



**November
2025**



Proposed Plan Change 120 Information Sheet #19

Housing Capacity

From 3 November to 19 December 2025, Auckland Council invites submissions on Proposed Plan Change 120: Housing Intensification and Resilience (PC120) - a change to the Auckland Unitary Plan (AUP) (our city's planning rulebook) that proposes to rezone areas of residential land for greater intensification, to enable greater building heights and densities in many parts of urban Auckland, and to strengthen management of natural hazard risks.

Submissions are now open until 5pm on Friday 19 December 2025.

This information sheet explains the concept of Housing Capacity and how we measure it under PC78 and PC120. Auckland Council is required to amend the AUP to enable at least the same housing capacity as if PC78 (as notified) was made operative. Enabling housing capacity is a key driver in PC120.

Background to Proposed Plan Change 120

PC78 was Auckland's former intensification plan change as required by the National Policy Statement on Urban Development 2020 (NPS-UD). It incorporated the Medium Density Residential Standards (MDRS) which was legally required at the time. This generally allowed three dwellings of up to three storeys to be built on most residential sites without resource consent.

In August 2025, the government amended the Resource Management Act 1991 (RMA) which enabled PC78 to be withdrawn. Auckland Council withdrew PC78 (in part) and notified PC120 to improve Auckland's resilience to natural hazards and focus intensification around centres and transport nodes.

PC78 was withdrawn in part from 5pm on 9 October 2025, and included withdrawal of the MDRS in PC78.

PC120 addresses central government requirements to:

- contribute to the same level of housing capacity in the AUP as was to be enabled by PC78
- enable building heights and densities within and around town and local centres which reflect the level of commercial and community activity these centres offer
- enable building heights of at least 6-storeys within walkable catchments from the edge of the city centre zone, the edge of metropolitan centre zones and around existing and planned rapid transit stops (train and busway stations) and
- enable building heights of at least 10- and 15- storeys around certain train stations listed in the RMA.

These heights and densities must be enabled unless a ‘qualifying matter’ applies to a site (see Information Sheet #13) which makes that level of development inappropriate.

PC120 also strengthens provisions that manage natural hazard risks. Areas potentially affected by flooding, land instability, coastal erosion or coastal inundation now and in the future are targeted with stronger rules and other planning measures. This approach is to improve Auckland’s resilience to severe weather events and natural hazards, following the storms in early 2023 which resulted in widespread flooding, landslips, and coastal inundation across the region.

Housing capacity explainer

Housing capacity is a theoretical measure of housing numbers that planning rules allow, if every development opportunity was taken up.

Councils use capacity assessments to understand how planning rules enable cities to grow and work as well-functioning urban environments. Assessments contribute to land availability, infrastructure sequencing and other strategic decisions to meet the needs of communities now and into the future.

A capacity assessment is not just a technical exercise. It provides evidence to inform major city-shaping decisions. Councils usually assess housing capacity to support strategic planning like the Future Development Strategy required by the NPS-UD. Strategic planning decisions improve urban outcomes for our communities, infrastructure servicing, competition in housing markets, and efficiencies in how cities grow.

Housing capacity is relevant to PC120 because:

- Auckland Council must amend the AUP to enable at least the same housing capacity as PC78 would have if it were progressed
- The council needs to know what capacity is enabled by the City Centre / Metropolitan Centres (parts of PC78 already operative / will soon be operative)
- PC120 needs to enable the difference
- Enabling housing supply is an ongoing requirement. Decisions on PC120 must ensure the AUP enables at least the same housing capacity as PC78 (as notified).

Capacity assessments offer a transparent, data-driven way to:

- Communicate the planning rationale to the public
- Justify or test the impact of decisions or options
- Respond to public submissions with factual backing
- Strengthen our ability to lead and advocate effectively

Capacity assessments inform what a plan change enables. Better data helps people make more informed choices about the housing supply enabled by the plan change being measured.

Following Auckland Council's decision to withdraw PC78 (in part) the RMA requires the council to enable at least the same amount of capacity than what PC78 would have enabled. PC120 is largely about the choices around *where and how* that capacity is provided.

