



Greater Wellington Regional Council submission on: The Proposed National Policy Statement for Highly Productive Land

Opening statement

Thank you for the opportunity to comment on the Proposed National Policy Statement for Highly Productive Land (NPS-HPL).

We strongly **support** the intention of the NPS-HPL to manage the way our most productive land is allocated under the Resource Management Act.

Our main concern centres on the need to have an updated, fit-for-purpose tool to accurately identify highly productive land as required by, and to effectively implement the NPS-HPL.

The current Land Use Capability classification system (LUC) used to identify highly productive land is based on information that is over forty years old. While useful as the default identification tool, it is not adequate to achieve the objectives of the NPS-HPL. The Land Use Suitability tool (LUS) currently under development as part of the National Science Challenge, draws from existing data sources and tools of which LUC is a component and focusses only on nitrogen and its impacts in Southland. The driver for the LUS is the implementation of the National Policy Statement for Freshwater Management to better manage the effects of land use on water quality.

It is perhaps pertinent that one tool is invested in by central government that supports local government and communities to better plan for land use activities especially given the increasing use of limits such as water takes and contaminant discharges. This would not only be an efficient use of resources, but would provide consistency of approach to a number of different environmental issues that are facing our rural and urban communities. It is crucial that this tool is robust and that this work is assisted by central government in order for swift implementation of this national direction. GWRC recommends investment to be targeted into LUS rather than LUC to allow multiple objectives across a number of national instruments to be realised.

GWRC has other concerns related to urban growth areas identified in non-statutory plans being subject to the provisions of the NPS-HPL. While non-statutory, these plans have been through community engagement processes, using significant council resources and have set direction for growth often over the next 30 years (e.g. Porirua Urban Growth Strategy 2048). It would be more appropriate at the review stage of these growth strategies to implement the direction of the NPS-HPL rather than these strategies being subject to national direction from day one.

GWRC also seeks clarity on the provision of biodiversity protection on land that is identified as highly productive, and that there are no perverse outcomes for biodiversity restoration and conservation on large parts of our rural country.

We have considered all questions and have answered those relevant to our functions.

Highly productive land in the Wellington region

In the Wellington region, there is approximately 122,398ha of land that would be identified as highly productive under the NPS-HPL. This land is found mostly in the Wairarapa and on the Kāpiti Coast. The present landuses under LUC 1, 2 and 3 currently includes; dairy, high intensity sheep and beef (e.g. lamb fattening), vegetable growing, fruit growing and lifestyle.

The Wellington region's existing policy framework for highly productive land

Regional Policy Statement for the Wellington Region

The GWRC's Regional Policy Statement (RPS) gives guidance on the future direction for the sustainable management of natural and physical resources in the Wellington region. The RPS sets out objectives and policies to address regionally significant issues.

The RPS identifies that highly productive agricultural land is under threat from development including residential development and the construction of roads. RPS Policy 59 seeks that particular regard be given to safeguarding productive capability on Class I and II land. This is different to the NPS-HPL which regards Classes I, II and II as highly productive.

The NPS-HPL will require some changes to the RPS including identifying highly productive land and being clear in what type of subdivision, use or development is inappropriate.

Key responses to questions

Section 3.1: Problem Statement [page 23]

- a) *Does the RMA framework provide sufficient clarity and direction on how highly productive land should be managed? Why/why not?*

No. There is currently no specific criteria within the Act and no clear direction.

- b) *Does the RMA framework provide sufficient clarity on how highly productive land should be considered alongside competing uses? Why/why not?*

No. There is currently no specific criteria or definition within the Act for this.

- c) *How are values and wider benefits of highly productive land being considered in planning and consenting processes?*

The Wellington RPS includes Policy 59 which seeks that the productive capability of Class I and II land is safeguarded. This policy must be given particular regard in resource consents, plan changes or a notice of requirement by both district and regional councils.

Section 3.3: Fragmentation of highly productive land [page 25]

- a) *How is highly productive land currently considered when providing for rural-lifestyle development? Can you provide examples?*

Policy 59 in the Wellington RPS requires that particular regard be given when assessing resource consents and plan changes to retaining highly productive land being categories I and II. This policy must be considered during both regional and district consenting.

- b) *How should highly productive land be considered when providing for rural-lifestyle development?*

GWRC suggests that the subdivision of land for residential lifestyle purposes should be avoided, where possible, on highly productive land as this class of land should not be the first option in terms of urban expansion. Residential lifestyle blocks on highly productive land is an inefficient use of a finite resource and instead could be provided for on less productive land.

