

22 OCT 2019 06348  
Replacement Number  
attachment 79

## Form 5

## Submission on notified proposal for policy statement or plan change or variation

## Clause 6 of Schedule 1, Resource Management Act 1991

To Horizons Regional Council

Name of Submitter Tararua District Council

## One Plan - Proposed Plan Change 2

Tararua District Council wishes to make the following comments in regard to the proposed changes to Plan:

1. In general, Tararua District is disadvantaged by being a priority catchment and for which soil types and other environmental factors increase the degree of impact of nutrients on waterways. It will lead to the appropriate ecological outcomes and be fairer to all land owners if all land is treated equally for the targeted outcomes. In addition, nutrient loading is one measure, when there is a need for multiple contaminants from land to be assessed, monitored and controlled.
2. There are no transitional arrangements or processes that will allow farmers to successfully adapt without business failure. This will have a direct flow through detrimental effect on the Tararua, regional and national economy. This is already having an immediate effect with bank support of farmers now in question. A successful transition will require equity investment and funding. This will be impacted by the cost of compliance and exacerbated by delays in decisions and court challenges.
3. We note that the intention of PC2 is to "Provide a workable pathway for landowners to apply for resource consent for intensive farming land use activities that cannot achieve Table 14.2 cumulative leaching maximums." We submit that the change may not allow adequate transition without adverse effects and will have immediate application once adopted. It will therefore enable abatement notices to be issued to those determined to be non-compliant in contradiction to having an intended "workable pathway".
4. The accumulative effect of compliance requirements, including One Plan compliance, is having a direct and adverse effect of the psychology of farmers and farming families with mental health issues in the farming community set to rise. There is a clear link with the health and safety of our communities and the achievement of the four well beings. The Regional Council is required to consider these matters in accordance with the Local Government Act 2002.
5. New technologies are likely in the future that may supersede the need land based disposal options for wastewater, while further farming advances in both water and soil management and genetic changes to bacteria and plant feed are all being actively researched. Specifically, advanced Nano-technology or graphene oxide filtration systems may provide a lower cost option to land based disposal, along with commercial gasifier / biomass generators to manage solids produced in the process. More time would allow this research to be confirmed and applied in practice, resulting in improving ecological outcomes.
6. We have not seen the major financial effects of the One Plan compliance because of its ongoing uncertainty. We now expect to see the full impact of restrictive discretionary consents to achieve the table 14.2 financial effects and core mitigation to reduce stock levels.

7. We note that the Overseer model needs to sit outside the One Plan, as it may be replaced or improved upon over time. Modifications should be permitted in consultation with those affected but on a less onerous basis.
8. The National Policy Statement on Productive Land may mean alternate uses to comply with the One Plan, may soon become unavailable to current land owners should they look to retire land from productive use. It is uncertain whether land based disposal of effluent/wastewater will comply with the new Policy Statement, however it is an indication of the competing and contradictory position land owners and councils find themselves in.

## Discussion

Tararua District Council contracted NZ Institute of Economic Research to complete a report on the community impact assessment of the One Plan and Manawatu George closure on the Tararua District. This was received on 8 October 2019.

One of the key conclusions of this is that the revised table 14.2 will require a much less severe reduction in dairy production and operating profit in the Tararua District than the original table 14.2.

***The revised table 14.2 is expected to lower gross domestic product in the Tararua District by about 3.1% and household consumption by about 1.9%, below the "business as usual" level of 2017.***

Uncertainty remains one of the biggest issues for the farming community to move forward and work within the rules. There is significant uncertainty regarding what the actual impact of the One Plan might be amongst farmers for their farm conditions and practices. An interview of a core group of businesses and farmers consider are two aspects of unfairness regarding the one plan:

- The first is the catchment district regional levels of farmers and businesses where one group in the community, dairy, in particular has been asked to change their practices.
- The second aspect concerns implementation which could be subject to manipulation through mixed farming practices where the environmental conditions mean some farmers do not have to invest significantly to comply. This contrasts to other farmers that do have to invest highly due to soil type, rain, wind and other conditions that result in a very high compliance or excess excessive compliance requirement.

