

**Planning & Strategy Committee**

**4 February 2025**

**Report for Agenda Item | Rīpoata moto e Rāraki take [2]**

**Department: Strategy & Policy**

**Title | Taitara: Update on Generation 2.0 of Queenstown Lakes Spatial Plan / Future Development Strategy**

**Purpose of the Report | Te Take mō te Pūroko**

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This report provides an update on the work programme for the Grow Well Whaiora Spatial Plan Generation 2.0 / Future Development Strategy.

**Recommendation | Kā Tūtohuka**

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That the Planning & Strategy Committee:

1. **Note** the contents of this report;

**Prepared by:**



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**Title:** Senior Strategic Planner – Future Development  
**20 January 2025**

**Reviewed and Authorised by:**



**Name:** Michelle Morss  
**Title:** GM – Strategy and Policy  
**20 January 2025**

## Context | Horopaki

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1. The Queenstown Lakes Spatial Plan was prepared as part of an Urban Growth Partnership between Central Government, Kāi Tahu, Queenstown Lakes District Council (QLDC) and Otago Regional Council (ORC) called the Grow Well Whaiora Partnership.
2. The partnership provides a forum to align decision-making and collaboration on the long-term direction for the Queenstown Lakes District. It acknowledges that the Queenstown lakes District is facing growth-related challenges across housing, transport and the environment that may have flow-on effects nationally, particularly given the importance of the Queenstown Lakes area to Aotearoa New Zealand's tourism sector.
3. Adopted in July 2021, Queenstown Lakes first Spatial Plan (Spatial Plan Gen 1.0) sets out the partnership's long-term approach to address these challenges providing a vision and framework for how and where the communities of the wider Whakatipu and Upper Clutha can grow well and develop to ensure our social, cultural, environmental, and economic prosperity. To grow well, five outcomes have been identified and these include:
  - a) Consolidated growth and more housing choice
  - b) Public transport, walking and cycling is the preferred option for daily travel
  - c) A sustainable tourism system
  - d) Well-designed neighbourhoods that provide for everyday needs
  - e) A diverse economy where everyone can thrive
4. Work on Spatial Plan Gen 2.0 began in November 2022, building on Spatial Plan Gen 1.0, the second-generation Spatial Plan will meet the requirements of the National Policy Statement Urban and contain the district's Future Development Strategy (FDS). A key benefit of a combined FDS and Spatial Plan is that the Spatial Plan will become the statutory document that Resource Management Act (RMA) documents (i.e., the District Plan) must have regard to when they are being prepared or changed. The document is also strongly encouraged to inform other long-term plans and infrastructure strategies to promote long term strategic planning and integration of planning, infrastructure and funding decisions.
5. The Spatial Plan Gen 2.0 spatial scenario work will progress once the Housing and Business Assessment (HBA) has been completed. A HBA provides a high detailed understanding of supply and demand for both residential and business capacity and whether there are any shortfalls in supply over the short-medium-long term.
6. This assessment enables councils to understand whether there are any insufficiencies due to not enough plan enabled capacity, insufficient infrastructure supply or other market conditions that may affect the commercial feasibility of developing a site. This evidence base then allows the spatial plan to respond with the appropriate solutions for the identified shortfalls.
7. Work is progressing on the HBA and is expected to be considered for adoption by Council in May 2025, it is expected that interim results will be available in March 2025, and this will enable the

Spatial Plan work to continue. Given the proximity of these dates, work is now underway on developing the Spatial Plan Gen 2.0 work programme.

