

Resource Management Act Amendments – Significant increases to fines and insurance for fines now unlawful

Wednesday 10 September 2025.

What has happened?

The Resource Management Act 1991 (**RMA**) has recently been updated by the Resource Management Act (Consenting and Other Systems Changes) Amendment Act 2025 and has two notable changes for statutory liability policyholders:

1. Significant increase of maximum fines under RMA in respect of environmental offending:
 - Maximum fines for individuals have increased from \$300,000 to \$1million.
 - Maximum fines for companies or entities have increased from \$600,000 to \$10million.
2. Insurance cover for fines and infringement fees under RMA are no longer allowed.

From an insurance coverage perspective, these changes impact Statutory Liability policies.

When does it apply?

The changes took effect on 21 August 2025, therefore it is currently prohibited for fines incurred under RMA to be covered by insurance.

What is the impact?

- Statutory liability policyholders no longer have cover for resource management fines or infringement fees. Any existing statutory liability policy which covers such fines and infringement fees incurred under the RMA are not valid.
- Defence costs and expenses cover is still available to clients subject to policy terms, exclusions, conditions and applicable limits.

Current claims

For claims clients currently have which are in motion, insurers have said that they will continue to provide coverage in respect of the defence costs and expenses per the terms in the policy – this means clients will still have access to specialist legal and expert advice.

What cover is still available?

As mentioned, the specialist legal and expert advice (generally called defence costs and expenses) under a Statutory Liability policy is still available to clients. It is beneficial to clients in helping resolve or manage prosecutions.



These specialist and legal costs have been shown to be valuable in the health and safety context which had similar changes a few years back (removing the insurability of fines). Remediation costs are still able to be covered.

What may happen over the next few months?

Over the next few months, Statutory Liability policyholders may notice endorsements (clauses altering cover) being added to Statutory Liability policies removing references to cover for RMA fines and infringement fees.

Conclusion

The RMA reforms make a clear move toward stricter enforcement and personal accountability. Fines are not a shared risk between insurers and insureds. Insureds should be aware of the new increased exposure and work to understand their potential exposure.

Talk more with Aon

Please reach out to your [Aon broker or local Aon branch](#) if you wish to discuss the above further, have with any questions or would like to check whether your existing Statutory Liability defence costs and expenses cover is adequate.

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