-tracked using limited notification, limited appeal rights and more flexible processes – are able to get houses built faster basically by overriding existing planning processes.

They raise the question - why not fix the existing planning processes instead?

This would seem to be a hard ask.

There are at least four current initiatives focused on improving urban planning, but none is guaranteed to be implemented and some raise the risk of adding more regulation to the planning process rather than reducing it.

First, the Resource Management Act, which governs local authorities' planning functions, would be the logical start to reform urban planning - but successive attempts at RMA reform have not achieved great results, and given the voting makeup of Parliament not much hope is held out for the latest shot at it.

Second, there is the National Policy Statement (NPS) on Urban Development Capacity, aimed at providing guidance to help Councils free up more land supply for housing and business. The draft NPS points to practice in Australia and the UK where guidance, monitoring and evaluation of council Plans are much stronger than in New Zealand. The draft NPS was consulted on over the last few months and the first draft is expected out next month. It contains a fairly soft approach to issues like dismantling metropolitan urban limits, and may not be direct enough to stem the growing imbalances in land and house prices.

Third, there are Urban Development Authorities being mooted to overcome barriers to large-scale development – another 'override' approach, like the SHAs.

And fourth, there are the Productivity Commission's *Better Urban Planning* recommendations that may promise a more fundamental approach to reducing unhelpful regulation.

So there is no shortage of work being done to address housing unaffordability, in both policy and political arenas.

Hopefully the eventual outcome will be better planning at local government level - and more agreement at Parliamentary level - to achieve a better functioning housing market.

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