



**SUBMISSION TO PROPOSED WAIKATO REGIONAL PLAN CHANGE 1 -  
WAIKATO AND WAIPA RIVER CATCHMENTS (OCTOBER 2016)**

**TO:** Proposed Waikato Regional Plan Change 1 -  
Waikato and Waipa River Catchments (October  
2016)  
Environment Waikato  
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**SUBMISSION ON:** **Proposed Waikato Regional Plan Change 1 -  
Waikato and Waipa River Catchments  
(October 2016)**

**NAME OF SUBMITTER:** Ballance Agri-Nutrients Limited

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## 1.0 INTRODUCTION

Ballance Agri-Nutrients Ltd (hereafter referred to as '**Ballance**', or '**the Company**') is a farmer-owned co-operative with over 19,000 shareholders and approximately 800 staff throughout New Zealand. We own and operate super-phosphate manufacturing plants located in Tauranga and Invercargill, as well as New Zealand's only ammonia-urea manufacturing plant located at Kapuni, South Taranaki. The Company also owns and operates the agricultural aviation company 'SuperAir' and 'SealesWinslow' (a high-performance compound feed manufacturer). Ballance owns and operates ten Service Centres which supply fertiliser to a majority of the farms in the Waikato. In addition to manufacturing and sales Ballance provides farm sustainability services. We place a strong emphasis on delivering value to its shareholders and on the use of the best science to inform sustainable nutrient management.

Reinforcing this, Ballance has extensive interest in the development of tools to manage nutrient losses on farms. Ballance, with AgResearch, has undertaken extensive research into developing 'MitAgator' which is a GIS-based water quality decision support tool that links with OVERSEER® to refine the latter models output. The integration of management tools such as MitAgator, will provide greater insight into the spatial variability of nutrient (as well as sediment and microbial) loss within a farm landscape and will allow users to identify critical source areas (or 'hot spots') for nitrogen, phosphorus, sediment and microbial loss within the farm landscape. Targeted application of mitigation and management strategies to these critical source areas will help to provide more cost-effective environmental management solutions for farmers, while ensuring that water quality outcomes can be achieved in timeframes that recognise the socio-economic impacts of changing farm management practices, and ensuring that the responsibilities of adopting water quality outcomes set out in Waikato Regional Plan Change 1 - Waikato and Waipa Catchments ('**Plan Change 1**') are not simply passed onto future generations.

While Ballance is not opposed to the 80-year timeframe set out in Plan Change 1 to achieve the water quality objectives of the Vision and Strategy<sup>1</sup>, the Company is a strong advocate of intergenerational equity and therefore is of the opinion that the community of the Waikato needs to do everything it can to resolve the nutrient based water quality challenges faced in the shortest possible timeframe. That is not to say that Ballance is advancing a position whereby change is made that generates significant social and economic harm. Rather, the Company is of the opinion that the 80-year timeframe is appropriate given the available knowledge and scientific / technical tools at our disposal. It is critical, however, that timeframe is revisited during the staged implementation of Plan Change 1, and that the timeframe is condensed if robust science and research and adoption of management tools/techniques (such as MitAgator) enable the achievement of the water quality outcomes in Plan Change 1 earlier, but in a manner that does not create unacceptable social and economic harm.

This submission is made to the provisions of Plan Change 1 to the Waikato Regional Plan ('**the WRP**'). In preparing its submission Ballance has had regard to the National Policy Statement for Freshwater Management 2011 ('**NPS FM**'), the operative Waikato Regional Policy Statement ('**the RPS**'), Hazardous Substances and New Organisms (HSNO) Act 1996 ('**the HSNO Act**') (including the Fertiliser Industry Standards) and the Resource Management Act 1991 ('**the Act**').

The key themes that underpin our submission are the need for Plan Change 1 to:

- a. Be informed by robust and good science, not just the most available science;
- b. Keep complexity and technical jargon to a practicable minimum, while promoting simplicity and consistency;
- c. Avoid monitoring, reporting and/or auditing for 'its own sake', and rather only require such activities to show compliance, and then to periodically confirm compliance;

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<sup>1</sup> "Our vision is for a future where a healthy Waikato River sustains abundant life and prosperous communities who, in turn, are all responsible for restoring and protecting the health and wellbeing of the Waikato River, and all it embraces, for generations to come."

