

**BEFORE THE HEARING COMMISSIONERS APPOINTED BY ENVIRONMENT
CANTERBURY**

IN THE MATTER of the Resource Management Act 1991
(**RMA** or **the Act**)

AND

IN THE MATTER of Proposed Plan Change 7 to the
Canterbury Land and Water Regional
Plan

**STATEMENT OF EVIDENCE OF VANCE HODGSON ON BEHALF OF
HORTICULTURE NZ**

17 JULY 2020



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INTRODUCTION

Qualifications and experience

1. My full name is Vance Andrew Hodgson. I am a director of Hodgson Planning Consultants Ltd, a resource management consultancy based in Waiuku. I have been employed in resource management related positions in local government and the private sector since 1994 and have been in private practice for 17 years. I hold a Bachelor of Resource and Environmental Planning (Hons) degree from Massey University.
2. I have worked in the public sector, where I was employed in student, assistant and senior policy planning roles by the Franklin District Council. I have provided resource management consultancy services to various district and regional councils. The scope of work for the public sector has been broad, covering plan change processes, submissions to national standards/regulations/policy statements and regulatory matters, mediation and appeals.
3. I have worked in geographic information system positions in the United Kingdom and worked for CKL Surveying and Planning Limited in Hamilton.
4. Living and working in the rural environment of South Auckland / North Waikato, I have had a continuous association with the rural production sector and in particular the horticultural industry. From 2012 I have been providing resource management advice to Horticulture New Zealand (**HortNZ**) on policy matters across New Zealand.
5. In private practice I regularly advise a range of private clients on statutory planning documents and prepare land use, subdivision, coastal permit, water permit and discharge permit resource consent applications. I have experience in resource consent applications, hearings and appeals on a range of activities, particularly for activities in the rural environment.

Code of Conduct

6. I have been provided with a copy of the Code of Conduct for Expert Witnesses contained in the Environment Court's Practice Note dated 1 December 2014. I have read and agree to comply with that Code. This evidence is within my area of expertise, except where I state that I am relying upon the specified evidence of another person. I have not omitted

to consider material facts known to me that might alter or detract from the opinions that I express.

NATIONAL FRAMEWORK - ACTION FOR HEALTHY WATERWAYS (28 MAY 2020)

7. I have included some commentary of the national framework as it provides an important context to the HortNZ position and is relevant to the process for PC7 moving forward.
8. At a national level the freshwater policy space is changing. Key changes relating to horticultural activity, identified in the Government announced Action for Healthy Waterways package (28 May 2020) include:
 - (a) A 5ha threshold for horticultural activity requiring a Freshwater Module of Farm Plans on the understanding that effects from horticulture below 5ha are minimal.
 - (b) A move away from interim regulations limiting intensification of commercial vegetable growing and no regulations for expanding irrigated horticulture crops.
 - (c) The Government has agreed in principle that, in some areas of Horowhenua and Pukekohe, where a large proportion of New Zealand's supply of fresh vegetables are grown in highly concentrated areas, water quality could be managed at below the national bottom lines. This in principle decision is subject to further engagement, particularly with local iwi. If this proposal does proceed, it would only apply where water quality is already below the national bottom line and the council would still need to make ongoing improvements to water quality in these areas.
9. This evidence precedes the pending gazettal of the final version of the new National Policy Statement for Freshwater Management and associated National Environmental Standards. That being the case, no planning weight can be applied to draft versions of these documents, but we can acknowledge the direction that the Government is taking.
10. On review of the HortNZ submission, I consider much of what has been sought relates to the national story around the food production system. In my experience this is a story HortNZ

repeats in planning processes right around the country as they promote food security and seek consistency in planning frameworks.

SCOPE OF EVIDENCE

11. This evidence provides a planning assessment of those provisions that HortNZ submitted on and addresses the section 42A Report prepared by Environment Canterbury (**ECan**).
12. The planning framework is well described in both the section 32 and section 42A Reports and I agree with the analysis.
13. Given the general agreement I do not repeat the analysis of the applicability of those planning instruments or the compliance of the Proposed Plan with those instruments. Rather this evidence sets out where I depart from the views expressed in the section 32 or section 42A Report, or where I consider that an alternative planning provision would better give effect to, be not inconsistent with, or have regard to (as the case may be), the various relevant documents.
14. I support the intent of HortNZ's submission on Plan Change 7 (**PC7**) but I consider that there are scope issues in the relief sought on a number of points. Particularly those concerning:
 - (a) A new Objective for commercial vegetable growing (**CVG**);
 - (b) A method for a provisional growth area of horticulture (limited by area and not to a grand-parented Nitrogen Loss Rate (**NLR**));
 - (c) Low Intensity Horticulture; and
 - (d) Rootstock Survival Water.
15. These matters are difficult to retrospectively fit into the existing Canterbury Land and Water Regional Plan (**CLWRP**) planning framework. However, in my opinion they are relevant and necessary to consider in a review of the plan, something I understand ECan are embarking upon. This review would then be informed by the then settled national policy framework which may provide clarity for CVG.
16. HortNZ has produced evidence quantifying the effects of moving to a planning framework to address the matters raised in its submission. While I have scope reservations on what can