The cost of consenting is currently documented in our report between \$10,000-40,000 per farm and may rise as a result of PC2. It is noted that a publicly notified consent may incur great cost with no certainty of achieving a viable consent. A limited notification process may significantly reduce the cost and uncertainty, so we request that this be considered.

Debt levels and particular could escalate significantly for both the compliance requirements and the farm modifications that are required to meet the One Plan, PC2. Land values may reduce for some land owners further reducing farmers ability to borrow and to comply with requirements.



There are two views in respect of compliance that estimates the impact on potential dairy farm production over a wide range, from optimistic to pessimistic.

The optimistic view, as identified in the 2018 Parminter Report, has farms in Year Five being 93% compliant versus the pessimistic view, by Dairy New Zealand, who note only 60% will comply with table 14.2 in Year One and only 25% are expected to comply by Year 20. ***Essentially, Dairy NZ believe 75% of farms will be non-compliant in Year 20.*** These views are both estimates that report that farms cannot meet the revised table targets and will need to cut production to meet them. However, there is no projection on how many of these production cuts will affect farm profitability.

### **Productive Land**

Government has announced intention in the National Policy Statement on Productive Land to protect class 1-3 soils from 'inappropriate' development. A National Provincial Priorities Group has also been considering the implications of this on freshwater policy and forestry conversion impacts. Amongst other things the protection of productive land is likely to make it much harder to get lifestyle subdivision approved and urban expansion. However, it may also mean Council is prevented from purchasing land suitable for land based disposal of its own town wastewater.

Consequently, a large area of the Tararua District is expected to be impacted by the National Policy Statement on Highly Productive Land. The Tararua District consists of an area of about 416,000 ha, excluding the Department of Conservation land. The Land Use Class covered by the new Policy of 1 to 3 equates to ~19% of total effective land area. This increases the likelihood of owners not being able to retire land as one solution to excess production.

Furthermore the alternate land use of carbon forests as raising its own issues and has been identified by Council as creating its own ecological issues, potentially swapping one set of problems for a new set. Forcing farmers to change practices may result in a mono-culture (cultivation of a single crop) of *Pinus Radiata*, driving new environmental and ecological challenges.

The modelling of the change in economic activity in the Tararua may understate the adjustment pressures that will be faced by some farmers and their capacity to service debt. It remains uncertain to what extent the revised table 14.2 will require or force change in ownership to reduce debt levels, even where farms may be otherwise profitable.

### **Environment Court Decision**

We finally note the recent Environment Court Decision No [2019] 136 between Federated Farmers and Others AND Bay of Plenty Regional & Rotorua District Councils and Another. The interim decision concluded:

"The most appropriate method to allocate nitrogen to rural land users in the Rotorua Lake catchment is the sector range method proposed in PC10, with modifications." Furthermore:

"[116] We are also particularly concerned to ensure that, as far as reasonably practical, resources should be used for environmental improvements on-farm, not for unnecessary high regulatory and monitoring costs.

[117] In summary, it is the Court's view that a range of specific requirements need to be met when using overseer in a regulatory context..." (Eight items are then listed for consideration).

## **Recommendations**

1. That the One Plan go into immediate review (Plan Change 3) following the completion of this Plan Change 2 review. (Refer to items 1 to 8 of this submission).
2. We support an improved/lower cost pathway to obtain a consent.
  - a. To avoid further cost and double up going forward Horizons Regional Council could consider allowing the Farm Plan be aligned with the proposed Freshwater Farm Environment Plan. This can then align with be third party audits.
  - b. Consider that activities under Plan Change 2 be made a controlled activity or a rule created under Plan Change 2 to preclude public notification to ensure that compliance costs are minimised.
  - c. An assessment of environmental effects (AEE) for an individual farmer is costly – Can Horizons Regional consider these be by catchment or groups of farmers in the same district to save repetitive information? Is there a more collaborative approach?
3. For Horizons Regional Council to consider the Environment Court Decision No [2019] 136 and its implications in respect of Plan Change 2.