- d. Embrace citizen science<sup>2</sup>, and show trust that citizens of the Waikato will gather meaningful data, and
- e. Set sensible and achievable implementation timeframes that are mindful of the economic impact of Plan Change 1 and that, in particular, ensure that no one part of the regional community is economically disadvantaged to an extent that is greater than their contribution to the environmental issue that is being addressed;
- f. Ensure certainty to the farming community is maximised over the staged implementation process supporting Plan Change 1; and
- g. Continue and further enhance the collaborative approach that the Council has adopted in the preparation of the plan change through to its implementations.

## **2.0 SUBMISSIONS**

### **2.1.1 Implementation Timeframes, including Staged Approach to Give Effect to Plan Change 1 Long Term Outcomes**

- (a) Ballance supports (in part) the 80-year timeframe to achieve the water quality objectives of the Vision and Strategy<sup>3</sup> set out in Plan Change 1 and reflected in Objective 1 of Section 3.11.2 (Objectives) and Policy 5 of Section 3.11.3 (Policies).
- (b) As noted within the introduction section of this submission, Ballance supports Plan Change 1 and accepts that, on the basis of the information available, that the 80-year timeframe is both appropriate and achievable. In that regard, the Company is of the opinion that this timeframe adequately balances the socio-economic effects of implementing change in management practices on current resource users, while also avoiding simply extending broad timeframes out such that the water quality objectives for the Waikato and Waipa catchments are passed onto future generations. To this end, Ballance supports, in part, the 80-year timeframe to achieve the water quality objectives of the Vision and Strategy set out in Plan Change 1. The Company is also, however, of the opinion that Plan Change 1 must be clear that this timeframe is to be reviewed as science and the available information advance, ensuring that the direction of the Plan reflects this new information.
- (c) Ballance supports Objective 3 (Short-term improvements in water quality over 10 years) and Objective 4 (People and Community Resilience) set out in of Section 3.11.2 (Objectives).
- (d) In accordance with section 67(3) of the RMA, the Regional Council, through Plan Change 1, must give effect to any national policy statement. In developing freshwater objectives and limits which give effect to the objectives of the NPS-FM, the Council is required, through Policy CA2 (f)(v) of the NPSFM, to consider the implications arising from potential freshwater objectives and limits including social, cultural and economic effects on resource users, people and communities.
- (e) Ballance considers that the first ten-year short term outcomes that form part of the staged approach under Plan Change 1 (as set out in Objective 3 of Section 3.11.2) set appropriate targets and achievable timeframes for the community to work towards. The Company considers that this response appropriately recognise that immediate (or even short term) large-scale land use change may be socially disruptive and economically

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<sup>2</sup> While not defined, Ballance understands citizen science is a foundation of the WRC's collaborative approach to gathering data. Citizen science is broadly described as scientific investigations in which volunteers collect data relating to biodiversity and the environment to enhance our knowledge of the natural world. In New Zealand, citizen science is now recognised as an important method of data collection, a means for enhancing the public understanding of science, and of strengthening links between professional scientists and community members.

<sup>3</sup> *"Our vision is for a future where a healthy Waikato River sustains abundant life and prosperous communities who, in turn, are all responsible for restoring and protecting the health and wellbeing of the Waikato River, and all it embraces, for generations to come."*

challenging, and that there is considerable effort and cost for resource users, industry and Council to set up the change process in the first stage. In that regard, Plan Change 1 seems to be responding to the experiences from elsewhere in New Zealand where the achievement of what are optimistic targets in unrealistically short timeframes is proving problematic and impracticable.