be achieved in this plan change, I do consider the evidence particularly relevant in considering the inclusion of a prohibited activity status in the rule suite for CVG.

OVERVIEW OF HORTICULTURE NEW ZEALAND'S SUBMISSION POINTS

17. HortNZ's submission (part 4) provides a useful overview of the organisation's submission points and interests in the plan change.
18. HortNZ expresses general support for the direction of PC7, particularly the intention to provide a workable consenting framework for CVG. However, HortNZ believes that the framework developed by the Council and included in PC7 for CVG has a number of practical flaws as it:
 - a) Fails to provide clarity as to what is and what is not commercial vegetable production.
 - b) Does not equitably provide a permitted activity status for commercial vegetable production in Canterbury compared to other farming activities.
 - c) Does not acknowledge the fundamental inefficiencies and ineffectiveness of Overseer and Farm Portal as tools for calculating nitrogen Budgets for commercial vegetable production.
 - d) Provides no clarity as to the evidence required to demonstrate a commercial vegetable baseline growing area and fails to acknowledge that the baseline area is linked to a historic period in time.
 - e) Does not adequately consider the growth and change in CVG in Canterbury since the baseline period (2009-2013).
 - f) Does not adequately provide for commercial vegetable production to meet the vegetable consumption demands of a growing population, and indeed prohibits this.
 - g) Is inconsistent with recent Government Essential Freshwater policy announcements, in particular the newly proposed provisions for commercial vegetable production within the proposed National Environmental Standard for Freshwater Management.

19. The submission then sets out the relief sought to amend the proposed planning framework to address these concerns.
20. In summary this includes:
 - a) An objective that clearly states the importance of primary production for human consumption and food security.
 - b) A policy that supports commercial vegetable production.
 - c) A policy that supports low intensity horticulture.
 - d) Methods that include:
 - (i) A permitted activity for commercial vegetable growing at a scale that reflects actual and potential environmental impacts of the activity.
 - (ii) A permitted activity for low intensity horticulture that reflects actual and potential environmental impacts of the activity.
 - (iii) Controlled activity for all commercial vegetable production in Canterbury that existed up until the date of notification of PC7.
 - (iv) Restricted discretionary activity to accommodate necessary growth required in commercial vegetable production in Canterbury to meet the future demands for feeding Cantabrians vegetables, in line with anticipated Canterbury population growth.
 - (v) A discretionary activity status for new commercial vegetable production (beyond the date of notification of PC7), requiring a Farm Environment Plan and that meets the lawful nitrogen loss rate applicable to the location.
 - (vi) A non-complying activity status for all other commercial vegetable production.
 - e) The provision of rootstock survival water in the Waimakariri Sub-Region.
21. I have considered these matters in this planning evidence while acknowledging the scope issues I see with trying to fit the much broader outcomes HortNZ have sought. Where

relevant, I set out in my conclusions and recommendations whether I consider the plan provisions and/or subsequent consent processes would appropriately deal with any relevant effects and whether in my view proposed plan change provisions are appropriate.

AREAS OF DISAGREEMENT/AGREEMENT WITH THE S42A REPORTS

22. Part 8 of the section 42A Report sets out an *Introduction* and overview of the *Provisions* of PC7 relating to commercial vegetables. I do not repeat that discussion here but note key points below.
23. In terms of the scale of activity, the section 42A report notes that:
 - (a) Commercial vegetable growing occupies only a small part of the Canterbury Region.
 - (b) The majority of growing occurs in Ashburton, Selwyn and the Orari-Temuka-Opihi-Pareora (**OTOP**) sub-region but growers can span sub-catchments.
 - (c) CVG contributes an estimated 3-4%, 4-5% and 2% of the total catchment nitrogen load per year respectively (Ford, 2019 and Mojsilovic, 2019).
 - (d) On farm nitrogen loss rates can be relatively high in comparison to other farming activities.
24. In my view this is an accurate description of the scale of activity. However, I note that 80% of the CVG area is in root vegetable rotations that have nitrogen loss rates that are comparable to other land uses. In addition, the evidence from HortNZ experts has provided updated data on the scale of activities and future growth aspirations.
25. The description of rotational CVG practice in the section 42A report is correct. From my experience of the industry rotations are best practice. That is, commercial vegetable production activity relies on rotational practice to sustainably manage the soil resource and manage pests while continuing to produce food.
26. The section 42A Report identifies the limitations of the CLWRP to accommodate this rotational activity in a nutrient management planning framework where nitrogen loss rates are assigned to land. This issue has only become apparent as ECan have sought to implement the CLWRP where CVG has

fallen to be considered within rules governing all farming activities, be it pastoral or horticulturally based or a mixture of both.

