BEFORE THE HEARINGS PANEL AT THE SELWYN HEALTH HUB IN ROLLESTON

IN THE MATTER of the Resource Management Act 1991

("the Act")

AND

IN THE MATTER

AND

of the Resource Management Act 1991

IN THE MATTER of the hearing of submissions on The

Proposed Selwyn District Plan

Hearing 1: Strategic Directions

STATEMENT OF EVIDENCE BY VANCE ANDREW HODGSON FOR NEW ZEALAND PORK

22 JULY 2021

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SUMMARY STATEMENT

- 1. This planning evidence addresses the New Zealand Pork Industry Board ("NZPork") submission and the Selwyn District Council's ("SDC") s42A Report response to the submissions on the Proposed Selwyn District Plan ("PDP"), Hearing 1: Strategic Directions.
- 2. The submission of NZPork¹ broadly supported the overarching direction for the District Plan as expressed through Strategic Directions. However, the submission identified a concern with a gap in the policy framework for rural areas with NZPork opposed to the lack of clear Strategic Direction and inclusion of Strategic Objectives for rural areas.
- 3. The s42A analysis rejects the submission of NZPork and other similar submissions that requested specific provisions dealing with rural activities and the rural area be inserted into the Strategic Directions chapter. This rejection is based on two key points.
- Firstly, that the elements brought up in the suggested provisions of submitters are already captured either specifically in the General Rural Zone provisions, or in the existing proposed Strategic Objectives largely through SD-DI-O1 - SD-DI-O4, SD-UFD-O1.
- 5. Secondly, as there is only one rural zone proposed, to include rural focused objectives in the Strategic Objectives would lead to duplication with the General Rural Zone objectives and policies.
- 6. Specifically, it is my opinion that:
 - i. I am not as comfortable as the s42A report writer that the elements brought up in the suggested provisions of submitters including NZPork are already captured either specifically in the General Rural Zone provisions, or in the existing proposed Strategic Objectives largely through SD-DI-O1 - SD-DI-O4, and SD-UFD-O1.
 - ii. I interpret SD-DI-O1 as a much broader objective relating to a Strategic Direction on what 'development' must achieve, rather than an objective that provides a specific clear direction for rural production activities or the significance of productive land.
 - iii. I agree with the s42 report writer that SD-DI-O4 addresses the element associated with cultural values expressed in the NZPork suggested Strategic Objective.

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¹ Submission Point: 017, 076

- iv. I read SD-UFD-O1 as an important Strategic Direction for achieving a compact and sustainable township network responding to the community's needs, natural landforms, cultural values, and physical features. The objective does not provide a specific clear direction for rural production activities or the significance of productive land.
- 7. I do not consider that existing proposed Strategic Objectives SD-DI-O1, SD-DI-O4, and SD-UFD-O1 sufficiently articulate a Strategic Direction for the land area comprising the majority of a district and the activities that underpin the economy that are locationally dependant on this environment and its resources. Furthermore, I do not consider this articulation is achieved through GRUZ-O1.
- 8. I do consider the PDP would be improved with the addition of a specific rural Strategic Objective. I do not see this duplicating or conflicting with the General Rural Zone Objective (GRUZ-O1) or proposed policies, rather this adds support and would assist where an objective and policy assessment might be required in a consenting process.
- 9. Assessing the elements set out in the NZPork suggested Strategic Objectives, I have considered these against the s42A report writers' opinion, the existing Strategic Objectives and discussed with other primary sector partners (Federated Farmers, Horticulture New Zealand) to which NZPork was a further submitter. Together we discussed the key elements considered necessary in a Strategic Objective. Based on that process I have drafted the following as a suggested rural Strategic Objective:

Selwyn's productive land and versatile soil is retained for rural production, and rural production activities are enabled to ensure that rural communities can thrive, use resources efficiently and contribute positively to the district and national identity and economy.

- 10. It is my opinion that the suggested Strategic Objective is the most appropriate way to achieve the purpose of the Act and will improve the quality and usability of the District Plan.
- 11. NZPork will be represented by Penny Cairns at the hearing on Strategic Directions (Hearing 1) set down for August 2021 at the Selwyn Health Hub in Rolleston and will be reappearing at later hearings to present its case regarding Intensive Primary Production activities. I will not be appearing at Hearing 1 and therefore respectfully request that my statement of evidence be tabled and considered by the Commissioners.