Section 3.5: These issues are being seen throughout New Zealand [page 26]

- a) *Are you aware of other problems facing highly productive land?*

There may be some issues in the future in terms of water availability in light of changes in climate as well as new regulations and limits related to water allocation being set by local and central government. As highly productive soils are often found close to existing towns and cities, the loss of highly productive land to urban development means the ability to produce food close to consumers and transport hubs is lost and becomes less efficient in terms of dollar cost and carbon production.

What constitutes a 'productive soil' may also change over time. For example, Martinborough's hinterland was considered unusable for pastoral farming due to being dry, stony and was considered a good location for subdivision except, at the time, nobody wanted to live there. The area is now thriving due to viticulture.

We also need to be more strategic and forward thinking to ensure continued food security; not just having a tool to protect what is productive land now but also consider what crops or land use may be required in the future. For example, most of Greytown's productive land has been subdivided as apples and berries became unprofitable. We are now facing a situation whereby organic and home-grown markets are very lucrative but land where this activity could occur is no longer available.

Section 5.2: Purpose of the proposed National Policy Statement [page 34]

- a) *Should the focus of the National Policy Statement be on versatile soils or highly productive land more broadly? Why/why not?*

Versatile soils are a component of highly productive land and there needs to be boarder criteria to consider other aspects such as climate, slope, location to market, water availability and water quality.

Section 5.3: The scope of the proposal [page 35]

- a) *Do you support the scope of the proposal to focus on land use planning issues affecting highly productive land? Why/why not?*

Yes we **support** the scope because highly productive land is a finite resource. Once it is converted to urban or lifestyle very unlikely it will be converted back due to economic value of urban land.

- a) *Should future urban zones and future urban areas be excluded from the scope of the National Policy Statement? What are the potential benefits and costs?*

Existing urban zoned land

We **support** the direction to identify highly productive land through regional policy statements and district plans. However, we suggest that the identification of highly productive land could **include** currently zoned urban land in district plans. While we accept that most existing urban land cannot currently be used for primary production, it should not be assumed that it could never be used for that purpose. There are international examples of cities where land declines in value over time to the extent that it can be repurposed for other uses. Where those spaces correspond with highly productive land it makes sense to ensure that future resource users and planners are aware of the productive value of the land.

This would not require any restrictions on existing urban land that is also identified as highly productive, but rather there should be some degree of flexibility to utilise areas of highly productive land should they become available for purposes other than for urban development.

Also, as identified in the discussion document, areas currently considered too small for primary production may become suitable/feasible in future due to changes in technology or social changes (e.g. to local, smaller-scale food production). This underlines the need to identify all highly productive land, regardless of existing land use.

Non-statutory plans

GWRC **requests** that the NPS-HPL should apply to non-statutory plans such as urban growth strategies at the time of their review. These plans have been through lengthy and robust community engagement processes, using significant council resources and have set direction for growth often over the next 30 years (e.g. Porirua Urban Growth Strategy 2048). To ensure these non-statutory plans remain effective, they are often reviewed every three years to reflect changing priorities and development pressures. It would be during this review process, that it would be more appropriate to reassess and implement the direction of the NPS-HPL, rather than these strategies being subject to national direction from day one.

Section 5.4: The proposed National Policy Statement [page 37]

- a) *What would an ideal outcome be for the management of highly productive land for current and future generations?*

The protection and maintenance of highly productive land from activities and development that does not need to be located in these specific areas. The loss of highly productive land should be the last option after all other possible locations for development (whether this is rural lifestyle or urban development) have been exhausted to support growth.

Policy 1: Identification of highly productive land [page 41]

- a) *If highly productive land is to be identified, how should this be done and by whom?*

The NPS-HPL proposes that highly productive land is identified by the Regional Councils. Regional councils are best placed to do this as they hold a lot of information and expertise. However, the current LUC classification tool is over 40 years old and it is in urgent need of updating to ensure it is fit for this purpose, especially if it is to be one of the key criteria used to identify highly productive land.

The development of an appropriate tool and updated LUC data sets used to identify highly productive land should be co-ordinated at a national level to ensure consistency in approach. This would be the most efficient and effective method rather than having each region develop their own approach. This work should be urgently funded by Central Government as part of its implementation programme.