27. I agree with the section 42A Report authors that a bespoke framework is required for CVG activities. This is the direction we are seeing in other regional plans, such as Waikato Plan Change 1 Decisions Version April 2020. It is also the direction taken in the Government's Action for Healthy Waterways package (28 May 2020), which noted that New Zealand food security for human health depends on domestic fresh vegetable production.
28. The need for a bespoke framework is a reflection of: the complexity of the activity; nutrient modelling issues associated with the activity; the complexities of the freshwater planning space; and increasing recognition of food production values and food security issues.
29. I also agree with the report authors' statement, that the primary purpose of the PC7 provisions should be to provide a single regulatory framework for vegetable growing that can enable commercial vegetable growers to:
 - (a) rotate their activities across various properties or blocks;
 - (b) ensure landowners leasing land to a commercial vegetable grower are not unduly penalised; and
 - (c) avoid inhibiting the achievement of freshwater outcomes, limits and targets.
30. This is not an easy task and as the report authors state, recommendations need to be based on the knowledge and fit for purpose tools currently available.

OVERVIEW OF THE PLAN CHANGE FRAMEWORK RELATING TO HORTNZ'S SUBMISSION

31. PC7 proposes a new policy, five new rules, two definitions, minor consequential amendments and advice notes which collectively establish an alternative nutrient management framework for CVG.
32. As noted in the evidence of Ms McClung the planning framework needs to provide for the various ways in which CVG is grown in Canterbury, namely:

- (a) As part of an irrigation scheme;
 - (b) As part of a mixed farming activity;
 - (c) As a stand-alone activity.
33. In regard to the impact of PC7 on existing consent holders, the section 42A Report identifies that commercial vegetable growing activities managed as part of an irrigation scheme or principal water supplier will not be affected. I agree that this is the case as irrigation schemes are subject to their own regulatory framework.
34. The Report also states that very few growers already hold land use consents and those that do, are likely to be part of a mixed farming system. I agree that this appears to be the case and it is, therefore, important that PC7 does not cut across these consents and require new and additional consents to be obtained for the CVG component.

Defining the Baseline Commercial Vegetable Growing Area

35. The CLWRP has a common reference point for nitrogen rules using baseline data from 2009-2013. This reference period has been extended into the definition of 'baseline commercial vegetable growing area'.
36. The issue HortNZ raised in its submission is that since 2013 there is evidence that CVG has changed location, and growers have exited and new growing operations established, that some crops have increased within rotations, but that the total land area and nitrogen load associated with, commercial vegetable rotations has stayed similar since 2013. These changes in location and ownership, would be captured as expansion under the proposed provisions note the evidence of Mr Ford that:¹
- PC7 effectively prohibits the expansion of intensive or green rotations if they can't offset, and therefore unless the additional 1,000 ha proposed by HortNZ is provided for, the supply of range of vegetables for domestic supply will not keep up with projected population growth, and the price of vegetables will likely increase.*
37. The consent pathway for these activities would be discretionary where the lawful nitrogen loss rate (or Baseline GMP Loss Rate as proposed in the section 42A report) has not

¹ Statement of Evidence of Stuart Ford, dated 17 July 2020, paragraph 104.

been exceeded. However, where there is an exceedance there is no pathway as the activity status is prohibited.