QUALIFICATIONS AND EXPERIENCE

- 12. My full name is Vance Andrew Hodgson. I am a director of HPC 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 18 years. I hold a Bachelor of Resource and Environmental Planning (Hons) degree from Massey University.
- 13. 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.
- 14. I have worked in geographic information system positions in the United Kingdom and worked for CKL Surveying and Planning Limited in Hamilton.
- 15. 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.
- 16. Living and working in the rural environment of South Auckland / North Waikato, I have had a continuous association with the rural production sector. From 2013, I have at times provided resource management advice to NZPork on policy matters across New Zealand.
- 17. While these are not proceedings in the Environment Court, I consider the Environment Court's Code of Conduct for Expert Witnesses relevant, and I agree to comply with it. My qualifications as an expert are set out above. I confirm that the issues addressed in this brief of evidence are within my area of expertise, except where I state I am relying on what I have been told by another person. I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed.

SCOPE OF EVIDENCE

- 18. This evidence provides a planning assessment of those provisions on which NZPork submitted and addresses the Section 42A Report, prepared by SDC and dated 9 July 2021.
- 19. The planning framework is well described in both the s32 Report and the s42A Report provided by the SDC. I agree with the analysis. Given the agreement I do not repeat the analysis of the applicability of those planning instruments or the compliance of the PDP with those instruments.
- 20. The evidence focuses on a submission points² rejected by the s42A Report writer that sought specific provisions dealing with rural activities and the rural area be inserted into the Strategic Directions Chapter. I have not addressed those other submission points on this topic where the s42A Report writer accepted the submissions of NZPork.

THE NEW ZEALAND PORK INDUSTRY

- 21. Before assessing the submission point, I first set out a brief description of the New Zealand Pork Industry Board and the national and regional activity based on information provided by Penny Cairns the Environmental Advisor for the organisation.
- 22. NZ Pork is a statutory Board funded by producer levies. It actively promotes "100% New Zealand Pork" to support a sustainable and profitable future for New Zealand grown pork. The Board's statutory function is to act in the interests of pig farmers to help attain the best possible net on-going returns while farming sustainably into the future.
- 23. The New Zealand pig industry is a highly productive specialised livestock sector, well integrated within New Zealand's primary production economic base. It draws on both downstream and upstream inputs and economic activity from New Zealand's rural sector including feed inputs, equipment and animal health supply, transport, slaughterhouse facilities plus further processing. Currently New Zealand's pig farmers produce around 45,350 tonnes of pig meat per year for New Zealand consumers. This represents around 38% of pig meat consumed by the domestic market, with the other 62% provided by imported pig meat from a range of countries.
- 24. Nationally there are less than 100 commercial pork producers, comprising a relatively small but significantly integrated sector of

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² Submission Point: 017, 076

the New Zealand agricultural economy. In 2018 it was estimated by that the total economic activity associated with domestically farmed pigs was approximately \$750 million per annum.

- 25. New Zealand's pork producers are facing a number of economic, social and environmental challenges in order to remain viable. The contribution of imported pork to New Zealand's total pork consumption has increased significantly in recent years, placing further demands on producers who have responded by developing increasingly efficient systems. Currently, nearly all pork produced in New Zealand is consumed locally and makes up approximately 40% of the domestic market supply.
- 26. Pig farmers in New Zealand have a firm grasp of environmental issues and demonstrate a high level of innovation and environmental stewardship. The New Zealand pork industry has committed significant time and resource to Sustainable Farming Fund projects centred on environmental initiatives, including development and implementation of Environmental Guidelines and Nutrient Management Guidelines. However, profit margins for the industry remain tight and dialogue with farmers has indicated that compliance costs and uncertainty into the future are key issues.
- 27. There are a mix of farming styles associated with pork production that include: indoor piggeries, outdoor farrowing/barn growers and finishing units and free farmed. Their operations have an important flow-on effect to the community, forming an integral part of the rural economy as they utilise other farming resources such as grains for feed production as well as providing employment. Pig farming is a long established activity adding diversity to the primary production sector and is an important part of the domestic food supply system.
- 28. Selwyn is an important district for pig farming, with almost 20% of the commercial industry based in the district, using a mixture of both indoor and outdoor farming systems.

