

Update on Horizons Plan Change 2

Manawatū-Whanganui region | November 2020



This summary is an update of the plan change process and overview of HortNZ's expert evidence that was presented at the PC2 hearing in October 2020.

CVG – Commercial Vegetable Growing (this term is defined in the One Plan)
IFLU – Intensive Farming Land Use (includes commercial vegetable growing)
Target Catchments - target water management subzones identified in Table 14.1 of the One Plan
GMP/BMP – Good/ Best Management Practice

Background

Plan Change 2 (**PC2**) was notified by Horizons Regional Council in July 2019 – the intent of the plan change is to resolve implementation issues with the existing intensive farming land uses (**IFLU**) provisions of the plan, meaning that the rules are unworkable and leaving many vegetable growers and farmers unable to get consents under the plan.

Recent updates:

- **The Section 42A report and Council evidence was published in September 2020:**
 - The S42A report is an evaluation of all the submissions received and recommended amendments to the plan change in light of those submissions. The s42A report recommended a number of changes in response to HortNZ's submission, including a specific pathway for commercial vegetable growing.
- **HortNZ submitted the following hearing evidence and presented to the hearings panel along with growers in October 2020:**
 - Michelle Sands, overview of the sector & HortNZ's position, supported by grower statements
 - Vance Hodgson (expert evidence - planning)
 - Damien Farrelly (expert evidence - GAP and the EMS add-on)
 - Andrew Barber (expert evidence - FEP and sediment management evidence)
 - Stuart Ford (expert evidence - growing systems and economics)
 - Claire Conwell (expert evidence - water quality)

All of the evidence submitted by HortNZ (and others) is available on the Council's website [here](#).

An overview of the changes recommended by the Section 42A report and HortNZ's evidence is provided in Table 1.

The next steps:

- The hearing for PC2 has now concluded – the Independent Hearing Panel will now consider all the submissions and evidence and write a decision report which will determine the final form of the provisions - which will become the 'decision version' of PC2. This decision might take some months after the hearing to be notified and is expected sometime in 2020/2021.
- Once a decision is notified – parties who lodged a submission on the plan change are able to appeal aspects of the decision. Appeals on the decision are made to the Environment Court - if the provisions are not appealed, they become operative and the old rules no longer apply.

Overview of HortNZ's evidence on PC2

Table 1 (overleaf) provides a summary of the provisions in the notified version of PC2, the recommendations of the Section 42A report and HortNZ's evidence that was presented to the Independent Hearings Panel.

The 'scope' of PC2

- The intent of PC2 is to provide a workable pathway for those who currently cannot get consents in target catchments – the consent conditions will drive the uptake of good and best management practices over time. The Council still needs to give effect to the NPSFM 2020, and must notify a plan change that gives effect to the new NPSFM 2020 by December 2024.
- It was agreed by the experts (in conferencing ahead of the hearing) that PC2 is a transitional plan that cannot address some of the wider issues of the One Plan – only **existing IFLU in target catchments**.

Summary of the scope of PC2

	Rules INSIDE a target catchment	Rules OUTSIDE a Target Catchment
For existing IFLU (at 9 May 2013 for commercial vegetable growing)	Activities which are the focus of PC2.	Not subject to change by PC2. (These activities are not regulated by the One Plan –currently do not require a resource consent)
For new IFLU	Not subject to change by PC2. (Table 14.2 applies to new IFLU throughout the region)	Not subject to change by PC2. (Table 14.2 applies to new IFLU throughout the region)

This means that part of the framework that HortNZ sought (as well as relief sought by other submitters) is in the view of experts, outside the scope of PC2. In light of this, we acknowledge in our evidence that the following points are outside of what the plan change can achieve:

- HortNZ's submission sought flexibility for growers to expand outside of target catchments, in exchange for reductions inside (i.e. incentives to de-intensity in some locations that are more vulnerable but ability to expand elsewhere to compensate lost production). Other parties have sought changes such as new target sub-zones. Collectively, experts agree that the scope of PC2 is limited to the framework for existing intensive farm land uses, within the Target Water Management Sub-Zones.
- HortNZ sought a Restricted Discretionary consent pathway for expansion to meet population growth demands. This has also been considered out of scope – as the plan change is focused on existing land uses.