### Analysis and Advice | Tatāritaka me kā Tohutohu

#### Spatial Plan Gen 2.0 Work Programme

8. As the Spatial Plan Gen 2.0 work programme was first developed in mid-2022 with a completion date of end 2023. A revised draft work programme is being developed; it is anticipated that 18 months is required from project inception until the final Spatial Plan Gen 2.0 adoption date. Progress on the work programme will be reported to the Planning & Strategy Committee.
9. The work programme can be broken into the following seven stages and timeframes:

Stage	Projected Timing
Stage 1: Project Initiation ( <i>on delivery of HBA growth model</i> ) and baseline analysis (i.e. review of infrastructure report, growth model and HBA)	March – April 2025
Stage 2: Development of three spatial scenarios, including infrastructure integration	March – May 2025
Stage 3: Engagement on three spatial scenarios	June 2025
Stage 4: Confirm preferred spatial scenario, FDS drafting	June – September / October 2025
<i>Council Elections - 3-month pre-election period where Council makes no substantial decisions</i>	<i>11 July – 11 October 2025</i>
Stage 5: Finalise FDS drafting (following inauguration of new councils) and preparation of Local Government Act 2002 Special Consultative Procedure	October 2025 – January 2026
Stage 6: LGA Special Consultative Procedure, including hearings	February – April 2026
Stage 7: Adoption of final SPG2	May – June 2026

10. In relation to the above, the revised work programme includes five QLDC/ORC joint workshops which includes:
  - a. refamiliarising Councillors with the project
  - b. obtaining Councillor feedback on the three draft spatial scenarios and key moves prior to public engagement
  - c. update and progress post public engagement on the draft Spatial Plan and likely spatial scenario
  - d. a briefing workshop for new Councillors post Council election period
  - e. The final workshop ahead of the Council meeting relating to adoption of the final Spatial Plan Gen 2.0

11. In addition, there will be five Grow Well Partnership Steering Group meetings and two full Council meetings, one relating to seeking approval to publicly consult on the final draft spatial scenario and the second seeking a Council decision to adopt Spatial Plan Gen 2.0.
12. The original 2022 programme was 12 months; however, when refining the programme, approximately an additional two months has been included in the work programme to allow for the preparation and review timeframes associated with producing the content for Council workshops, Full Council, committee meetings (i.e. QLDC Planning & Strategy), ORC Council meetings, and the Grow Well Whaiora Partnership Steering Group meetings in a co-ordinated fashion across both QLDC and the ORC. The level of collaboration required and working across both sets of systems and processes will achieve better outcomes but does require a greater time investment from officers.
13. An additional impact, relates to the three yearly Council election in October 2025, resulting in approximately a 3-month pre-election period where Council makes no substantial strategic or financial decisions that could fetter a future Council<sup>1</sup>. New Councillors will need briefing on Councils Spatial Plan and the Grow Well Whaiora Partnership prior to being asked to endorse the draft Spatial Plan Gen 2.0 for public notification under the LGA Special Consultative Procedure.

#### **Other matters**

14. Other matters that will impact the development of Spatial Plan Gen 2.0, are the upcoming changes within the legislative and planning environment. It is important to note that these legislative changes may well result in further changes to timelines, depending on the implications of the changes proposed.
  - a. RMA Amendment Bill and national direction overhaul
  - b. Full RMA replacement
  - c. Fast Track Approvals Act
  - d. QLDCs Intensification Plan Change hearings and subsequent decision
15. The National direction overhaul will likely have the biggest impact on the direction of the Spatial Plan Gen 2.0, as Section 3.14 of the National Policy Statement - Urban Development requires that Spatial Plans that contain Future Development Strategies must be informed by every other National Policy Statement under the Act. The national direction overhaul will be completed under four key packages of work: Infrastructure/renewable energy, unlocking development capacity for housing, farming/primary sector growth and improving emergency and natural hazards provisions.

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<sup>1</sup> Final QLDC full Council meeting is 9 October, new Council inauguration is 23 October, a Full Council meeting will follow in November/December, but the new Council will determine timings and whether there are any changes to committee structures.