SUBMISSIONS AND COUNCIL RECOMMENDATIONS IN THE S42A REPORT

Strategic Directions

29. In its submission, NZPork expressed a key concern that the PDP had an urban focus and what appeared to be a gap in the policy framework for rural areas. NZPork is opposed to the lack of clear Strategic Direction and inclusion of Strategic Objectives for rural areas. I note that NZPork are not alone in that opinion which is expressed by a number of other submitters including Federated

- Farmers³, Horticulture New Zealand⁴, Ellesmere Sustainable Agriculture Incorporated⁵.
- 30. The s42A analysis rejects the submission of NZPork and others that requested specific provisions dealing with rural activities and the rural area be inserted into the Strategic Directions chapter. As I understand the analysis, this rejection is based on two key points.
- 31. Firstly, that the elements brought up in the suggested provisions of submitters are already captured either specifically in the General Rural Zone provisions, or in the existing proposed strategic objectives largely through SD-DI-O1, SD-DI-O4, SD-UFD-O1
- 32. Secondly, as there is only one rural zone proposed, to include rural focused objectives in the Strategic Objectives would lead to duplication with the General Rural Zone objectives and policies.
- 33. In considering this analysis I first turn to the National Planning Standards (November 2017). As set out in the s32 and s42A Reports, the PDP has been drafted in accordance with those Planning Standards. The purpose of the Planning Standards is to improve the efficiency and effectiveness of the planning system by providing a nationally consistent structure and format. The PDP follows that structure and format.
- 34. The National Planning Standards set out that within the Strategic Direction chapter, objectives can be included that address key strategic or significant matters for the district and guide decision making at a strategic level. Additionally, policies that address these matters may also be included, unless those policies are better located in other more specific chapters.
- 35. I agree with the s42A report writer that duplication of objectives or policies across the PDP is not a desirable outcome and not consistent with the purpose of the Planning Standards. The analysis must therefore turn to what assistance to plan users might be gained from including a rural Strategic Objective(s) and what criteria might be used to do so.
- 36. I agree with the s32 analysis that the National Planning Standards allow Council to include any Strategic Direction and Objectives as high-level directions that the SDC is working towards. It makes sense to me that a district plan has a clear Strategic Direction for the land area comprising the majority of a district and the activities

³ Submission Point: FS016, FS017

⁴ Submission Point: FS025

⁵ Submission Point: FS009, FS010, FS011

that underpin the economy that are locational dependant on this environment and its resources.

- 37. I am not as comfortable as the s42A report writer that the elements brought up in the suggested provisions of submitters, including NZPork, are already captured either specifically in the General Rural Zone provisions, or in the existing proposed Strategic Objectives largely through SD-DI-O1 SD-DI-O4, and SD-UFD-O1.
- 38. SD-DI-O1 is relevant to the elements set out in the NZPork suggested objectives. However, I interpret SD-DI-O1 as a much broader objective relating to a Strategic Direction on what 'development' must achieve, rather than an objective that provides a specific clear direction for rural production activities or the significance of productive land.
- 39. SD-DI-O2 is a broad objective covering district wellbeing and prosperity that ends with a focus on reverse sensitivity. A specific rural Strategic Objective would provide a clear direction for the environment within which the majority of the land and resources are contained, and rural production activities rely to support district wellbeing and prosperity.
- 40. SD-DI-O3 is an important standalone objective that sets an outcome of an integrated approach to resource management and the importance of ki uta ki tai to Ngai Tahu. A rural Strategic Objective would reinforce this outcome.
- 41. I agree with the s42 report writer that SD-DI-O4 addresses the element associated with cultural values expressed in the NZPork suggested Strategic Objective.
- 42. I read SD-UFD-O1 as an important Strategic Direction for achieving a compact and sustainable township network responding to the community's needs, natural landforms, cultural values, and physical features. The objective does not provide a specific clear direction for rural production activities or the significance of productive land.
- 43. Turning then to the single objective and the polices set out in the General Rural Zone. These will be considered in a subsequent hearing, but I note here general support from NZPork for the objective and policy package.
- 44. The assessment I make is whether the objective and policies for the single rural zone relate clearly to or would benefit from a rural Strategic Direction/Strategic Objective(s).