Housing Capacity – a deeper dive

Key terms

Housing capacity is defined¹ as:

housing capacity, in relation to the Auckland Unitary Plan ..., means the housing that the plan enables as a permitted activity, controlled activity, or restricted discretionary activity

Housing capacity is functionally equivalent to *plan enabled capacity* as defined by the NPS-UD. See **Figure 1**.

Plan enabled capacity indicates the development potential under zoning rules – it is the theoretical maximum that could be built if every site was fully redeveloped, under the planning rules being measured.

The Council's methodology focussed on making assessments between relevant parts of PC78 with PC120 as comparable as possible. The assessment used: the same cadastral patterns (legal boundaries); a simplified approach considering base zoning and some overlays; and only the areas affected by PC78 and PC120.

Housing capacity is a measure of potential housing supply. It is not a target. It is not a measure of what will be built, or a forecast of when housing will be constructed. Housing capacity is a necessary starting point for further assessments of infrastructure capacity, commercial feasibility and reasonably expected to be realised assessments. By their nature, these complex assessments underpin strategic decision-making.

Development capacity assessments for strategic planning

Separately to PC120, the NPS-UD requires Auckland Council to conduct *development capacity* assessments, for strategic planning. The council's planning rules and infrastructure (both available and planned) will support growth in the short, medium, and long term.

¹ <https://environment.govt.nz/acts-and-regulations/acts/rm-amendment-act-2025/> Schedule 1, Clause 1

Development capacity is more than housing capacity.

Housing and business capacity assessments model how much land and floor space can potentially be developed for housing and business as per planning rules (in the AUP, or any draft/proposed plan change such as PC78 or PC120). Assessments create an evidence base to evaluate and compare theoretical housing yields from different planning scenarios. Assessments show the limits of what planning rules might enable in a location, and, through different tests, how that capacity interacts with existing and planned infrastructure, market drivers, and demand over time.

Four types of capacity assessment are used to understand housing and business capacity, applying guidelines specified by [The Ministry for the Environment](#). See **Figure 1**. The categories are:

1. plan-enabled (or, for amending the AUP as required by the RMA including PC120: *housing capacity*)
2. infrastructure ready
3. commercially feasible
4. expected to be realised

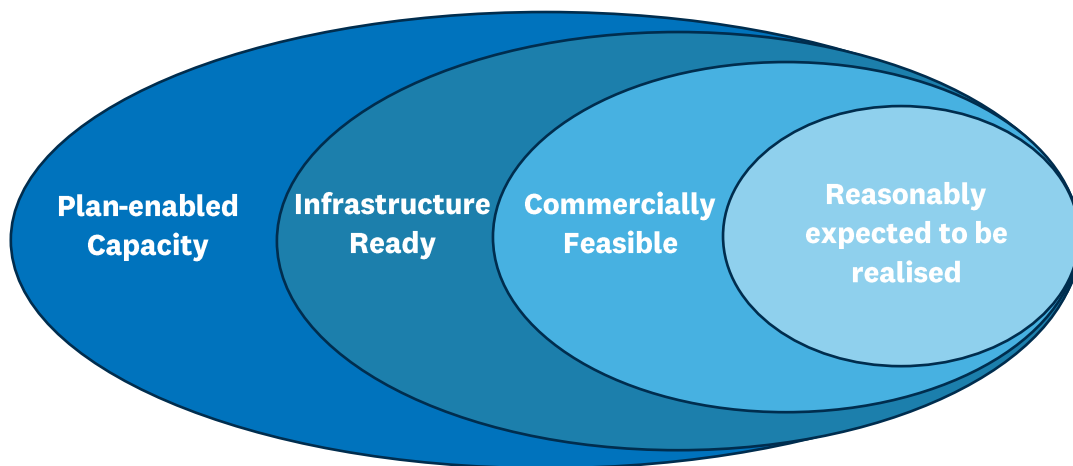


Figure 1. Housing and business capacity assessment categories

Plan-enabled capacity (the largest circle in Figure 1) estimates how much floor space can potentially be used for housing and business **if it were to be developed to the maximum extent** allowed under a given set of planning rules. It includes all land zoned for development without accounting for constraints, such as infrastructure availability.