WHERE TO GO FOR MORE INFORMATION

- The PC2 page on Horizon's website
- Keep an eye on HortNZ's website
- Or you can contact Michelle Sands who is leading HortNZ's involvement in PC2 (michelle.sands@hortnz.co.nz)

TABLE 1: Summary of notified PC2 rules, changes recommended in s42A and HortNZ's evidence

HortNZ supports a specific regulatory framework for commercial vegetable growing and the requirement for a Farm Environment Plan, but sought amendments to provide greater clarity and equity in the provisions. In summary:

Notified PC2 amendments to the One Plan	S42A Report Recommendations	HortNZ Expert Evidence	Comments/comparison with HortNZ submission
<p>Table 14.2 Cumulative nitrogen leaching maximum's (CNLM) calculated from Overseer.</p> <ul style="list-style-type: none"> PC2 seeks to update these values to reflect an updated version of Overseer. 	<p>No further amendments proposed (but recommended alternative options provided in the rules – refer below)</p>	<p>No further amendments sought.</p>	<p>Updating the leaching values in Table 14.2 of the One Plan is a technical matter related to software and should occur – HortNZ's submission highlighted that Table 14.2 is not suitable for CVG.</p>
<p>Summary of rules within PC2</p>			
<p>Rule 14-1 – Controlled Activity</p> <p>PC2 proposes the following changes to the existing Controlled Activity rule for existing IFLU in target catchments if the activity can meet Table 14.2:</p> <ul style="list-style-type: none"> Table 14.2 figures updated Change to 'Matters of control' to refer to GMP and the specific policies in the Plan for these activities. 	<p>Proposes two alternative pathways for meeting this rule (instead of meeting Table 14.2) – including one specific to CVG.</p> <p>CVG could be a Controlled Activity if:</p> <ul style="list-style-type: none"> The area of CVG does not exceed the baseline area, <u>and</u> GMP and BMP are implemented, to achieve within 3 years of lodging a consent a minimum 35% reduction in nitrogen leaching loss is achieved (compared to the baseline period). <u>If</u> a consent application is lodged by 31 December 2022 <p>(Or your activity meets Table 14.2 or the other new pathway targeted at other primary sectors, requiring reduction to the lesser of a leaching rate 80-90% of baseline, or 75th percentile)</p> <p>Recommends that the matters of control amended to introduce BMP, in addition to GMP to limit nitrogen leaching loss.</p> <p>Note: recommends that applications not lodged within two years would default to the Discretionary Activity rule.</p>	<p>HortNZ support the pathway recommended in the s42A report – it provides a more workable and CVG specific pathway, however our evidence seeks that the leaching loss reduction that is required be 10-20% (rather than the 35% proposed).</p> <p>We also support two pathways for CVG to be assessed - either as a CVG enterprise, or as CVG within a mixed farm.</p> <ul style="list-style-type: none"> While most CVG growers in the Region are specialists, some farmers grow vegetables within their own mixed farm. In this case, it is important that the farmer doesn't need to gain a separate consent for their vegetable activity, and that they can average leaching maximum across their whole farm. 	<p>HortNZ's submission sought a specific pathway for CVG through a separate rule – seeking that land inside TMSZ is at BMP (and any land outside at GMP) and sought to incentivise/enable movement to fewer sensitive areas to compensate for lost production inside TWMS's. As explained above – HortNZ's evidence accepts that the scope of PC2 to existing IFLU in target WMSZ.</p> <p>The s42A report recognised our concern that it was not equitable to apply Table 14.2 to CVG and goes some way to recommending a workable Controlled pathway.</p>

Notified PC2 amendments to the One Plan	S42A Report Recommendations	HortNZ Expert Evidence	Comments/comparison with HortNZ submission
<p><u>Rule 14-2 – Restricted Discretionary</u></p> <p>PC2 proposed the following changes to the existing Controlled Activity rule for existing IFLU in target catchments if the activity cannot meet Table 14.2</p> <ul style="list-style-type: none"> Amended to only apply if the conditions of the above rule relating to matters, <u>other than</u> the Table 14.2 nitrogen leaching loss figures, are not met. 	<p>Similar to above.</p> <p><i>(Note: This rule applies if other requirements, e.g. cattle exclusion requirements, of the Controlled Rule are not met. The same nitrogen leaching loss requirements as the Controlled Activity rule above apply.)</i></p>	<p>As above.</p>	<p>HortNZ’s submission sought a new rule for CVG that enabled up to 10% expansion to provide for population growth – as explained above, we accept that the scope of PC2 is limited to existing IFLU in target sub-zones.</p>
<p><u>New Rule 14-2A – Discretionary Activity</u></p> <p>PC2 proposed to include a new rule for existing IFLU that cannot meet Table 14.2</p> <ul style="list-style-type: none"> New rule (for existing IFLU) applies if the leaching values in Table 14.2 are not met (previously this would have been considered under Rule 14-2 above) 	<p>Recommends minor amendments to correct the rule structure.</p>	<p>No further changes sought.</p>	<p>Note: This rule would apply if the nitrogen leaching loss requirements of the Controlled/Restricted Discretionary rules cannot be met.</p>
Summary of policy framework included in PC2			
<p><u>Overview of policy changes in PC2</u></p> <p>In the current One Plan, the policy framework means it is very difficult to get a consent if Table 14.2 is not met – the notified version of PC2 proposed to amend the policy to include implementing GMP and additional measures.</p>	<p>Recommends amendments to:</p> <ul style="list-style-type: none"> introduce best management practice (in addition to GMP) and requiring the maximum practicable reduction in losses in the shortest feasible timeframe. Provide policy to support the amendment to rules above for CVG and include as a consideration, crop-rotation requirements and maintaining food security of New Zealanders, off-site mitigation measures. State a consent duration of up to 10 years. 	<p>HortNZ strongly support the recognition of food security within the policy framework, but sought that the value of fresh vegetable is also included.</p>	<p>HortNZ’s submission sought a separate policy for CVG that recognises constraints that apply to commercial vegetable growing (e.g. the need to rotate crops, difficulties of modelling) and the values associated.</p>