38. It is my understanding that the impact of losing this area of CVG would be significant on the growers affected (given investment, finance and supply agreements). I also understand it would significantly affect regional food production. However, it is accepted that the evidence of HortNZ is not entirely clear that we are referring to net growth in CVP. It certainly seems to be the case that the footprint of the activity has fluctuated and moved since 2013 (as per rotational requirements). In addition, there is evidence from the onion and potato growers that some expansion has occurred for these crops, anecdotally displacing others crops in arable rotations.
39. I note the Report authors comment that any expansion of the growing areas since the baseline period as currently applied may not have been authorised under the operative CLWRP rules. I also accept that this is likely to be the case and therefore is a situation that needs resolution.
40. HortNZ's submission sought the moving of the baseline years to 20 July 2014 - 20 July 2019. The Report authors state that changing the baseline years would be inconsistent with the region-wide framework and would affect the ability to achieve freshwater quality outcomes, limits and targets.
41. While I agree that changing the baseline for CVG would create an inconsistency with the CLWRP policy framework a solution has to be found to ensure that CVG that has changed location since 2013 is consentable. I note that the evidence of Mr Nation is that growth between 2013 and 2019 would have little impact on sub-catchment N load. In fact it is also possible for this growth to have zero net effect if the vegetable production replaced existing arable and dairy/dairy support land uses. As noted by Ms McClung if the baseline is not changed an alternative approach will need to be found.
42. This issue also supports my view that the prohibited pathway is replaced with a non-complying one. I say this because where nitrogen loss rates are not met it is inappropriate to shut the door on considering an application by applying a proposed prohibited activity status. It is essential in this overall framework that flexibility exists for growers to show that their growing activity is appropriate and can be achieved within the planning framework. My proposal is to provide a non-

complying activity pathway supported by appropriate related changes to the framework as set out in the next section of my evidence.

DETAILED REVIEW OF THE PLAN CHANGE PROVISIONS

Policy 4.36A

43. New Policy 4.36A is set out in the section 42A Report and in my **Appendix 1**
44. HortNZ sought the addition of a new element to the policy as follows:

Recognise the inter-generational domestic food supply values associated with commercial vegetable production.
45. This request needs to be considered along with the request of HortNZ for the new objective to support the bespoke CVG planning framework.
46. On review of the existing CLWRP objectives, I agree with the Report authors that these are purposefully short, clear and concise statements that identify the outcomes of the CLWRP. The Report references Objectives 3.5 and 3.11 as those that already recognise the social and economic wellbeing resulting from the use of land and water. Objective 3.23 is also relevant to the CVG issue. That is:

3.23 Soils are healthy and productive, and human-induced erosion and contamination are minimised.
47. As set out in the evidence of HortNZ, CVG rotations are critical to maintain soil health and productivity.
48. I have mapped up through the new proposed policy to the CLWRP objectives and I can see the clear linkages the Report authors have pointed out. Therefore, I am satisfied that a new objective is not required in the current CLWRP framework.
49. Notwithstanding this, I do consider the Plan would be improved through explicit recognition of the values associated with CVG. This would then align with the recognition of domestic food supply values being reflected in the developing national policy for freshwater management. This is something that would need to be addressed via a future process.
50. Policy 4.36A focuses on the particular constraints that apply to CVG activities. An amendment that would recognise the

values of CVG and retain the focus to achieve a certain, specified, environmental outcome would be as follows:

Recognise the particular domestic food supply values associated with commercial vegetable production and constraints that apply to commercial vegetable growing activities...

51. In my opinion, the policy would then support a method framework that broadly provides:
- (a) A permitted activity pathway for CVG on 0.5ha or less (Rule 5.42CA);
 - (b) A restricted discretionary activity pathway for CVG that is not currently consented (Rule 5.42CB);
 - (c) A discretionary activity pathway for where it can be demonstrated the nitrogen loss from the new or expanded vegetable growing area is no greater than the lawful nitrogen loss rate of the new location (Rule 5.42CC);
 - (d) A restricted discretionary activity pathway for a capped area (1000 ha) of new CVG (Rule 5.42XX);
 - (e) A default non-complying activity (Rule 5.42CD); and
 - (f) No prohibited activity rule (deletion of proposed Rule 5.42CE).
52. I will now discuss each element of this framework that I have set out in Appendix 1 with reference, as appropriate to the section 42A Report.

Rule 5.42CA Permitted Activity

53. The Section 42 Report identifies that permitted small-scale vegetable production is an efficient and effective method to achieve the objectives of the CLWRP. I agree and the evidence of HortNZ is that smaller operations that have an insignificant environmental footprint should not be required to obtain a resource consent as this would be a significant burden - for negligible environmental benefit.
54. I also agree that if a rule is to be structured around an identified area, then for practical purposes, that area should relate to the land available for CVG and not include buildings and unrelated curtilage.
55. Defining an appropriate area limit (a permitted activity threshold) appears difficult. The Report authors note that

increasing the area to 2ha for example may have minimal benefit. What is clear from the evidence of Ms McClung and Ms Goodfellow is that an activity operating on 0.5ha or less is unlikely to be a significant contributor to the domestic food supply system.