- (f) The Company seeks that the date associated with the registration of the Nitrogen Reference Point ('NRP') and the NRP data, as identified in clause e) of Schedule B, be amended to an alternative date that is more achievable. In our opinion, such a date should be 12-months from the date that the Plan Change is made operative.
- (g) Presently, it is noted that sub-clause e) of Schedule B of the Plan Change requires the NRP and the NRP data to be provided to the Waikato Regional Council within the period of 1 September 2018 to 31 March 2019. As identified in section 8.2 of the Plan Change 1 Implementation Report, it is anticipated that approximately 5,000 properties will need to have an NRP calculated in order to achieve this requirement. The Company has considerable experience undertaking this type of work throughout the country. We estimate that the volume of work required to meet this requirement would result in the creation of 10,000 OVERSEER® files, which ultimately need to be audited. We (conservatively) estimate that these files would each take 10 person hours to prepare and, as a result, will require the expansion of the existing nutrient modelling workforce and will incur considerable expense for those in the agricultural sector. The anticipated timeframe for completing the RMA first schedule statutory process associated with the Plan Change roughly aligns with the requirement to submit the NRP's and NRP data, however, it does not take into account the potential for appeals to be lodged to the Plan Change and as a result delays in the provisions being made operative. We are of the opinion it is not fair and reasonable to require landowners to commit the expenditure associated with developing a NRP without the certainty that the provisions will remain valid through the hearing and appeal process.
- (h) Given the foregoing, Ballance considers that Objective 1 and Objective 3 are consistent with the purpose of the Act, which is to promote the sustainable management of natural and physical resources. Ballance supports the implementation timeframes and staged methodology advanced within Plan Change 1, however seeks that clause e) of Schedule B, be amended to an alternative date that is more achievable.

### **Relief Sought**

- (a) That the Council retains Objective 1 (which reflects the long term 80-year timeframe to achieve the water quality objectives) of Section 3.11.2 (Objectives).
- (b) That the Council adopt as notified Objective 3 (short term improvements in water quality over 10 years) of Section 3.11.2 (Objectives).
- (c) That the Council amend the timeframes for the registration of the NRP and the NRP data, as identified in clause e) of Schedule B, to a more achievable timeframe, such as the period beginning 12 months from the date that the Plan Change is made operative.
- (d) Any similar amendments with like effect.
- (e) Any consequential amendments that stem from the relief sought.

### **2.1.2 Objective 2: Social, economic and cultural wellbeing is maintained in the long term**

- (a) Ballance supports, Objective 2 of Section 3.11.2 (Objectives), which states that *“Waikato and Waipa communities and their economy benefit from the restoration and protection of water quality in the Waikato*

*River catchment, which enables the people and communities to continue to provide for their social, economic and cultural wellbeing.”*

- (b) Objective 2 focuses on social, cultural and economic wellbeing that will come from achieving the Vision and Strategy, and is complemented by Objective 4, which aims to minimise social disruption during the transition.
- (c) The Company supports the intent of Objective 2 and notes that the key for long term maintenance of social, cultural and economic wellbeing of the region’s communities will be to ensure that the plan (and future plan changes that seek to give effect to the long term water quality objectives of the Vision and Strategy) seek to provide for as much certainty as is reasonably practicable. Ultimately, a balance must be struck and key to this is ensuring that the policy and supporting rule framework does not unreasonably fetter the ongoing ability for the farming sector to advance change, while managing associated effects.
- (d) Ballance, recommends a number of changes to both the policy and rule framework in Plan Change 1 to ensure this balance is provided for within this statutory plan change document.

### **Relief Sought**

- (a) That the Council adopt Objective 2 (as publically notified) of Section 3.11.2 (Objectives).
- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the relief sought.

### **2.1.3 Objective 4: People and Community Resilience**

- (a) Ballance supports (in part), Objective 4 of Section 3.11.2 (Objectives), which states that *“a staged approach to change enables people and communities to undertake adaptive management to continue to provide for their social, economic and cultural wellbeing in the short term while:*
  - a. *considering the values and uses when taking action to achieve the attribute^ targets^ for the Waikato and Waipa Rivers in Table 3.11-1; and*
  - b. *recognising that further contaminant reductions will be required by subsequent regional plans and signalling anticipated future management approaches that will be needed to meet Objective 1.”*
- (b) Ballance notes that Objective 4 of Section 3.11.2 (Objectives) sets out that adaptive management be used so that people and communities can continue to provide for their social, economic and cultural wellbeing in the short-term. The Company notes that Plan Change itself offers limited guidance on how communities are to undertake this adaptive management to provide for their social, economic and cultural wellbeing. As a consequence, it creates uncertainty where it should be providing reassurance as to the ability for such a mechanism to achieve the outcomes that are needed, and guidance as to how it is to be applied.
- (c) The section 32 evaluation supporting Plan Change 1<sup>4</sup> sets out that *“within the RPS, Objective 3.1 (Integrated management) addresses integrated management and recognises the need of current and future generations as well as the relationships between environmental, social, economic and cultural wellbeing; and the complexities of interactions. Objective 3.3 (Decision-making) focuses on holistic and consistent decision-making, including adopting appropriate planning timeframes, adopting a precautionary approach, including*