The RMA, in requiring amendment of the Auckland Unitary Plan to achieve the same or more housing capacity as notified in PC78, is effectively referring to plan-enabled capacity.

The Housing and Business Development Capacity Assessment (HBA) process applies the other assessment categories as indicated by the smaller circles in **Figure 1**.

Infrastructure ready and commercially feasible assessments test how much plan-enabled capacity is adequately serviced by existing or planned infrastructure, and is then commercially feasible for developers to use.

The **expected to be realised** assessment estimates how much development is realistically likely to be built. Not all planned, infrastructure-ready and feasible development opportunity is undertaken for a wide range of reasons.

The full HBA supports the Council's strategic decision-making, such as the investment decisions in the long-term plan. The HBA contributes to "well-functioning urban environments" where the needs of people, businesses, and the environment are balanced. For PC120, only the first category of *plan-enabled capacity* is relevant.

Assessing plan change housing capacity

For PC120 (and the PC78 comparison) we are assessing plan-enabled capacity. This is what **could** be built if the AUP was amended by the relevant plan change and the opportunities were developed to their maximum extent. This capacity is **not all feasible** (for example, there may not be the demand for a certain type of development in an area).

Explaining the 2 million dwellings capacity requirement

The RMA requirement to amend the AUP to enable at least the same amount of housing capacity would have been enabled if PC78 was made operative, drives the figure of two million dwellings.

Had PC78 been made operative (with the same rules as when it was notified) it would have plan-enabled housing capacity of approximately two million dwellings. Auckland Council determined PC78's housing capacity using strict criteria to establish a baseline for comparison with any proposed replacement plan change. PC78 enabled significant housing capacity as it was required to incorporate the Medium Density Residential Standards (MDRS), allowing landowners to build up to three homes of up to three storeys on almost all urban residential zoned sites without resource consent. Approximately half the housing capacity came from the MDRS.

Two million dwellings represent the plan-enabled capacity under PC78 (as notified) in residential and business zones:

- in Auckland's urban environment
- including Special Housing Areas and the light rail corridor (the urban areas excluded from PC78)
- but excluding the City Centre, because the PC78 rules for the City Centre became operative in June 2025.

It is simpler to leave the City Centre out. Since PC78 has been completed in this area the council does not need to repeat PC78 or provide additional housing capacity in this location.

Similarly, upcoming decision-making on PC78 rules for the Metropolitan Centres will make PC78 rules for those centres operative too. Housing capacity comparisons between the plan changes must be done fairly.

Together with the parts of PC78 already, or soon to be, operative, PC120 must enable the same or more capacity enabled under PC78. The council proposes to enable housing capacity differently in PC120 with more capacity around train stations, good links to transport, close to centres that have concentrations of the things people use and like to access.

Less capacity is proposed away from areas with significant natural hazard risks, or less accessible to public transport, or that lack the things people need.

Further information

- For detailed information about the National Policy Statement on Urban Development 2020 (NPS-UD) [visit the Ministry for the Environment website.](#)
- For more information on the amendments to the RMA [visit the Ministry for the Environment website.](#)
- For more detailed information on development capacity and how it is calculated, refer to the relevant Section 32 Evaluation Report on the Council Plan Change 120 web page or to the document titled 'Technical Report. Housing Capacity Modelling Report: Housing Intensification and Resilience (Plan Change 120).'

Please note:

This information sheet is a summary document to assist with understanding Proposed Plan Change 120 – Housing Intensification and Resilience, which gives effect to Policies 3 and 4 of the National Policy Statement on Urban Development 2020 and addresses the requirements of Schedule 3C of the Resource Management Act 1991.

Proposed Plan Change 120 to the Auckland Unitary Plan was publicly notified by Auckland Council on 3 November 2025.

All information provided in this information sheet should be considered as being illustrative and indicative only. Users should take specific advice from qualified professional people before undertaking any action as a result of information obtained from this information sheet. The user waives and releases Auckland Council from any claims arising from use of the information provided in this information sheet.