- 45. As above, I do not consider that existing proposed Strategic Objectives SD-DI-O1 SD-DI-O4, and SD-UFD-O1 sufficiently articulate a Strategic Direction for the land area comprising the majority of a district and the activities that underpin the economy that are locationally dependant on this environment and its resources. Furthermore, I do not consider this articulation is achieved through GRUZ-O1.
- 46. GRUZ-O1 is useful and clear. The outcome sought is:

Subdivision, use, and development in rural areas that:

- 1. supports, maintains, or enhances the function and form, character, and amenity value of rural areas;
- 2. prioritises primary production, over other activities to recognise its importance to the economy and wellbeing of the district;
- 3. allows primary production to operate without being compromised by reverse sensitivity; and
- 4. retains a contrast in character to urban areas.
- 47. The policies, being the course of action to achieve or implement the objective, are set out under 6 headings:
 - **General**. That sets out how rural character and amenity values are to be maintained and enhanced.
 - Density. That addresses rural subdivision and residential unit density.
 - **Economic Activity**. That sets out how the economic development potential of rural areas is to be realised through activities in the rural environment. I note here the polices appears more focused on a direction for activities 'other than' primary production.
 - Reverse Sensitivity. Requires reverse sensitivity effects on lawfully established primary production activities to be avoided.
 - Mineral Extraction. Addresses extraction activities.
 - Airfields, Helicopter Landing Areas and Air Movements. Addresses these activities in the rural area.
- 48. Turning back to the elements set out in the NZPork suggested Strategic Objectives, I have considered these against the s42A report writers' opinion, the existing Strategic Objectives and discussed with other primary sector partners (Federated Farmers,

Horticulture New Zealand) to which NZPork was a further submitter. Together we discussed the key elements considered necessary in a Strategic Objective. Based on that process⁶ I have drafted the following as a suggested rural Strategic Objective:

Selwyn's productive land and versatile soil is retained for rural production, and rural production activities are enabled to ensure that rural communities can thrive, use resources efficiently and contribute positively to the district and national identity and economy.

- 49. Pursuant to s32 (and the requirements of s32AA) the objective must be evaluated as being the most appropriate way to achieve the purpose of the Resource Management Act. Furthermore, the s32 Report on Strategic Directions usefully sets out that Strategic Objectives should improve the quality and usability of the District Plan by:
 - Providing an overview of the significant land use issues for Selwyn;
 - Providing context for the key outcomes (in terms of the pattern of land use) that the Plan is seeking to influence or achieve;
 - Articulating the strategic objectives in a single place within the Plan (rather than being located in individual chapters) and to promote integrated thinking/ consideration of these matters by decision-makers;
 - Aligning the land use considerations of the Plan with other key documents such as Selwyn 2031.
- 50. I do consider the PDP would be improved with the addition of specific rural Strategic Objective. I do not see this duplicating or conflicting with the General Rural Zone Objective (GRUZ-O1) or proposed policies, rather this adds support and would assist where an objective and policy assessment might be required in a consenting process.
- 51. The first element of this suggested objective seeks an outcome that <u>productive land and versatile soil is retained for rural production</u>. Protecting the productive potential of soil is a key theme that underpins Selwyn 2031. The productivity of the region's versatile soil⁷ resource is also a significant resource

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⁶ I clarify that this does not represent the views of those other submitters, but the discussion informed my recommendation.

⁷ Canterbury RPS: Definitions: Versatile Soil, Land classified as LUC I or II in the NZLRI.

management issue addressed in the Canterbury Regional Policy Statement (RPS)⁸.

52. The PDP responds specifically with an urban growth policy that recognises the value of the versatile soil resource.

UG-P9

Recognise and provide for the finite nature of the <u>versatile soil resource</u> when zoning land to extend township boundaries to establish new urban areas.

- 53. The s42A report writer recommends adding a reference to 'highly productive land' in SD-UFD-O1. I support this but note it again relates only to urban growth issues and there is no definition of 'highly productive land' in the PDP or RPS. There are many other activities that can compromise productive land and versatile soil and I consider the plan is improved where the broader value of productive land and versatile soil for rural production is explicit in a Strategic Objective.
- In the absence of a definition of 'highly productive land' which may indeed follow in a future National Policy Statement⁹ or through a Natural and Built Environment Act¹⁰ and be wider than just 'versatile soil', I consider the terms 'productive land' and 'versatile soil' appropriate to apply at this time.
- 55. The second element of the suggested objective is that <u>rural</u> <u>production activities are enabled to ensure that rural communities</u> <u>can thrive, use resources efficiently</u>. The reference to a thriving rural community lines up with the language and style of the existing Strategic Objectives and Selwyn 2031¹¹.