16. These four packages will be delivered by amending 14 existing national direction instruments, as well as the creation of seven new national direction instruments. These instruments will directly influence Spatial Plan Gen 2.0 in terms of new requirements relating to the provision of new housing growth, management of land and water, protection of highly productive land and how to address the impacts of natural hazards and climate change.
17. Formal consultation is expected to begin in early 2025 and finalised in mid-2025, until the draft direction is released it is not certain what requirements Spatial Plan Gen 2.0 will need to respond to. Initial details released has indicated that Future Development Strategies may need to plan for 50 years of growth (up from 30) as well as be more responsive to private plan changes. Other anticipated changes relate to the removal of LUC 3 from the highly productive land NPS, which could result in more land being made available for future development.
18. The RM Replacement bill, expected to be released mid-2025 for consultation, with enactment mid-2026. It has been indicated that it will use Spatial Planning, and a simplified designation process aimed at lowering the cost of future infrastructure. This will potentially result in long term planning on a 30–50-year time scale to plan for future urban development and infrastructure projects. This planning will involve constraints mapping and protecting infrastructure corridors at an earlier stage. Spatial Plan Gen 2.0 may be adopted prior to the RM Replacement Bill but will need to be cognisant of this potential amendment changing the timeframes of Spatial Plans as well as the adding additional infrastructure requirements.
19. The Fast Track Approvals Act was gazetted on the 23 December 2024 and includes nine locally listed development projects in Schedule 2, these projects will be referred directly to an Expert Panel that sits outside of the usual Council Resource Consent processes. Whilst it is currently unknown whether these projects will be approved, the intention is to include these sites within the multi-criteria analysis for the three spatial plan scenarios. This provides an opportunity for Council to assess for completeness, the potential for these development projects to add significant development capacity as well as an evaluation of growth scenarios against measurable variables, such as (but not limited to), infrastructure requirements/high level costs, carbon emissions, vehicle kilometres travelled, hectares of highly productive land lost, impact on outstanding natural landscapes and features.
20. The Intensification Plan Change is implementing Priority Initiative 1 of Spatial Plan Gen 1.0. The final densities and development capacities that will be used to inform Spatial Plan Gen 2.0.

### **Next Steps**

21. The next steps are to finalise the programme which is contingent on the Housing Business Assessment Model and report being completed to inform the development of the spatial plan scenarios. This will be reported back at the next Planning & Strategy Committee meeting.

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### [Consultation Process | Hātepe Matapaki](#)

### **Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka**

22. This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because this paper is a noting paper.
23. The persons who are affected by or interested in this matter are the Queenstown Lakes District Community.

#### **Māori Consultation | Iwi Rūnaka**

24. The Council has, through the course of development and implementation of the Spatial Plan, consulted on its work programme and the Spatial Plan Gen 2.0 with regular ongoing meetings held with Kāi Tahu, who are part of the Grow Well Whaiora partnership.

#### **Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka**

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25. This matter relates to the Strategic/Political/Reputation risk category. It is associated with RISK10056 Ineffective provision for the future planning and development needs of the district within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.
26. The approval of the recommended option will allow Council to retain the risk at its current level. This will be achieved by ensuring that all workstreams are co-ordinated in pursuit of the agreed outcomes regarding the management of growth for the district.

#### **Financial Implications | Kā Riteka ā-Pūtea**

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27. There are no financial implications to this noting paper.
28. This workstream has current funding under the Long Term Plan

#### **Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera**

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29. The following Council policies, strategies and bylaws were considered:
  - The outcomes and principles of the Vision Beyond 2050
  - The QLDC Spatial Plan 2021
  - The QLDC Proposed District Plan
  - The QLDC Operative District Plan
  - The Climate and Biodiversity Plan
  - The Destination Management Plan
  - The Long-Term Plan
  - The Homes Strategy and draft Joint Housing Action Plan
  - The 30 Year Infrastructure Strategy



30. This report doesn't contain any recommended options as it is a noting report, however the workstream discussed is consistent with the principles set out in the named policy/policies.
31. This matter is included in the Long-Term Plan.

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#### Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kiaka

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32. Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. This report provides an update on the implementation of the QLSP 21. Strategically planning for the growth of our communities is critical to achieving the outcomes of the QLSP 21.
33. The recommended option:
- Can be implemented through current funding under the Long Term Plan and Annual Plan
  - Is consistent with the Council's plans and policies
  - Would not significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council or transfer the ownership or control of a strategic asset to or from the Council

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#### Attachments | Kā Tāpirihaka

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No attachments