Alignment with the Urban Growth Agenda [page 43]

- a) *Do you think there are potential areas of tension or confusion between this proposed National Policy Statement and other national direction (either proposed or existing)?*

There may be some tensions around protecting highly productive land from inappropriate development especially when this land is located adjacent to existing urban areas and is therefore well connected to transport networks and other infrastructure services.

Policy 3: New urban development on highly productive land [page 45]

- a) *How should highly productive land be considered when identifying areas for urban expansion?*

Highly productive land should be protected from development that is inappropriate and could be adequately located elsewhere.

Policy 4: Rural subdivision and fragmentation [page 46]

- a) *How should the National Policy Statement direct the management of rural subdivision and fragmentation on highly productive land?*

The fragmentation of highly productive land in the Wellington region is a more pressing risk than the loss to urban development especially in the Wairarapa and Kāpiti Coast. The three objectives of the NPS-HPL should prevent the subdivision of highly productive land for rural lifestyle purposes that compromise the ability of highly productive land for primary production. Highly productive land is a finite resource and lifestyle blocks should be enabled on less productive land i.e., on higher LUC classes.

Section 5.6: Implementation [page 52]

- a) *What guidance would be useful to support the implementation of the National Policy Statement?*

An updated tool to define highly productive land beyond the LUC default is needed. This should be coordinated and funded at a national level for reasons previously mentioned (under Policy 1).

Specific questions: Section 5.4: The proposed National Policy Statement [page 37]

- a) *What level of direction versus flexibility should the objectives provide to maintain the availability of highly productive land for primary production?*

The NPS-HPL should be clear and directive to avoid uncertainty.

We note that proposed Objective 3 intends to avoid "...urban expansion on highly productive land that has not been subject to a strategic planning process...". The discussion document makes comment that the preferred option for the NPS-HPL is to "not exclude future urban areas identified in non-statutory strategic documents".

This means that territorial authority urban growth strategies (non-statutory) and the growth areas identified within them would be subject to the provisions of the NPS-HPL e.g. highly productive land within these identified growth areas would need to be protected. We understand that this protection is not absolute, but it would require a rethink and policy analysis on whether these identified urban growth areas on highly productive land are still appropriate for development. While non-statutory, these documents have, in most cases, been through a strategic planning process" with community. It would be more appropriate that the provision of the NPS-HPL are considered when these non-statutory documents are reviewed.

Specific questions: Policy 1 [page 41]

- a) *What are the pros and cons of requiring highly productive land to be spatially identified?*

Highly productive land needs to be spatially identified to provide certainty to resource users. However, it is important that the tools and process to identify highly productive land is fit for purpose (see comment above under Policy 1).

- b) *Is the identification of highly productive land best done at the regional or district level? Why?*

This should be done at the regional or national level to provide consistency and this is likely to be a more efficient and cost effective approach of doing it. There is no need for each community doing this on district-by-district basis.

- c) *What are the likely costs and effort involved in identifying highly productive land in your region?*

As stated in the discussion document, there will be significant costs on councils to identify highly productive land. GWRC would need to remap approximately 122,000ha of land down to a suitable resolution of at least 1:5000 scale to enable decision-making around subdivision applications because the default LUC is currently mapped at approximately 1:63,000. The cost of remapping LUC down to 1:5000 scale is estimate to be \$730,000.

From discussions with land/soil science experts, it would seem that because LUC classes 1-3 are on flat land, the most critical LUC factor is the physical soil types and properties. GW's source of soil information is the S-Map soil tool, but this tool was not designed to be used at the scale required to implement the NPS-HPL. The costs of soil mapping down to a 4ha parcel size is estimated to be \$1,220,000 for the region.

GWRC would welcome any Government assistance in this respect. Changes required to our regional policy statement could be significant depending on whether or not these changes would need to go through the Schedule 1 RMA process.

- d) *What guidance and technical assistance do you think will be beneficial to help councils identify highly productive land?*

An updated tool to define highly productive land beyond the LUC default is needed. This should be coordinated and funded at a national level for the reasons previously mentioned. Once this tool is updated, identification of highly productive land would be best done at a 1:50,000 scale which could provide a trigger for more detailed mapping at a property scale (e.g. 1:50,000). Therefore clear guidance is required on the appropriate scale of mapping required and how it should be applied. This mapping would need to be undertaken by a suitably qualified practitioner.

Specific questions: Appendix A [page 41]

- a) *Should there be a default definition of highly productive land based on the LUC until councils identify this? Why/why not?*

Yes agree there needs to be default definition. Using LUC 1, 2 and 3 is appropriate but as described above, there needs to be an update of this tool.