56. The CLWRP currently uses different area thresholds for other permitted farming activities. In Selwyn Te Waihora for example the area threshold is 10ha with a condition that the nitrogen loss calculation does not exceed 15kg/ha/yr.
57. On review of the evidence of HortNZ, it is clear to me that the 0.5ha threshold is largely redundant. As I see it, the rule should align as best it can with anticipated de minimus environment effects of these small-scale activities. HortNZ's evidence is that at an area limit of 5ha, the scale of activity is likely to be very small and the water quality related effects negligible.
58. I also note the Action for Healthy Waters package suggests a 5ha threshold for horticultural activity requiring a Freshwater Module of Farm Plans on the understanding that effects from horticulture below 5ha are minimal.
59. Therefore, changing PC7 in the way I recommend would also mean it is future proofed to some extent in terms of these national changes.

A Controlled vs Restricted Discretionary Activity Status for a capped area of existing CVG

60. The HortNZ submission states that a controlled activity provides more certainty to the industry and will be more efficient and effective for existing growing operations than the restricted discretionary pathway proposed in Rule 5.42CB of PC7.
61. I agree that a controlled activity status can provide a degree of certainty for applicants and the horticultural sector. These are consent applications that must be granted and may be granted with conditions.
62. The Section 42A Report does not consider that a controlled activity status is appropriate as this would restrict the ability for ECan to decline a consent. The authors note that CVG is a complex activity due to the changing land areas and crops being grown and could result in unacceptable adverse effects. However, I note the overall scale of the activity is very small, and the risk is equally small.

63. In practice I would expect that if an activity was being assessed under a controlled activity framework and there were actual or potential unacceptable adverse effects then the consent conditions would be structured to address this. Matters of control can be crafted to deal with this circumstance.
64. Having said this, and on reflection, I am of the opinion that the consenting status is less of an issue for these activities. I agree with the authors that CVG is a complex activity which operates across multiple properties in various sub-regional environments. A sound operation that is managing the effects of CVG should rightly get consent irrespective of a controlled or restricted discretionary activity status.
65. I therefore can support a restricted discretionary activity pathway, but this would have to be on the basis that the defined baseline CVG area is adjusted to refer to a baseline period of 20 July 2014 to 20 July 2019. This will ensure the real extend of CVG is appropriately covered.

Providing a pathway for growth

66. The HortNZ submission looks for an explicit pathway for a limited area of CVG growth to align with anticipated population growth and food demands.
67. I support the intent of the HortNZ submission. The issue is whether this pathway can be accommodated within a framework that seeks to avoid increasing nutrient losses in sub-regions where freshwater quality outcomes, limits and targets are not being achieved and nutrient reductions are necessary.
68. The values of CVG regionally and nationally are well recognised, as expressed in the HortNZ submission. As identified in the section 42A Report, increasing vegetable growing areas is likely to contribute to the social and economic well-being of the Canterbury Region. However, it is noted that water quality is also degraded in many catchments making any intensification of land use difficult without compromising the water quality.
69. HortNZ proposes a method (restricted discretionary activity rule) that adopts a capped land area approach. 1000ha is proposed to be set aside across Canterbury to meet food demands of forecasted population growth until 2030 - as noted by Ms McClung and assuming the baseline date moves

to the PC7 notification date. The advantage of having this calculation is that it can then operate as a limit against which the effect on regional water quality can be analysed. The evidence of HortNZ proves that a defined area of growth can be accommodated within the region in a manner that will not compromise achieving the region and sub-catchment water quality outcomes set out in the CLWRP.

70. The Action for Healthy Waterways package clearly signals the need to protect New Zealand's supply of fresh vegetables. That supply must meet demand and demand increases with population growth. HortNZ have quantified what that demand looks like over coming years and have then aligned that with the land resource needs to enable that production.
71. The evidence of Ms McClung and Ms Goodfellow is that there are few alternatives to keep pace with population driven CVG supply demands if this provisional growth area is not provided. The outcome would be reduced supply and higher prices.
72. Ideally, in my opinion, provisional growth for CVG within a land area limit should be accommodated into the CLWRP as a restricted discretionary activity. This will enable a thorough assessment of the effects of the activity.
73. To enable this limited area of growth means it cannot be constrained by needing to meet the lawful nitrogen loss rate (or Baseline GMP Loss Rate as proposed in the section 42A report) for that land. Instead the limit is the land area and the nitrogen discharge related effects have been quantified by the HortNZ evidence as de minimus and that those discharges still enable the plans relevant targets, limits and reductions to be met.
74. It is my view that this pathway ensures the integrity of the policy framework is retained.

