

**BEFORE THE INDEPENDENT COMMISSIONERS**

**UNDER** the Resource Management Act  
1991

**AND**

**IN THE MATTER** of the proposed Canterbury  
Land and Water Regional Plan

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**STATEMENT OF EVIDENCE OF ANTHONY WILLIAM SEWELL  
ON BEHALF OF NGĀ RŪNANGA OF CANTERBURY, TE RŪNANGA O NGĀI  
TAHU AND NGĀI TAHU PROPERTY LIMITED**

**February 2013**

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## 1. HE KUPU WHAKATAKI – INTRODUCTION

1.1 My name is Anthony William Sewell and I am the Chief Executive of Ngāi Tahu Property Limited, a role I have held since its establishment in 1994. I have extensive experience in the property industry, with particular emphasis on industrial and commercial retail property development and investment, residential subdivision, rural land management and development, farming, property management and property investment.

### Scope of Evidence

1.2 I have been asked to give evidence on the following matters:

- i. The interests of Ngāi Tahu Property in the Canterbury region, including our roles in residential subdivision property development and in farming.
- ii. The factors which are important for people making investments in property development and the importance of certainty in any regulatory regime.

## 2. NGĀI TAHU PROPERTY LIMITED

2.1 Ngāi Tahu Property is a subsidiary company of Ngāi Tahu Holdings Corporation Limited, which is the investment company of Te Rūnanga o Ngāi Tahu. Ngāi Tahu Property has a diverse portfolio of property investments including Crown property, retail and commercial property, residential subdivisions, rural property investment and development and farming.

2.2 Ngāi Tahu Property has interests in a range of residential, commercial and rural property developments across Ngāi Tahu's takiwā, including substantial residential developments in Christchurch and the conversion of forest land into irrigated pastoral farms at Eyrewell and Balmoral in the Canterbury region.

2.3 Ngāi Tahu Property holds firmly to the cultural values of Ngāi Tahu Whānui, and we have come a long way in this regards since our establishment in 1994. Ngāi Tahu Property has developed engagement

processes with kaitiaki Papatipu Rūnanga to ensure that cultural values are not only being incorporated into our residential and rural developments but are being enhanced by them for the long term strength and vitality of Ngāi Tahu's culture and heritage. This has not happened overnight and there are definitely challenges, however, there is increasing pride in our residential subdivisions for the cultural landscape and natural environment benefits that we are producing. In our rural land conversions and our farming business we are applying similar processes to ensure our operations meet the cultural values of Ngāi Tahu. The process is evolving and as with all processes which require changes in thinking, compliance and understanding are not instantly achieved.

- 2.4 As a subsidiary of Ngāi Tahu Holdings Corporation Limited, Ngāi Tahu Property is subject to the Charter of Te Rūnanga o Ngāi Tahu, which provides that Ngāi Tahu companies are to:

...use, on behalf of the Ngāi Tahu Charitable Trust, the assets of the Trust allocated to it and to prudently administer them and its liabilities by operating as a profitable and efficient business.

- 2.5 Ngāi Tahu Property holds firmly to the following core Ngāi Tahu values:

**Rangatiratanga**

Ngāi Tahu Property is committed to upholding the mana of Ngāi Tahu at all times and in all that they do.

**Manaakitanga**

Ngāi Tahu Property creates an environment of respect: to customers, to staff, to iwi members and to all others in accordance with tikanga Māori.

**Whanaungatanga**

Ngāi Tahu Property respects, fosters and maintains important relationships within the organisation, within the iwi and within the community.

### **Kaitiakitanga**

Ngāi Tahu Property works actively to protect the people, environment, knowledge, culture, language and resources important to Ngāi Tahu for future generations.

### **Tohungatanga**

Ngāi Tahu Property pursues knowledge and ideas that will strengthen and grow Ngāi Tahu and our community.

### **Manutioriori/Kaikōkiri**

Ngāi Tahu Property encourages imaginative and creative leaders that must continually break new ground.