**Thank you for consideration of our submission.**

Request ID : 94385

Status : Open

WEBSITE: PPC2 Submission

Priority : Not Assigned

By Peter Wimsett on Oct 21, 2019 05:10 PM

Due Date : N/A

To : submissions@horizons.govt.nz

## Description

ProposedPlanChange2SubmissionID  
Form inserted 21/10/2019 5:08:25 p.m.  
Form updated 21/10/2019 5:08:25 p.m.

Full name  
Peter Wimsett

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Phone (daytime)

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I/we could or could not (select one) gain an advantage in trade competition through this submission  
I/we could not

I/we am or am not (select one) directly affected by an effect of the subject matter of the submission that adversely affects the environment and does not relate to trade environment or the effect of trade competition

The specific provisions of the proposal that my/our submission relates to are as follows (please list the provision (policy or rule number) or part provision)

SP2 and recommendation to move to SP3

My/our submission is (state in summary the nature of your submission. Clearly indicate whether you support or oppose the specific provisions or wish to have amendments made, giving reasons)  
• Tararua District is disadvantaged by being a priority catchment and for which soil types increase the degree of impact of nutrients on waterways. • There are no transitional arrangements or processes that will successfully allow farmers to successfully adapt without some business failure. • We submit that the change may not allow adequate transition without adverse effect and will have immediate effect. • We wish to suggest ways to reduce transaction cost of compliance.

Upload additional pages of your submission here

Submission on notified proposal for policy statement or plan change or variation Tararua District Council.docx

Replaced

I/we seek the following decision from the Manawatū-Whanganui (Horizons) Regional Council (please give precise details)

1. That the One Plan go into immediate review (Plan Change 3) following the completion of this variation process, with a view to increasing 2. Support a pathway to create a pathway to obtain a consent 3. To avoid further cost and double up going forward Horizons Regional Council could consider allowing the Farm Plan be aligned with the proposed Freshwater Farm Environment Plan proposed. This can then align with be third party audits. 4. As no consents were able to be worked through when the planners met - what is the implementation intention of Horizons Regional Council. As a restricted discretionary consent, would these be non notified, limited notified or publicly notified. The cost of consenting is currently documented in our report between \$10-40k. A publicly notified consent may incur great cost with no certainty of a achieving a viable consent. A limited notification significantly may reduce the cost and uncertainty, so we request that this be considered. 5. An assessment of environmental effects (AEE) for an individual farmer is costly - Can Horizons Regional consider these be by catchment or groups of farmers in the same district to save repetitive information? Is there a more collaborative approach? 6. Consider the Environment Court Decision No [2019] 136 and its implications to the Plan Change 2.

I/we wish/do not wish (select one) to be heard in support of my submission  
I/we wish to speak in support of my submission

If others make a similar submission I/we will or will not (select one) consider presenting a joint case with them at a hearing  
I/we will not

Attachments : Submission on notified proposal for policy statement or plan change or variation Tararua District Council.docx (48.84 KB)

## Requester Conversations

System on Oct 21, 2019 05:10 PM

To : peter.wimsett@tararua.govt.nz

## Summary

Thank you for contacting us (++RE-94385++ WEBSITE: PPC2 Submission)

## Description

### Thank you for contacting Help

Your request regarding "WEBSITE: PPC2 Submission" (94385) has been received.

You can add details to your request by replying to this message.

Thanks

Help

## Request Details

Status	Open	Priority	Not Assigned
Mode	E-Mail	Category	Not Assigned
Group	Help	Subcategory	Not Assigned
Technician	Michelle Whare	Item	Not Assigned
Department	Not Assigned	Site	Not associated to any site
Template	Default Request	Created By	System
Last Update Time	Oct 22, 2019 11:08 AM	SLA	Not Assigned
		Created Date	Oct 21, 2019 05:10 PM
		DueBy Date	-
		Response DueBy Time	-

## Requester Details

Requester Name	Peter Wimsett	E-mail Address	Peter.Wimsett@Taranuadc.govt.nz
Contact number	-	Mobile number	-
Department	-	Business Impact	-