Non-Complying and Prohibited Activities

75. Both the Section 42A Report and HortNZ proposed a non-complying activity status where an operation does not provide a Farm Environment Plan (**FEP**). I agree with the approach given the importance of FEP's in achieving the CLWRP objectives.
76. Like HortNZ, I have concerns with the inflexibility of the proposed prohibited activity status for situations where the

nitrogen loss from the new vegetable growing area exceeds the lawful nitrogen loss rate (or Baseline GMP Loss Rate as proposed in the section 42A report). This is an extremely blunt tool.

77. There is certainty in adopting a prohibited activity status and I support its use where there is accuracy in the information to support the planning platform and certainty in the environmental outcomes anticipated. The evidence of Stuart Ford for HortNZ casts doubt on whether this certainty exists in this case.
78. The section 42A Report(8.176) states as follows
- This rule is crucial to ensuring that any expansion to the growing area in vegetable production does not inhibit the improvements in water quality the CLWRP has been developed to achieve. Without a prohibited activity rule, vegetable production could expand unfettered and result in increasing nitrogen concentration trends in water, or diminish the gains achieved by other farming activities.*
79. I agree that expansion in CVG should not inhibit the improvements in water quality the CLWRP has been developed to achieve. Any application to do so would fall foul of the plan's objectives. However, it cannot be said that in all circumstance where an increase in CVG is proposed that a resulting exceedance of the lawful nitrogen loss rate (or Baseline GMP Loss Rate as proposed in the section 42A report) would result in this outcome.
80. I do not agree that without a prohibited activity rule, CVG could expand unfettered and result in increasing nitrogen concentration trends in water, or diminish the gains achieved by other farming activities. A non-complying activity status with the required 104D test is in my opinion entirely appropriate and necessary to ensure the freshwater outcomes sought are achieved.
81. In my opinion the particular values associated with CVG require a planning response that does not shut the door on considering an application. We should have confidence that the non-complying activity assessment is robust. The values of CVG and the relatively low contribution of CVG to regional contaminate loads are reflected in the Action for Healthy Waterways package (28 May 2020) through a response where:

- (a) There are no interim regulations limiting intensification of commercial vegetable growing and no regulations for expanding irrigated horticulture crops.
 - (b) The Government has agreed in principle that, in some areas of Horowhenua and Pukekohe, where a large proportion of New Zealand's supply of fresh vegetables are grown in highly concentrated areas, water quality could be managed at below the national bottom lines. This in principle decision is subject to further engagement, particularly with local iwi. If this proposal does proceed, it would only apply where water quality is already below the national bottom line and the council would still need to make ongoing improvements to water quality in these areas.
82. The framework of the CLWRP makes it unacceptable to manage water quality below national bottom lines and I am not suggesting this should be changed for CVG. Furthermore, there must still be ongoing improvements to water quality in the Canterbury region. However, as set out in the evidence of HortNZ an increase in CVG and a resulting exceedance of the lawful nitrogen loss rate (or Baseline GMP Loss Rate as proposed in the section 42A report) would not necessarily result in further degradation or a failure to improve water quality.
83. A non-complying activity pathway would enable the situations of CVG growth since the baseline period of 2013 that may have exceeded the lawful nitrogen loss rate (or Baseline GMP Loss Rate) to be considered. In the absence of a more comprehensive plan review, it would also enable applications for CVG growth to meet population growth and associated food demand to be considered.

OTHER MATTERS

Applying Baseline GMP Loss Rate to Rule 5.42CC Discretionary Activities

84. The section 42A Report writers propose that where no lawful nitrogen loss limits apply, the Baseline GMP Loss Rate would be an appropriate control for new CVG.
85. As a discretionary activity I would have assumed this to be a likely condition outcome irrespective of this not being written as an existing control. Baseline GMP seems a good option for

those areas of land that fall within the permitted activity bands in the region wide or sub-catchment rules and do not have a lawful nitrogen loss rate.

Low intensity Horticulture

86. Having worked through the Waikato Regional Plan Change 1 process it is evident that not all horticultural activity has the same effect on water quality. PC7 proposes a bespoke approach to CVG but does not propose to address other horticultural activity.
87. The evidence of Stuart Ford for HortNZ identifies that low intensity horticulture is a low nitrate use and the submission suggests this activity can be defined and a permitted activity pathway provided. On review of the CLWRP I am not convinced this is necessary.
88. It is my understanding that low intensity horticulture is as important for domestic food supply as CVG. The HortNZ evidence setting out the Canterbury based contribution. The evidence also identifies the relative contaminant contribution of this activity.
89. I understand that the rationale for including this in the HortNZ submission was that it is a moving policy space for the industry and that this has a national story in the food production system. On reflection of the section 42A Report I consider that the report writers are right in their opinions and the activity is sufficiently managed in the existing planning framework.

