Hon Chris Bishop

Attorney-General
Minister of Housing
Minister for Infrastructure
Minister Responsible for RMA Reform
Minister of Transport
Associate Minister of Finance

MIN-CB-527

Daran Ponter
Chair
Greater Wellington Regional Council
By email: daran.ponter@gw.govt.nz

Dear Daran,

Thank you for your letter of 21 August 2026 regarding the exclusion of large-scale residential developments in rural and peri-urban areas from the Fast-track Approvals Act 2024 (the FTAA). I apologise for not getting back to you sooner, but I can now provide you with a few relevant updates about infrastructure funding and financing to support urban growth that will be of interest to you.

The FTAA is an important tool to enable projects with significant regional or national benefits (including land development projects) to proceed without being caught up in lengthy and expensive processes under the Resource Management Act 1991.

I do acknowledge, however, for land development outside of identified growth areas, the fast-track process can present issues for councils in terms of infrastructure provision and funding and raises the risk of councils and ratepayers having to subsidise private development.

Firstly, I wanted to share some information about the conditions that expert panels are placing on approved fast-track projects. Under the FTAA, expert panels have tools to manage the effects of projects proceeding ahead of council infrastructure planning or relying on infrastructure that crosses council boundaries. In recent land development approvals, expert panels have imposed precedent conditions preventing either the occupation of buildings and/or the issuing of titles for certain stages until necessary local infrastructure upgrades have been completed. I really encourage you or your officials to read through the detail of conditions being set. Examples of these conditions are attached at **Annex A**.

I also wanted to inform you about a law change that came into force on 19 September 2026 and gives territorial authorities a practical new tool for managing the infrastructure costs required to support fast-track projects. Our position is clear: growth should pay for growth. As such, territorial authorities will be able to update their development contributions policies for fast-track projects in the six months after those projects are approved by a fast-track panel, without needing to go through the usual consultation process. These changes should encourage applicants to engage earlier and more constructively with territorial authorities on infrastructure outcomes. More information on the proposed changes to the Local Government Act is available on the Beehive

website at: Development contributions strengthened to recover Fast-track infrastructure costs | Beehive.govt.nz

The last update I wanted to share is with regards to the Government's broader approach to supporting appropriate infrastructure for urban growth. In Budget 2026, we set up the Incentives for Growth Fund so that all councils are rewarded for every new home consented. In August, the Infrastructure Funding and Financing Amendment Act 2026 passed into law, making it easier for developers, territorial authorities and other infrastructure providers to use levies to help fund infrastructure. We are also progressing the replacement of the Development Contributions regime with a more flexible Development Levies system that will match the new planning system.

You have asked that I pause "out-of-sequence" urban development under the FTAA. It is not in my power to pause fast-track developments that are already in the system without a change to the legislation, and every application must be considered on its individual merits. I also cannot stop referring housing projects, as I have an obligation to consider each application against the criteria in the FTAA, and applying a blanket approach would be inconsistent with my obligations under the FTAA.

To finish, I want to acknowledge the opportunity ahead of us with the establishment of the Ministry for Cities, Environment, Regions and Transport (MCERT). MCERT gives us a chance to work with councils in a more coordinated and practical way across the issues that matter most for growth: housing, infrastructure, transport, local government, and the environment.

Our expectation is that MCERT will be a genuine partner for councils: easier to engage with, better connected across government, and focused on helping you deliver for your communities.

Partnership Directors from the local government part of the Department of Internal Affairs, as well as Partnership Directors from the Ministry of Housing and Urban Development, are now part of MCERT and remain available to meet with you and your officials. A key part of their role is to connect you up with the different parts of MCERT. If you or your officials are not aware of who your Partnership Director is, please have them contact councils@mcert.govt.nz

Please continue to raise the issues you are seeing with officials and Ministers. I really appreciate having your on-the-ground insights.

Thank you for your correspondence on this important matter.

Yours sincerely,

Hon Chris Bishop
Minister for Infrastructure

Cc: Hon Simon Watts, Minister of Local Government

Annex A - Infrastructure conditions on approved residential fast-track projects

Examples of conditions of residential developments approved through fast-track – including key infrastructure conditions that apply to each project.

Drury Metropolitan Centre, Auckland

The 53.2-hectare project provides for future residential activity alongside substantial retail, commercial and community development.

