

IN THE ENVIRONMENT COURT AT WELLINGTON

IN THE MATTER of the Resource Management Act 1991
("the Act")

AND

IN THE MATTER of clause 14 of the First Schedule of the
Act

BETWEEN **FEDERATED FARMERS OF NEW ZEALAND**
ENV-2010-WLG-000148

AND **MERIDIAN ENERGY LTD**
ENV-2010-WLG-000149

AND **MINISTER OF CONSERVATION**
ENV-2010-WLG-000150

AND **PROPERTY RIGHTS IN NEW ZEALAND**
ENV-2010-WLG-000152

AND **HORTICULTURE NEW ZEALAND**
ENV-2010-WLG-000155

AND **WELLINGTON FISH & GAME COUNCIL**
ENV-2010-WLG-000157

Appellants

AND **MANAWATU-WANGANUI REGIONAL
COUNCIL**

Respondent

**REBUTTAL EVIDENCE OF STUART JOHN FORD FOR HORTICULTURE NEW
ZEALAND IN RELATION TO THE APPEALS ON THE PROPOSED ONE PLAN FOR
MANAWATU WANGANUI REGIONAL COUNCIL ON SUSTAINABLE LAND
USE/ACCELERATED EROSION**

2 APRIL 2012



ATKINS | HOLM | MAJUREY

Helen Atkins
PO Box 1585
Shortland Street
AUCKLAND 1140

Solicitor on the record
Contact solicitor

Helen Atkins
Helen Atkins

Helen.Atkins@ahjmlaw.com
Helen.Atkins@ahjmlaw.com

(09) 304 0421
(09) 304 0421

QUALIFICATIONS AND EXPERIENCE

1. My name is Stuart John Ford and I prepared a statement of evidence in chief dated 17 February 2012 which sets out my qualifications and experience and confirms that I will comply with The Code of Conduct for Expert Witnesses contained in the Environment Court's Consolidated Practice Note dated 1 November 2011. I reaffirm that that information and confirmation applies to this rebuttal evidence.
2. The Planning Conferencing on Land dated 26 March 2012 records points of agreement and disagreement amongst the planners representing Horizons Regional Council, Wellington Fish and Game, Federated Farmers and Horticulture NZ.
3. The main points of disagreement in terms of cultivation are:
 - a. Should there be linkages to Chapters 6 and 13 including Schedule D numeric and to what extent should Ch 5 and 12 be linked to the water quality numeric (Conferencing statement point 7)
 - b. Should any setbacks in Rule 12-3 be 5 or 10m? (Conferencing statement point 8)
 - c. Should the active bed width in terms of applying setbacks in Rule 12-3 be 1m or 2m (Conferencing statement point 9)
 - d. Should there be a new Schedule D standard for sediment – as proposed in Russell Death's evidence (Conferencing statement point 10)
 - e. Should the permitted activity rule conditions in Rule 12-3 require compliance with the COP for Commercial Vegetable Growing and/or Schedule D numeric and whether COP can/ or should meet Schedule D standards? (Conferencing statement point 10)
 - f. Can ancillary activities, such as sediment control measures be undertaken in any setback? That is: is it the setback plus measures or setback or measures? (Conferencing statement point 7)
4. Point b relating to size of any setbacks has economic implications in terms of how a grower may undertake commercial vegetable production. I have been asked by Horticulture New Zealand to assess the economic impacts of each of these matters.

5. The decisions version ("DV") of the POP included Rule 12-3 to provide for cultivation within 5 metres of the bed of a river that is permanently flowing or has an active bed width greater than 2 metres. Cultivation outside of the 5 metres was provided for as a land use under s9 of the RMA.
6. The evidence of Phillip Percy for Wellington Fish and Game on Chapters 5 and 12 seeks that:
 - a. All cultivation is included in the rule; and
 - b. A 10 metre setback applies to the bed of a river that is permanently flowing or has active bed width greater than 1 metre.
7. The consequence of these changes would mean that no cultivation could be undertaken within 10 metres of the specified water bodies without resource consent. This is a significant shift from the DV which provided for cultivation to be undertaken within those areas subject to conditions.
8. Horticulture New Zealand (in the evidence of Lynette Wharfe) has provided an alternative rule framework that:
 - a. Includes all cultivation in the rule;
 - b. Provides a 5 metre setback to cultivation within the bed of a river that is permanently flowing or has active bed width greater than 2 metre;
 - c. Requires a paddock assessment to be undertaken in accordance with the Code of Practice for Commercial Vegetable Growing in the Horizons Region (Horticulture NZ) Version 2010/2 and appropriate bunding, silt traps, interception drains, or alternative methods to minimise sediment runoff to water must be installed prior to and maintained during cultivation.
9. The consequence of these changes would be that cultivation would not be able to be undertaken within 5 metre of the specified water bodies without resource consent. All growers would be required to undertake a paddock assessment to determine potential sources of water movement and sediment run off and implement measures to minimise those effects.
10. The parties, through technical and planning conferencing have not been able to resolve the matters relating to the size of any setbacks and the width of an active bed.