## **3. WIGRAM SKIES DEVELOPMENT**

- 3.1 Ngāi Tahu Property has undertaken residential subdivisions in Christchurch for a number of years. As we have become more and more experienced in this area of land development we have moved from following 'industry good practice' to becoming industry leaders. One of our recent residential subdivisions, Wigram Skies, located in the south-west of Christchurch, is our flagship in residential development.
- 3.2 When complete, Wigram Skies will provide 1,700 new sections and be home to more than 5,000 new residents. Wigram Skies is located close to existing infrastructure, schools and the city centre, whilst the proposed master plan also provides new community infrastructure such as education, a town centre and a commercial district. The development of Wigram is a key component of the Christchurch City Council's South West Area Plan (**SWAP**) and an important contributor to the Urban Development Strategy (**UDS**).
- 3.3 The Wigram journey began for Ngāi Tahu almost 14 years ago when the former Wigram Aerodrome was purchased from the Crown in late 1997 prior to the Ngāi Tahu Settlement. The property offered good long-term development income from the subdivision of land and eventually the

creation of a new Christchurch suburb. Other land uses, including commercial and industrial, were seen as viable given the size of the site.

- 3.4 I believe Wigram Skies represents a new benchmark in suburban development within Christchurch. Crucial to this is the creation of an attractive and inclusive development that aims to set a positive precedent for future suburban development in the Christchurch area. Ngāi Tahu Property does not just see itself as a land developer; at Wigram, Ngāi Tahu Property is a builder of communities. This requires a carefully developed mix of both environmental and community needs. Respect for the history of the place both pre- and post-European settlement is a very important part of our development planning. Wigram is an example to the Christchurch planning and development fraternity that communities can be developed that respect history, acknowledge the place of Ngāi Tahu in Christchurch, meet market demands and are commercially successful.
- 3.5 In my evidence I detail how recognition of Ngāi Tahu culture through branding, artistic endeavour planting and landscaping is critically important if we are to develop a city which has a strong identity based on a history that commenced with Ngāi Tahu migration to Te Waipounamu and has continued through European settlement into a future that is sustainable but with a brand that gains immense strength from the recognition of the past.
- 3.6 The choice of a name and the images and ideas around it are often at the heart of successful branding for development projects. It helps launch the development to the market and enables people to better understand the nature of the development. In choosing a name for the development, its neighbourhoods and streets, our principal driver was to weave the history of the location and the nature of the community together.
- 3.7 The overarching theme chosen for the Wigram development was “Sky”. This represents not only the history of the aerodrome but also the wide open spaces and nature of the land in question. This theme was followed through in place names relating to the very important part

Wigram played in the military history of New Zealand. Street names and the names of parks are taken from various aeroplane makes and models and the names of significant characters who had a close association with the Wigram Airbase. Respecting the past while moving to the future is a significant element in building communities. The use of public art and sculptures adds to the message. These elements are enhanced by the addition of indigenous fauna relevant to the area including manu (birds) and kahukura (butterflies) that are represented by artwork built into the design of permanent features within the development. These include manhole covers, seating areas, elements of sky including wind, stars and clouds, to name a few. Te Reo Māori (Māori language) is incorporated where appropriate to respect the long history and for reasons of uniqueness and authenticity, particularly as it relates to both the Ngāi Tahu Property brand and the overall Canterbury brand.

3.8 The Wigram Skies branding element is depicted as Figure 1 below:



**Figure 1**

3.9 Incorporated into the feather design are lines that are suggestive of a traditional comb or heru, used to adorn the topknots of high ranking people. The three koru (spirals) represent three significant sites associated with the Wigram skies landscape: Ō-te-Ika-i-te-Ana, (a large pā occupied until the late 19<sup>th</sup> century); Ō-Tū-Matua (the spur above Halswell which was used to forecast weather and to perform rituals) and Mānuka (the Ngati Māmoe pā that once stood at the foot of the hills near Tai Tapu). 'Wigram' as the name shows respect for the site's history as an airforce base.

- 3.10 To assist with your understanding of how we have turned these heady concepts into reality, Figure 2 below shows a photograph of one of the fences which draws on inspiration provided by the Pouwhenua Committee who suggested images of the pouakai (Haast eagle), kāhu (native hawk), kārearea (native falcon), pūrerehua (moths and butterflies) and manu tukutuku (traditional Māori kites).



**Figure 2**

- 3.11 These images provide a wonderful and often admired form of artwork at the main entrances to Stage 1 of the Wigram Skies development. In addition, Ngāi Tahu Property was able to extend this artistic endeavour to the Christchurch City Council's project to establish a series of large stormwater basins on the Awatea Road frontage of Wigram Skies. This is shown as Figure 3 below.