- b) *What are the key considerations to consider when identifying highly productive land? What factors should be mandatory or optional to consider?*

Mandatory: soils, slope, existing climate and climate change

Optional: water availability, local, regional food supply chains and markets, transport infrastructure and water quality where regional and national significant water quality values as identified through NPS-FM may constrain productive capacity.

- c) *What are the benefits and risks associated with allowing councils to consider the current and future availability of water when identifying highly productive land? How should this be aligned with the Essential Freshwater Programme?*

Water availability is traditionally defined by available allocation. Irrigation usually occurs on LUC classes 1-3. However, water storage options and managed aquifer recharge will open up opportunities for use of other classes of land. Water availability may not need to be a key constraint with new drought resistant crops made available and other productive technological advances.

- d) *Should there be a tiered approach to identify and protect highly productive land based on the LUC class (e.g. higher levels of protection to LUC 1 and 2 land compared to LUC 3 land)? Why/why not?*

A two-tiered approach could be considered for highly productive land to provide some flexibility in terms of development and protection. Tier one protection could be for highly productive land that meets all the key criteria that could be afforded a higher level of protection. Tier 2 protection could then be afforded to other highly productive land where there is water availability or bottom line water quality constraints or other constraints.

Specific questions: Policy 2 [page 41]

- a) *What are the pros and cons associated with prioritising highly productive land for primary production?*

GWRC seeks clarity on the place of biodiversity conservation on highly productive land. As it stands, the direction is to prevent any inappropriate subdivision, development or use on highly productive lands. However, 'inappropriate' is essentially defined as any use that would interfere with that area's use for primary production. GWRC is unclear as to whether biodiversity restoration efforts could be considered an "inappropriate" use of highly productive land under the NPS-HPL.

In the Wellington region, highly productive land is largely on valley floors which is also the area that has suffered the greatest habitat loss in the past and thus has the greatest restoration potential. These areas may also disproportionately contribute to NZ's efforts to mitigate the effects of climate change (i.e., by planting in areas with soils well suited to supporting rapid forest growth).

Restored biodiversity areas may also be subsequently protected in perpetuity (e.g. under a QEII Trust covenant). As currently worded, it appears that this would be inconsistent with the direction of the NPS-HPL and would be the worst possible outcome as it would permanently prevent that area's use for primary production. GW suggests that the wording of the NPS-HPL make clear that the protection of land for primary production in no way prevents the restoration of that land in some circumstances for biodiversity conservation or climate change mitigation.

It is important that the NPS-HPL does not prevent important biodiversity conservation work and that this national direction is complementary to the objectives sought in the upcoming Proposed National Policy Statement for Indigenous Biodiversity.

Specific questions: Policy 6 and Policy 7 [page 49]

- a) *Should these policies be directly inserted into plans without going through the Schedule 1 process (i.e. as a transitional policy until each council gives effect to the National Policy Statement)? What are the potential benefits and risks?*

GW supports these policies being directly inserted into regional plans and RPS's without going through the Schedule 1 process. This provides increased certainty to resource users and allows effective and swift implementation. This would also assist territorial authorities with a change to the RPS needing to be implemented by them. We are uncertain as to whether this would be appropriate for changes to a district plan as the potential changes to subdivision rules would have more of a direct impact on their community.

Specific questions: Section 5.5: Interpretation [page 51]

- a) *Should there be minimum threshold for highly productive land (i.e. as a percentage of site or minimum hectares)? Why/why not?*

Yes there should be a threshold – perhaps >50 % but this would require detailed mapping at 1:5000 scale. The LRI is currently mapped at 1:50,000.

Specific questions: Section 5.7: Timeframes [page 52]

- a) *What is an appropriate and workable timeframe to allow councils to identify highly productive land and amend their policy statements and plans to identify that land?*

Councils are already under resourcing strain with implementing their own resource plans and significant other national policy direction. Available expertise to enable implementation of these policies is also limited outside of councils for the same reasons. More timely responses to this national direction would be enabled by increased resourcing provided by central government specifically an updated tool for identification of highly productive land.

Final statement

Overall, Greater Wellington Regional Council supports the intent of the Proposed National Policy Statement for Highly Productive Land. Highly productive land is a significant and finite natural resource that we need to actively protect for future generations.

Thank you for the opportunity to make a submission on the proposed NPS. Please do not hesitate to contact GWRC to discuss any of the points raised.

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