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<sup>4</sup> At page 95

*adaptive management; basing decision on best available information including mātauranga Māori; and recognising that time may be required for change to occur.”*

- (d) While Ballance supports the staged approach under Plan Change 1 Objective 4 of Section 3.11.2 (Objectives), the Company is concerned that none of the Implementation Methods set out under section 3.11.4 address adaptive management directly (or reference to adaptive management). Ballance considers that a lack of direct guidance on how to provide for adaptive management within the Implementation Methods (set out under section 3.11.4) provides for unnecessary uncertainty for plan users, which is neither effective or efficient in a section 32 sense.
- (e) To this end, Ballance considers that it is appropriate for Objective 4 to be amended so that reference to adaptive management is deleted and that this is replaced with “implement management responses (including those set out in Implementation Methods set out under section 3.11.4)”.

### **Relief Sought**

- (a) That Objective 4 of section 3.11.2 (Objectives) be amended as follows:

*A staged approach to change enables people and communities to ~~undertake~~ adaptive implement management responses (including those set out in Implementation Methods set out under section 3.11.4) to continue to provide for their social, economic and cultural wellbeing in the short term while:*

- a. *considering the values and uses when taking action to achieve the attribute<sup>^</sup> targets<sup>^</sup> for the Waikato and Waipa Rivers in Table 3.11-1; and*
- b. *recognising that further contaminant reductions will be required by subsequent regional plans and signalling anticipated future management approaches that will be needed to meet Objective 1.”*

- (b) Any similar and/or consequential amendments that stem from the changes and/or additions described above.

### **2.1.4 Policy 1: Manage diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens**

- (a) Ballance supports Policy 1 of Section 3.11.3 (Policies).
- (b) The Company considers that the policy reflects management responses already being successfully advanced in other regions, and reflects good management practice that are nationally recognised as improving water quality.
- (c) Further, Policy 1 give effect to Objectives A1, A2 and Objective C1 and Policies C1 and C2 that promote the integrated management of freshwater and the use and development of land and considers this in the context of whole catchments. Policy C2 of the NPSFM, in particular, requires the Regional Council to make changes to the RPS to the extent needed to provide for the integrated management of the effects of land use and development of land on freshwater. In providing further direction on this matter, the NPSFM Guidance Note states “*if necessary, the RPS will need to be changed to specifically provide for coordination and sequencing of growth, land use/development, and provision of infrastructure, so far as they relate to managing the effects of use and development of land on fresh water.*”<sup>5</sup>
- (d) Ballance is of the opinion that Policy 1 of Section 3.11.3 (Policies) gives effect to the policy direction of the NPS FM through applying a catchment and sub-catchment level approach to the management of land and

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<sup>5</sup> Refer page 37.

water resources. As such, the Company supports the retention of Policy 1 of Section 3.11.3 (Policies) as notified.

**Relief Sought**

- (a) That the Council adopt as notified Policy 1 of Section 3.11.3 (Policies).
- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the relief sought.