**Figure 3**

- 3.12 I understand that Christchurch City Council are considering such initiatives on other stormwater assets around the city.
- 3.13 With the modification of the site over the last century, any clear impression of tangata whenua values had been lost. At the southern edge of the site is the origin of the Ōpāwaho/Heathcote River, so an opportunity existed to re-establish some of the former grassland and scrub habitat which formed the character of much of the site. Within Stage 1 of the Wigram Skies development there has been significant plantings of tōtara and kōwhai within the streets, and within stormwater swale reserves there has been a large amount of native re-vegetation, ranging from tōtara and manatū/ribbonwood to ground cover tussocks and flaxes. An example of this is shown as Figure 4.





**Figure 4**

- 3.14 A lot of these native species are ideally suited to the soil conditions at Wigram Skies but have not been widely used within Christchurch subdivisions nor are they readily accepted by the Christchurch City Council. All the same, we are confident that over time these tree species will flourish and have already made a significant contribution to enhancing local plant biodiversity and cultural landscape aspirations of Ngāi Tahu. Enhancing the Canterbury and Christchurch brand by recognising the past and leading into the future will not be achieved if we continue to insist on the use of exotic plantings in our streetscapes and in our public places. The use of a significant amount of indigenous planting will provide an environment which sets Canterbury apart and gives us a unique identity that recognises our truly unique cultural identity, an identity based on the Treaty of Waitangi.
- 3.15 When designing the stormwater conveyance, treatment and disposal systems at Wigram Skies, particular attention was given to naturalisation and re-establishment of healthy local waterways. The upper catchment of the Ōpāwaho/Heathcote River runs parallel to Awatea Road in the south west corner of the site and Hayton Stream and Paparoa Drain are located to the north east on Hayton Road.

- 3.16 In conjunction with Christchurch City Council, a series of stormwater basins have been established in the low lying area fronting Awatea Road which capture and rapidly soak stormwater from the wider south west catchment to ground. Stormwater from Stage 1 of the Wigram Skies development also drains into these basins. Before run-off water enters the soakage area, it passes through a series of grass swales which treat all stormwater by infiltration from the first 15 millimetres of a rainfall event. This is only one such area and additional basins are located next to Wigram Road to ultimately take stormwater from Stages 2 – 5 of the development.
- 3.17 In arriving at the master plan for Wigram Skies, international urban designers Woods Bagot were engaged to come up with a concept for the development. The master plan was careful to recognise the important role design can play in achieving good social and environmental objectives through development. This includes providing a range of residential densities and other land uses central to the creation of a new community at Wigram.
- 3.18 Urban design considerations are an important factor. In addition, consideration was given to the transportation network not only within the site but also the integration into surrounding residential, industrial and rural areas and engaging the open space network to create pedestrian linkages and a series of parks.
- 3.19 At the finer detail, subdivision and residential lot layouts are careful to orientate the dwellings to the sun and our design guidelines actively encourage the use of sustainable building practices and landscaping to reduce the impact on our environment.
- 3.20 There has undoubtedly been an increase in upfront costs when considering the time and effort put into branding at Wigram Skies. However, the establishment of a brand is a commercial imperative which should stand the test of time and it is our assertion that in arriving at the Wigram Skies brand and logo, the cost has not been an impediment and has been entirely worthwhile.

- 3.21 I do have to note, however, that we have had to challenge conventional residential development protocols with the Christchurch City Council, especially in relation to landscaping and planting and maintenance obligations. With regards to engineering and urban design, this is good practice and if done properly, adds little cost to development, so long as Council development contributions are sympathetic to the systems being employed.

#### 4. **NGĀI TAHU FARMING**

- 4.1 Ngāi Tahu Property also has significant interests in rural land in Canterbury, including the proposed conversion of 7000ha at Eyrewell Forest and 9000 ha at Balmoral Forest, into irrigated pasture. These proposals have been in the making since 1998 and are proposed to proceed over the next 15 years.
- 4.2 The provisions for managing land and water in Canterbury are crucial to these developments. I am told by our planning advisors that Eyrewell is in a red zone for water quality on the Nutrient Allocation Zones on pp 4.8 of the proposed Land and Water Regional Plan (**pLWRP**). I am also told that the pLWRP regime will affect our Balmoral property. Our planning advisor tells us that while Balmoral is within the Hurunui-Waiau catchment which we understood as not being covered by the pLWRP, the advice given by Environment Canterbury's resource consent section is that the pLWRP applies to this land as well. Dr Cowie explains this matter in his evidence.
- 4.3 As part of its settlement with the Crown, Ngāi Tahu purchased the fee simple of forest estates at Hanmer, Oxford, Eyrewell, Balmoral and the West Coast, totalling some 120,000 ha of land. These forests were formerly the forests owned by the Crown and operated by the New Zealand forest service. In the 1980s the Crown sold the trees on this land to companies such as Carter Holt Harvey, with the Crown retaining the freehold interest in the land. The foresters were issued with long term forestry rights to the land in exchange for an annual fee. Ngāi Tahu

purchased this land subject to the forestry rights using part of its settlement sum.