The final conditions include:

- occupation of buildings across stages 1 and 2 is limited to 950 domestic unit equivalents until downstream wastewater upgrades are completed and commissioned;
- specified transport infrastructure must be constructed and operational before development reaches defined thresholds, or buildings cannot be occupied;
- State Highway 1 must be widened to six lanes between the Papakura and Drury interchanges before retail development can exceed the relevant threshold; and
- further road and intersection upgrades are required before specified levels of residential or commercial development can be occupied.

Homestead Bay, Queenstown

Homestead Bay provides for approximately 2,800 residential allotments, a commercial precinct, parks, trails and native revegetation.

The first stage (108 lots) must include:

- a new roundabout at the State Highway 6 entrance;
- the initial water-treatment plant and reservoir, together with infrastructure connecting the bore, treatment plant, reservoir and first-stage lots; and
- the initial wastewater-treatment plant and associated infrastructure, unless an alternative connection to the council network is provided.

If these are not completed, titles cannot be issued for the subdivision.

Queenstown Lakes District Council is not required to accept ownership of the private infrastructure or allow it to connect to council networks.

If the infrastructure is not accepted by the council, an incorporated society or equivalent body must own, manage and maintain it. Property owners must contribute to its future maintenance and renewal.

Milldale, Auckland

The final approval covers earthworks and site works for approximately 1,100 residential allotments.

Each stage must satisfy its relevant conditions, at the developer's expense, before a subdivision completion certificate can be issued.

The developer must construct connections to the public water and wastewater networks and obtain confirmation that the works have been completed satisfactorily.

If wastewater network capacity is unavailable, the relevant stage cannot receive its subdivision completion certificate until the temporary wastewater-treatment plant is constructed, commissioned and operational.

Sunfield, Auckland

The final approval for Sunfield includes conditions setting out the infrastructure required for each stage, and requiring that infrastructure be constructed before any buildings can be occupied. Examples include:

Stage 1 (353 lots):

- construction of stormwater management wetlands;
- new sewer line connecting to the Takanini Branch Sewer;
- new signalised intersection of Cosgrave Road and proposed Road 2; and
- new water supply line from Cosgrave Road.

Stage 2 (209 lots):

- all Stage 1 infrastructure, along with
- priority intersection of Cosgrave Road and proposed Road 4;
- upgrade of Cosgrave Road frontage to Walters Road;
- signalised intersection at Cosgrave Road and Clevedon Road; and
- pedestrian and cycle links on Cosgrave Road between Walters Road and Clevedon Road.

Delmore

This decision has been well-canvassed in the media, but the key feature here is that the decision only allows for the construction of Stage 1. Stage 2 cannot go ahead (no titles can be issued) until all necessary infrastructure (roading, water, wastewater) is addressed. For wastewater, this could include connection to the public network, expansion of the Stage 1 private wastewater treatment plant to service the entire development, or another solution (such as trucking) which would require future consents that are not part of this approval.

Copy email from Daran Ponter, Chair GWRC to Minsters re Zombie Subdivisions

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From: Daran Ponter
Sent: Friday, August 21, 2026 10:42 AM
To: Christopher Bishop (MIN) ; Simon Watts (MIN) ; Nicola Grigg (MIN)
Cc: Office@nhoo.nz ; Kim Tahiwi (Guest) ; helena.patricia.baker@teatiawakikapiti.co.nz ; callum.katene@ngatitoa.iwi.nz ; Chair ; board@rangitane.iwi.nz ; sonya@tumaira.nz ; paora@kkwtnr.org.nz ; Rt Hon Chris Hipkins ; christopher.luxon@national.org.nz ; Hon David Seymour ; Hon Marama Davidson ; Rt Hon Winston Peters ; Steve Cretney ; Hutt City Mayor ; Janet Holborow Mayor ; mayor ; Anita Baker Mayor ; Fran Wilde ; Peri Zee ; Andrew Little ; Debbie Ngarewa-Packer ; ginny.anderson@parliament.govt.nz ; Mike Butterick ; Hon Barbara Edmonds ; Greg O'Connor ; Hon Nicola Willis ; Rt Hon Chris Hipkins ; Hon Julie Anne Genter ; Hon Kieran McAnulty ; Tamatha Paul ; Hon Dr Ayesha Verrall ; Cushla Tangaere-Manuel ; nicola.mckee@parliament.govt.nz ; Tim Costley ; Andy Foster ; Celia Wade-Brown
Subject: Letter from Chair Daran Ponter Greater Wellington Regional Council to ministers re Zombie Subdivisions

Kia Ora Koutou,

Please find attached a letter to minsters re Zombie Subdivisions.