11. The economic effects of a 10 metre setback for cultivation as opposed to a 5 metre setback are complicated by the fact that the land owners have the choice to either gain a resource consent for the activity or to leave the land vacant.
12. In my evidence in chief I discussed the problems created by gaining resource consents for Horticultural production as they move the land under cultivation constantly both utilising their own and leased land. This would put both the land owners and the Council to the ongoing cost of applying for and monitoring the resource consents for land which was to be used once and then returned to its pastoral use.
13. In order to test the cost of leaving the land vacant from production I have collected data from four reasonably large growers. They were asked to provide me with data on the following matters:
 - a. The number of hectares under production;
 - b. The number of land titles used;
 - c. The metres of water way affected;
 - d. An estimate of the hectares removed from production if a 5 m setback was required;
 - e. An estimate of value of the land;
 - f. An estimate of the production lost;
14. The growers include a potato and carrot grower from Ohakune, two potato growers from the Opiki area and a large scale grower of a range of specialist green crops from Horowhenua. The area and number of titles of each property are shown in Table 1. The total number of hectares represented is 830 ha which is 17.4% of the total area cropped in Horizons region.

Table 1: Area of cropping and number of titles of representative farms.

	Grower 1	Grower 2	Grower 3	Grower 4
Area Cropped.	65	320	205	240
Number of titles involved.	21	16	23	10

15. The area of cropping area lost by providing for an additional 5m buffer and the percentage of the area are shown in Table 2. They show that there is considerable variability according to the location of the grower. Table 2 also lists the estimates of Gross production loss for each grower.

Table 2: Area of loss and financial impact of 5 m setback.

	Grower 1	Grower 2	Grower 3	Grower 4
Ha removed by a 5 m setback.	2.6	3.5	4.4	4.0
Percentage of available area.	4.1%	1.1%	2.1%	1.7%
Value of loss / Ha	\$24,700	\$24,000 pot	\$82,500	\$28,000
		\$15,000 carr		
Total loss on farm.	\$65,490	\$68,250	\$363,000	\$112,000

16. If we assign the areas lost to production and the values of production lost to the areas of crop grown as described in the evidence of Mr Keenan we get a total value of \$4.722 M per annum of lost productivity for the Horticultural industry in the Horizons region from a 5 metre setback.
17. It should be recognised that the Horticultural industry has already agreed to one 5 m setback, in order to provide for either the ancillary works or setback strip. That will cost them productivity of approximately \$4.722 m or the cost of applying for resource consent for their various properties. Doubling the size of the setback effectively doubles the productivity cost. I note in Table 1 above the number of titles will give some indication to the number of resource consents that may be required, although the number will change as new land is leased / shared.
18. The cost of leaving the land vacant is obviously greater than the cost of applying for consents therefore the growers would be faced with the ongoing costs of applying for consents on an annual basis.
19. I note that Mr Barber has given you evidence that *"riparian margins are unlikely to be effective at minimising sediment*

entering water in actual field conditions. Other measures such as bunding (barriers) may be more effective and will result in less productive land being lost." And that he goes on to state that *"Increasing the buffer width from 5m to 10m will do nothing to reduce sediment loss on cultivated land with channelised flows."*

20. This brings into consideration the likely benefit to be considered in a cost benefit analysis. No such cost benefit has been done but the benefits would have to exceed the costs which I have calculated as being quite considerable.

S J Ford

2 April 2012