- 4.4 Following settlement of the purchase in 2000, Ngāi Tahu undertook a detailed assessment of these rural holdings to ascertain which parts were suitable for conversion to farming and which parts had a highest and best use in forestry. Ngāi Tahu are progressively selling the forestry land and investing heavily in the conversion of the land identified as having the highest and best use in pastoral farming. The conversion of the land for pastoral agriculture has been part of Ngāi Tahu's aspirations since 1998.
- 4.5 The plan for Eyrewell Forest has been to develop dairy farming, and three pilot farms are already operating. To date a total of approximately \$40 million has been invested in the Eyrewell development out of an estimated total investment of \$230 million. When completed in 2025, these farms will provide jobs for approximately 80 people and development and training opportunities for Ngāi Tahu Whānui, as well as making a significant contribution to the Canterbury economy. We also estimate the Eyrewell properties will be milking some 22,000 cows, contributing some \$56 million dollars to the national economy (assuming \$6.00/kg/milk solids).
- 4.6 In relation to Balmoral, the plan is over the next 20 years to develop this 9000 ha property into irrigated pasture and then to dairy farming. To achieve this we will invest approximately \$300 million on conversion and livestock. This property will provide 28 dairy farms milking 30,000 cows, employ 120 people on farm and contribute \$75 million to the Canterbury economy (assuming \$6.00/ kg/milk solids).
- 4.7 As with our residential developments, we are starting our farming projects following good industry practice. Our pilot farms at Eyrewell are already using best available technology in relation to the efficient application of irrigation water and the use of soil moisture testing. As we find our feet, we aspire to move to innovative farm management as industry leaders in this sphere too. We already have plans for planting on the farms to both enhance biodiversity and provide shade and shelter

for livestock. Other things we will continue to develop include our pasture species mix, to see if we can reduce our irrigation and fertiliser requirements while retaining dry matter production; and options for expanding our income streams to make our farms more resilient to changes in global commodity prices. It is a key objective of Ngāi Tahu Farming to be a leader in farming in New Zealand and to be recognised for its commitment to sustainability and best practise farming in New Zealand.

## 5. **IMPORTANCE OF CERTAINTY**

- 5.1 Whether it is residential property development, farming or any other business enterprise, to be able to operate in an environmentally sustainable manner, businesses need to have relative economic security. As I observed in discussing Wigram Skies, environmental management costs money and while in my view, that is money well spent, you have to have profitable businesses to generate the income to do it. That is especially so in the area of environmental restoration.
- 5.2 One of the biggest deterrents, in my view, to business development and the generation of economic growth is uncertainty. Uncertainty can be created by global economic trends such as fluctuating exchange rates or commodity prices. It can also be created by regulatory environments; either regulatory environments that threaten the viability of business or, even worse, regulatory environments which are uncertain as to their effects on business.
- 5.3 I understand from our planning advisors that the pLWRP has zoned areas of the region red for water quality along with a policy framework requiring land uses to significantly reduce their nutrient discharges. However I am told there is very little data available to ascertain how these zones have been derived or indeed the extent to which reductions in nutrient discharges will address water quality issues in these zones. I also understand that all farming activities will be required to comply with nutrient discharge allowances by 2017, yet these nutrient discharge

allowances have not been developed yet and are not included in the pLWRP.

- 5.4 I am concerned as to how businesses are supposed to operate with any form of certainty in such a regime and what the economic and therefore social and environmental costs may be to Canterbury and New Zealand of such an approach. I am also a bit mystified as to how the Canterbury Regional Council can be certain that this regime will work or that the benefits will outweigh the costs when it hasn't been developed yet.

## 6. **CONCLUSION**

- 6.1 Whilst the incorporation of cultural landscape and natural environment values within a commercial property development might be considered a time consuming and costly exercise, we believe through our experiences at Wigram Skies, that the value far outweighs the cost.
- 6.2 We are excited about the opportunity we now have through our farming developments to become industry leaders in this sphere too.
- 6.3 However sound, environmental management practices must be supported by a sound economy. That requires delivering regimes for environmental management that are both certain in their application and achievable for those individuals and businesses using and developing natural resources. One of the most significant impacts on business confidence and economic growth is uncertainty.

**Anthony Sewell**

**February 2013**