Rootstock Survival

90. The provision of horticultural survival water in times of drought (fettered by rationing and subject to section 329 where required) is in my opinion a sound resource management response. The case for survival water to horticultural rootstock and water sensitive crops for human consumption is well established in regional plans around New Zealand.
91. The submissions of HortNZ seeks the provision of root stock survival water in the Waimakariri sub-region and provides a method to consider this being a take at a maximum of 2.5% of 7DMALF.
92. Again, I understand that the rationale for including this in the HortNZ submission was that this also has a national story in the food production system. On reflection of the section 42A Report I again consider that the report writers are right in their

opinions and the exemptions to minimum flows set out in Policy 4.5 only apply to first priority water Uses, aligning with Objectives 3.6-3.10.

93. The concern for HortNZ remains live and a relevant matter to consider during the issue of water shortage direction pursuant to s329. However, region wide or sub-regional policy and a method needs consideration in a future plan review.

CONCLUSIONS AND RECOMENDATIONS

94. In conclusion while some of the changes (such as the change to the baseline date) do not sit comfortably within the planning framework that applies to PC7 a pathway that works for CVG is required. It is my opinion that the changes proposed in Appendix 1 – the key changes to the consenting framework provides the appropriate pathway for consenting of CVG. This framework is supported by the expert called by HortNZ. For completeness I note that Appendix 1 does not represent the full suite of changes recommended by HortNZ.

Vance Hodgson

17 July 2020

APPENDIX 1 - DETAILED REVIEW OF THE PLAN CHANGE PROVISIONS

commercial vegetable = as notified

activities operations = Section 42A Recommendations

The discharge of = HortNZ Evidence

Section 2 How the Plan Works & Definitions

2.9 Definitions, Translations and Abbreviations

Definitions

<u>Baseline commercial vegetable growing area</u>	means the <u>maximum total</u> aggregated area of land used for <u>a commercial vegetable growing operation</u> , <u>including the full sequence of crops and pasture used as part of a rotation</u> , in any <u>12 month consecutive period within the period of 1 January 2009 to 31 December 2013 between 20 July 2014 to 20 July 2019</u> and under the control (owned or leased) of a single grower or enterprise.
<u>Commercial vegetable growing operation</u>	is a <u>sub-set of 'farming activity'</u> and means the <u>predominate purpose is growing, for the purpose of commercial gain, of vegetable crops for human consumption, on one or more parcels of land held in single or multiple ownership (whether or not held in common ownership) that constitutes a single operating unit but excludes vegetable crops grown under cover, and includes the full sequence of crops and pasture used as part of that rotation.</u>
<u>Commercial vegetable growing rotation</u>	is a <u>'farming activity'</u> and includes the <u>full sequence of crops and pasture used as part of that rotation.</u>
<u>Nutrient management area</u>	means a <u>geographical area delineated on the Planning Maps to manage nutrient losses from land use and may be described as an Area, Nutrient Allocation Zone, sub-region, freshwater management unit or zone.</u>

Section 4 Policies

Nutrient Management

4.36A Recognise the particular values associated with commercial vegetable production (including domestic food supply) and constraints that apply to commercial vegetable growing activities operations (including the need to rotate crops to avoid soil- borne diseases and for growing locations in close proximity to processing facilities and for a range of crops to be grown for domestic markets), provide a nutrient management framework that appropriately responds to and accommodates these constraints while improving or maintaining water quality by:

- a. requiring commercial vegetable ~~growers growing operations~~ to operate at good management practice;
- b. avoiding the establishment of a new commercial vegetable growing ~~activity operation~~, or any expansion of an existing commercial vegetable growing ~~activity operation~~ beyond the baseline commercial vegetable growing area, unless the nitrogen losses from the operation can be accommodated within the lawful nitrogen loss rate applicable to the new location ~~or where no nitrogen loss rate is applicable, the Baseline GMP Loss Rate~~;
- c. requiring commercial vegetable ~~growers growing operations~~ to demonstrate, at the time of application for resource consent and at the time of any Farm Environment Plan audit, how any relevant nutrient loss reduction set out in Sections 6 to 15 of this Plan will be achieved;
- d. constraining, as far as practicable, commercial vegetable growing ~~activities operations~~ to ~~suitable land in a Nutrient Management Area single nutrient allocation zone or sub-region unless there is a clear method for accounting for nutrient losses which will ensure that any relevant nutrient load or limit is not exceeded~~;
and
- e. requiring a Farm Environment Plan, ~~excluding a nutrient budget~~, as part of any application for resource consent, and requiring that Farm Environment Plan to be prepared in accordance with Schedule 7 of this Plan.

