

## Memo

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Date	21 December 2017
To	Lisa Jenkins – Principal Planner
CC	Andrew Parrish – Regional Planning Manager; Ned Norton – Technical lead
From	Philip Burge – Principal Consents Advisor

### **Capacity for the Canterbury Regional Council and industry to efficiently process consents that would be required from dryland farmers under the “10% rule”**

#### **Context**

##### **Hurunui Waiau Rivers Regional Plan**

1. The Rules in section 3.3 of the Hurunui Waiau Rivers Regional Plan (HWRRP) are intended to manage the cumulative effects of landuse on water quality in the Hurunui and Waiau rivers.
2. Since June 2014, all farmers in the Hurunui catchment who change their land use (as defined in the HWRRP<sup>1</sup>) require resource consent. It is estimated that up to 150<sup>2</sup> farms would require resource consent.
3. The status of that activity is non-complying, meaning any consent cannot be granted unless it can be demonstrated that the adverse effects of the activity are minor or the activity is not contrary to the policies and objectives of the plan<sup>3</sup>.
4. The HWRRP provisions, colloquially referred to as the “10% rule”, have unintended consequences for normal dryland farming practices. Because the nitrogen loss rate of dryland farms is very low (5-10kg N/ha/year), small changes that occur as a normal part of dryland farming may trigger the need for consent. For example, changes in the ratio of

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<sup>1</sup> The HWRRP definition of “Change of land use” states:

*For the purposes of this Plan a change in land use is calculated on a per property basis, and is determined as being an increase greater than 10% in the long-term average release of nitrogen or phosphorus to land which may enter water, measured on a kg/ha basis, but calculated on the gross load per property from the date this Plan is made operative.*

<sup>2</sup> Pers. Comms: Michael Bennett (Environment Canterbury Land Management Advisor)

<sup>3</sup> S104D Resource Management Act

sheep to beef or changes in the area of fodder crops to address feed deficits can fall outside what is permitted and trigger a requirement for resource consent.

5. Since July 2015, the Canterbury Regional Council has focused its efforts on requiring consent from higher emitting farms and have not pursued consents from people undertaking normal dryland farming.

### **Land and Water Regional Plan**

6. The Land and Water Regional Plan (LWRP) requires Nitrogen baselines and resource consents for around 2300<sup>4</sup> individual properties across the Canterbury Region.
7. Industry<sup>5</sup> has the capacity to prepare around 1,000 N Baselines per annum. The Canterbury Regional Council has capacity to process around 50 resource consents per month, with potential to increase this to around 70 per month.
8. It is expected that the resource consents load generated by the LWRP will take around 3 years (from November 2017) for industry and the Canterbury Regional Council to work through.

### **Efficiency**

9. I have been asked to comment on the capacity of the Canterbury Regional Council to be able to manage the processing of the Hurunui consents, should the HWRRP be required to be implemented as written. I have also been asked to comment on the efficiency of focusing resourcing on the processing of consents for normal dryland farming under the HWRRP.
10. With regard to the first point, the estimated 150 resource consents needed in the Hurunui catchment would add an additional 3 – 4 months to the three years that it is anticipated it will take to consent properties exceeding permitted landuse limits in LWRP. This estimate assumes:
  1. The Canterbury Regional Council maintains its current resourcing (in terms of consent planners and available sub-contractors);
  2. The ability of industry to provide OVERSEER budgets and supporting assessments remains constant (1000 per year); and
  3. There are no increases in other consenting requirements introduced as a result of sub-regional or omnibus plan changes.
11. The environmental gains from consenting low loss (dryland) farm systems is likely to be negligible given the small losses involved (e.g. a farm currently losing 4 kg N/ha/yr, and would need consent for an additional 0.5 kg N loss/ha/yr).

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<sup>4</sup> These are made up of 1,000 properties with  $\geq 50$  ha of irrigation + 600 in Selwyn, 200 in Hinds, 100 in South Canterbury and 400 properties exceeding maximum winter grazing area in proposed PC5.

<sup>5</sup> Within Canterbury plus resource brought in from other parts of NZ and taking account of plans to develop and expand capacity as well as the resource taken up with property sales and re-financing. Ravensdown has around 60% of the capacity with a current waiting list of 300 which will take 9 months to get through.

12. Consenting the estimated 150 dryland farms in the Hurunui is likely to incur significant costs on the community. The non-complying status of dryland farming in the HWRRP means more a more robust assessment of effects is needed, but for low loss systems (such as dryland farms) the actual effects are likely to be minor. Doing an adequate assessment however (due to the non-complying status) is likely to be a significant time and cost burden on the applicant, in having to demonstrate the impacts of a small additional kg N/ha/yr on in-river loads (which can be difficult) is not contrary to the objectives and policies of the HWRRP.
13. If an adequate assessment is provided, then processing resource consents is likely to be relatively straight forward despite the non-complying status. This is due to the likely very minor effects of the additional nutrient loss. It is not likely the consenting process would provide significant environmental gains.