Ngā mihi

Daran

Daran Ponter
Heamana | Chair
Greater Wellington Te Pane Matua Taiao

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Greater Wellington
Te Pane Matua Taiao

By email

21 August 2026

Hon Chris Bishop, Minister of Resource Management Reform
C.Bishop@ministers.govt.nz

Hon Simon Watss, Minister of Local Government
S.Watts@ministers.govt.nz

Hon Nicola Grigg, Minister for the Environment
N.Grigg@ministers.govt.nz

Kia Ora Koutou,

Zombie Subdivisions

This letter calls for the exclusion of large-scale residential development in rural and peri-urban areas, from the Fast Track Approvals Act 2024.

Greater Wellington supports the need for sustainable housing growth and recognizes supported by efficient planning and consenting processes. We are supportive of the provisions for regional spatial planning which appear in the Planning Bill, currently at Parliament's Committee of the Whole stage.

But we do not support fast-tracking zombie subdivisions. Zombie subdivisions are stalled residential developments, often conceived outside of planning and market realities. Fast-tracking has the real potential to serve up ad-hoc decisions that are disconnected from the region growth trajectory and realities of infrastructure provision to serve new communities. Recent fast-track approvals indicate that this is now a very real possibility in the Wellington Region, as already being experienced in Auckland and Queenstown.

The Wellington region already has a number of fast tracked green fields subdivision projects which have the potential to serve up significant costs for ratepayers and taxpayers.

Greater Wellington Regional Council has responsibilities for many aspects of infrastructure which are directly affected by urban form and density, including regional land transport priority setting, the provision of public transport, the protection of communities from flooding

and inundation, as well as environmental monitoring of the impacts of new subdivisions. Greater Wellington will support urban growth, but this needs to be done in a planned, coordinated and staged manner, not dictated by the whims of large-scale property developers.

To be clear, fast-tracking large-scale residential housing in rural and peri-urban areas creates a range of problems, including:

- Forcing growth into places where growth was never planned for, placing immense pressure on public infrastructure, potentially overwhelming pipes and roads.
- This includes connections to water and wastewater infrastructure. Wellington already has ageing infrastructure, and any additional growth must be accompanied by appropriate investment in these essential services.
- Shifting much of the costs of this growth from developers on to ratepayers and taxpayers, forcing them to subsidise billions of dollars' worth of infrastructure that would otherwise be invested elsewhere.
- If a developer wants to build a new town in the middle of the countryside, the people paying the bill shouldn't be Wellington ratepayers. The current system privatises the profit and socialises the cost.
- Fast Track was supposed to help deliver nationally significant infrastructure, not become a shortcut for speculative housing developments that bypass local planning.
- Undermining the spatial plans that councils have worked on with communities in recent years (as well as future regional spatial plans), making a mockery of local democracy.
- Significantly adding to Regional council workload in relation to monitoring and containing the environmental impacts of (e.g. site visits, the geospatial checks, turbidity monitoring, and the enforcement, all without any extra resourcing).
- Developers gaining fast-track approval and immediately selling the land on at a profit, delivering no immediate housing growth or other benefits to communities.

Many of these problems were foreshadowed to the government in Greater Wellington's submission to the Fast Track Approvals Bill.

Every Fast-Track project increases both the environmental risk and the pressure on our compliance teams. These provisions come at a time when the government is still insistent on introducing rates capping for local authorities. Something must give here – I suggest that

councils will simply not be able to stretch to accommodate ad-hoc subdivisions, with zombie subdivisions being the result.

A pause on existing greenfield housing fast track applications and removing these developments from the fast-track system altogether is the only way forward.

By doing so, we will return the system to the main purpose it was originally intended to serve - cutting through red tape to get nationally and regionally significant infrastructure consented (e.g. Riverlink Project).

We remain committed to working with the Government to deliver ambitious housing growth, but it must be growth that is infrastructure-ready, financially sustainable, and planned in partnership with local communities and councils.

New Zealand deserves housing development that creates lasting value, rather than transferring long-term costs and risks from ad-hoc housing projects to ratepayers and taxpayers.

Nga mihi

Daran Ponter

Chair

Greater Wellington Regional Council

CC: Leaders, New Zealand Parliamentary Parties

Members of Parliament, Wellington Capital Region/ Te Upoko o te Ika a Maui

Mayors and Iwi Chairs, Wellington Capital Region / Te Upoko o te Ika a Maui