Section 5 Region-wide Rules

Nutrient Management

Commercial Vegetable Growing ~~Activities Operations~~

5.42CA The discharge of nutrients from a commercial vegetable growing ~~activity operation on a property~~ 0.5 hectares or less in area is a permitted activity.

5.42CB The discharge of nutrients from a commercial vegetable growing ~~activity operation~~ that does not meet Rule 5.42CA is a restricted discretionary activity, provided the following conditions are met:

- 1. A Farm Environment Plan, ~~excluding a nutrient budget~~, has been prepared for the activity in accordance with Part A of Schedule 7 and is submitted with the application for resource consent;
and
- 2. The aggregated area of land used for the commercial vegetable growing ~~activity operation~~ is no greater than the baseline commercial vegetable growing area; and
- 3. All land that is used for forms part of the commercial vegetable growing activity operation is located within the same ~~Nutrient Management Area subregion and Nutrient Allocation Zone~~.

The exercise of discretion is restricted to the following matters:

- 1. The timing of any actions or good management practices proposed to achieve the objectives and targets described in Schedule 7; and
- 2. Methods to avoid or mitigate adverse effects of the activity on surface and groundwater quality and sources of drinking water; and

3. The commencement date for the first audit of the Farm Environment Plan and methods to address any non-compliance identified as a result of a Farm Environment Plan audit, including the timing of any subsequent audits; and
4. Methods that demonstrate how any nutrient loss reductions and nutrient targets required by Sections 6 to 15 of the Plan will be achieved; and
5. Reporting of progress made towards any nutrient loss reductions and nutrient targets required by Sections 6 to 15 of the Plan, and any actions implemented to remedy issues identified in any audit of the Farm Environment Plan; and
6. Methods to prevent an exceedance of any relevant nutrient load or limit set out in Sections 6 to 15 of the Plan if the region-wide rules continue to apply in the sub-region.

5.42XX (provisional growth) The discharge of nutrients from a commercial vegetable growing activity where the following conditions are met is a restricted discretionary activity:

1. A Farm Environment Plan, excluding a nutrient budget, has been prepared for the activity in accordance with Part A of Schedule 7 and is submitted with the application for resource consent; and
2. The area of land used for the commercial vegetable growing activity is capped at 1000 hectares in addition to the baseline commercial vegetable growing area; and
3. All land that is used for forms part of the commercial vegetable growing activity operation is located within the same Nutrient Management Area.

The exercise of discretion is restricted to the following matters:

1. The timing of any actions or good management practices proposed to achieve the objectives and targets described in Schedule 7; and
2. Methods to avoid or mitigate adverse effects of the activity on surface and groundwater quality and sources of drinking water; and
3. The commencement date for the first audit of the Farm Environment Plan and methods to address any non-compliance identified as a result of a Farm Environment Plan audit, including the timing of any subsequent audits; and
4. Methods that demonstrate how any nutrient loss reductions and nutrient targets required by Sections 6 to 15 of the Plan will be achieved; and
5. Reporting of progress made towards any nutrient loss reductions and nutrient targets required by Sections 6 to 15 of the Plan, and any actions implemented to remedy issues identified in any audit of the Farm Environment Plan; and
6. Methods to prevent an exceedance of any relevant nutrient load or limit set out in Sections 6 to 15 of the Plan if the region-wide rules continue to apply in the sub-region.

[additional matters of discretion to exclude certain locations may need to be included]

5.42CC The discharge of nutrients from a commercial vegetable growing activity operation that does not comply with condition 2 or 3 of Rule 5.42CB is a discretionary activity provided the following conditions are met:

1. A Farm Environment Plan, ~~excluding a nutrient budget~~, has been prepared for the activity in accordance with Part A of Schedule 7 and is submitted with the application for resource consent; and
2. The nitrogen loss rate from the new or expanded commercial vegetable growing activity ~~including a commercial vegetable growing rotation operation~~ does not exceed the lawful nitrogen loss rate applicable to the proposed location ~~or where no nitrogen loss rate is applicable, the Baseline GMP Loss Rate.~~

5.42CD The discharge of nutrients from a commercial vegetable growing ~~activity operation~~ that does not comply with condition 1 of Rule 5.42CB; or condition 1 ~~or 2~~ of Rule 5.42CC, is a non-complying activity.

5.42CE

~~The discharge of nutrients from a commercial vegetable growing operation that does not comply with condition 2 of Rule 5.42CC is a non-complying prohibited activity.~~