Notified PC2 amendments to the One Plan	S42A Report Recommendations	HortNZ Expert Evidence	Comments/comparison with HortNZ submission
Summary of definitions amended or added as part of PC2			
<p>New definition proposed – <u>Good management practice</u></p> <p><i>‘refers to evolving practical measures and methods, including those established in industry-based standards, which are used at a sector or community level to minimise the effects of discharges to land and water’</i></p>	<p>Recommends amendments are recommended to:</p> <ul style="list-style-type: none"> • Include a list of GMP’s • But also, that GMP will evolve over time and not be limited to this list <p>And to include a new definition – Best Management Practice</p> <p><i>‘means measures, additional to good management practices* that are tailored for a farming or growing system to minimise nitrogen leaching loss from the land^ to the maximum practicable extent and may include any of the following measures</i></p> <ul style="list-style-type: none"> • [includes a list of practices] 	<p>No amendments proposed – HortNZ experts participating in conferencing that informed the list of GMP’s and BMP’s.</p> <p>Not all practices are practical or effective in all situations, so HortNZ supports the ability to select practices from a toolbox of GMPs and BMPs</p>	
<p>Amendment to existing definition of <u>Nutrient management plan</u></p> <ul style="list-style-type: none"> • Amends the definition to delete specific reference to Overseer and replace with ‘recognised nutrient management model’. 	<p>Recommends further amendments to recognise recent changes to RMA to recognise Freshwater Farm Plans</p>	<p>HortNZ support the proposed changed, but seek an amendment to provide a process for approving the use of alternative models for use in nutrient management plans.</p>	<p><i>Note: The NZGAP EMS add-on is aligned with the pathways provided, for growers to develop and implement their nutrient management plan including inputs, outputs and adoption of management practices to minimise nutrient loss.</i></p>
	<p>Recommends new definition - Baseline Commercial Vegetable Growing Area</p> <p><i>‘means the aggregated area of land utilised for commercial vegetable production in the 2012/2013 growing season and includes all land under the control (owned or leased) of a single grower or enterprise.’</i></p>	<p>No amendments sought to the proposed definitions.</p> <p>HortNZ evidence accepted the baseline growing area date for CVG enterprises on the understanding that any grower can apply for a consent using the existing gateway, until the 2012-2013 baseline commercial growing area is exceeded.</p>	<p>HortNZ’s submission sought that the line for ‘existing’ be the date of notification of PC2 (existing on 22 July 2019).</p> <p>However, in light of the recommended amendments to PC2 requiring N leaching reduction– we now accept that the baseline growing date be the 2012/2013 season (when the One Plan rules started to apply) because it means that those that have invested are not disadvantaged, and neither are those that could not invest in the GMP and BMP, due to the uncertainty created for CVG due to weaknesses in the design of the One Plan provisions.</p>
	<p>Recommends new definition - Baseline Growing Period</p> <p><i>‘means the 2012/2013 growing season’</i></p>		

Notified PC2 amendments to the One Plan	S42A Report Recommendations	HortNZ Expert Evidence	Comments/comparison with HortNZ submission
	<p>Recommends new definition - Crop Rotation</p> <p><i>'is the is the systematic planting of different crops in a particular order over several years in the same growing space. This process helps maintain nutrients in the soil, reduce soil erosion, and prevents plant diseases and pests'</i></p>	<p>HortNZ support a definition for crop rotation, but <u>seek an amendment to clarify that crop rotation occurs within or across changing land parcels</u> (instead of 'in the same space').</p>	<p>HortNZ's view is that it is important that when a consent for CVG is assessed, that the effects across the whole rotation and area can be assessed.</p>
	<p>Recommends new definition – Enterprise</p> <p><i>'means one or more parcels of land held in single or multiple ownership to support the principle land use, or land on which the land use is reliant, which constitutes a single operating unit for the purposes of management'</i></p>	<p>No changes sought – this definition recognises that CVG operates across non-contiguous parcels of owned and leased land.</p>	<p>HortNZ's submission sought definitions that recognise leased land as part of the farming enterprise</p>
	<p>Recommends new definitions - Nitrogen Baseline and 75th percentile Nitrogen Leaching Loss</p>	<p>No amendments sought to the proposed definitions.</p>	<p>These apply to the other alternative pathway recommended in the s42A that is more applicable to other primary sectors.</p>