Selwyn 2031: Overview

...The role of the Council in the community is to champion individual, group and community wellbeing by building and strengthening social and community services and activities

 $^{^{\}rm 8}$ Canterbury RPS: Chapter 15 – Land Use and Infrastructure, Chapter 15 - Soils

⁹ Proposed National Policy Statement for Highly Productive Land | MPI | NZ Government: Next steps of the NPS-HPL (Updated 15 April 2021) The Ministry for the Environment (MfE) and MPI are reviewing the proposed NPS-HPL based on the public submissions. They will also provide feedback and recommendations to ministers. The work to further develop the policy was affected by the government's need to focus on the response to COVID-19 and ongoing recovery. Final decisions on the proposed NPS-HPL will be made by ministers and Cabinet in the second half of 2021. If approved by Cabinet, the proposal would likely take effect in the second half of 2021.

Natural-and-Built-Environments-Bill-Exposure-Draft.pdf Part 2, 8 Environmental Outcomes. (m) in relation to rural areas, development is pursued that—(i) enables a range of economic, social, and cultural activities; and (ii) contributes to the development of adaptable and economically resilient communities; and (iii) promotes the protection of highly productive land from inappropriate subdivision, use, and development:

¹¹ Selwyn-2031-Finalr.pdf

and by encouraging economic growth and prosperity in the district, so that people and communities <u>thrive</u> and prosper...

56. Using resources efficiently aligns with Part 2 of the RMA.

7 Other matters

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall have particular regard to—

- (b) the <u>efficient use</u> and development of natural and physical resources:
- 57. The third element of the suggested objective seeks an outcome that rural production activities <u>contribute positively to the district</u> <u>and national identity and economy</u>. GRUZ-O1 picks up on this matter but more in the context of 'prioritising' primary production over other activities.

GRUZ-O1 Subdivision, use, and development in rural areas that:

- 2. Prioritises primary production, over other activities to recognise its importance to the economy and wellbeing of the district.
- 58. This is a very useful objective that directs decision making in situations where there may be conflict between activities. It does not set a Strategic Direction. In my opinion this element of the suggested Strategic Objectives talks directly to Selwyn 2031, particularly in regard to matters of 'rural identity' and the economy.

Selwyn 2031: Overview

Rural. The districts economy does and will continue to have significant reliance on the agriculture sector in relation to its economic stability and growth. This is the primary industry in Selwyn as the largest contributor to the districts GDP as well as providing for a significant portion of the districts jobs. This sector is changing in land use but continues to grow, which is evident by the establishment of three large scale milk factories (Synlait, Fonterra and Westland Dairies) in the district to support the increase in dairy farming operations in Canterbury over the last decade. The Canterbury region overall produces approximately 10% of New Zealand's milk and is the fastest growing region in New Zealand with milk production in Canterbury growing at around 5% per annum.

Diversified agricultural production drives the wealth of Selwyn District. The Central Plains Water scheme (CPW) is a significant project that is anticipated to have economic and employment influences in the rural environment and the district in general once constructed and operational. This project in its approved form could encompass a headrace or pipe between the Waimakariri and Rakaia Rivers and a distribution network of small canals, pipes and water races. This scheme will provide irrigation directly to 60,000 ha of the Selwyn District. At full production the scheme is anticipated to intensify land use, agriculture and processing sectors, and require specific skills and services to provide for the irrigation based production systems. Over 35 years this is anticipated to result in approximately 413 direct jobs and 717 indirect jobs (in total 1130 jobs). Over this same timeframe it is anticipated that this will result in an increase in regional GDP of \$261 million.

59. The current employment situation is set out in the Selwyn District Growth and Demand Report of March 2021¹² that states as follows:

Selwyn District Growth and Demand

4.1 Overview:

Selwyn has generated around \$2.7b in 2019 and around 22,500 people employed. This has increased significantly in the last ten years where Selwyn's GDP was \$1.4b with 14,000 jobs. This translates to an average growth rate of around 6.5% compared to the national average of 2.5%. Agriculture is still the highest employee area but the public sector and services is area growing.

60. It is my opinion that the suggested Strategic Objective is the most appropriate way to achieve the purpose of this Act and will improve the quality and usability of the District Plan.

Vance Hodgson 22 July 2021

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¹² Microsoft Word - 2021 Growth and Demand - Updated Executive Summary 20210222 SH (selwyn.govt.nz)