**2.1.5 Policy 2: Tailored approach to reducing diffuse discharges from farming activities**

- (a) Ballance supports (in part) Policy 2 of Section 3.11.3 (Policies).
- (b) The Company considers that the policy reflects management responses that align with good management practice that are nationally recognised as improving water quality.
- (c) Ballance supports Policy 2(d) which requires the degree of reduction in diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens to be proportionate to the amount of current discharge and is proportionate to the scale of water quality improvement required in the sub-catchment. The Company considers, however, that Policy 2(d) could be made clearer so that the reductions in diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens are to be guided by the mitigation actions set out in a Farm Environment Plan set out in Schedule 1 to Plan Change 1, and through implementation of Best Management Practices.
- (d) Further, Ballance has concerns over Policy 2(e) given the potential economic effects of stock exclusion on extensive hill country properties. Ballance notes that stock exclusion provisions are guided by Schedule C, which then links to priority sub catchments listed in Table 3-11-2. The Company notes that Table 3-11-2 identifies three priority categories 1 to 3 and that under Schedule C land uses authorised under Rules 3.11.5.1 and 3.11.5.2 are to exclude stock from waterways by 2023.
- (e) Ballance considers that greater leniency in terms of implementation timeframes for stock exclusion requirements identified within Policy 2(e) should be provided to farming properties that comprise extensive hill country areas within all three priority categories. The Company notes that Schedule 1 – Requirements for Farm Environment Plan under 2(a)(ii) acknowledges this by identifying alternative mitigation measures for areas with a slope exceeding 25 degrees.
- (f) The ability to implement alternative mitigation measures may require more time and therefore the Company considers that Policy 2(e) is amended to reflect this.

**Relief Sought**

- (a) That the Council adopt as notified Policy 2 of Section 3.11.3 (Policies), with the exception of the following amendments:

*“Policy 2: Tailored approach to reducing diffuse discharges from farming activities  
Manage and require reductions in sub-catchment-wide diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens from farming activities on properties and enterprises by:*

- a. *Taking a tailored, risk based approach to define mitigation actions on the land that will reduce diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens, with the mitigation actions to*

- be specified in a Farm Environment Plan either associated with a resource consent, or in specific requirements established by participation in a Certified Industry Scheme; and
- b. Requiring the same level of rigour in developing, monitoring and auditing of mitigation actions on the land that is set out in a Farm Environment Plan, whether it is established with a resource consent or through Certified Industry Schemes; and
  - c. Establishing a Nitrogen Reference Point for the property or enterprise; and
  - d. Requiring the degree of reduction in diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens to be proportionate to the amount of current discharge (those discharging more are expected to make greater reductions), and proportionate to the scale of water quality improvement required in the sub-catchment, with reductions guided by mitigation actions specified in a Farm Environment Plan and through implementation of Best Management Practices; and
  - e. Requiring stock exclusion to be completed within 3 years following the dates by which a Farm Environment Plan must be provided to the Council, or in cases involving properties comprising extensive hill country and where alternative mitigation measures for areas with a slope exceeding 25 degrees area required, no later than 1 July 2026."

- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the relief sought.

### **2.1.6 Policy 3: Tailored approach to reducing diffuse discharges from commercial vegetable production systems**

- (a) Ballance supports Policy 3 of Section 3.11.3 (Policies).
- (b) The Company notes that Policy 3 could be made clearer for plan users to ensure that the degree of reduction in diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens is guided by mitigation actions set out in a Farm Environment Plan and through implementation of Best Management Practice. To this end, Ballance supports Policy 3, however recommends that the policy is made clearer through the references discussed above.

#### **Relief Sought**

- (a) That the Council adopt as notified Policy 3 of Section 3.11.3 (Policies), with the exception of the following amendments:

*"Policy 3: Tailored approach to reducing diffuse discharges from commercial vegetable production systems/Te Kaupapa Here 3: He huarahi ka aā whakahāngaihia hei whakaiti i ngā rukenga roha i ngā pūnaha arumoni hei whakatupu hua whenua*

*Manage and require reductions in diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens from commercial vegetable production through a tailored, property or enterprise-specific approach where:*

- a. *Flexibility is provided to undertake crop rotations on changing parcels of land for commercial vegetable production, while reducing average contaminant discharges over time; and*
- b. *The maximum area in production for a property or enterprise is established and capped utilising commercial vegetable production data from the 10 years up to 2016; and*
- c. *Establishing a Nitrogen Reference Point for each property or enterprise; and*
- d. *A 10% decrease in the diffuse discharge of nitrogen and a tailored reduction in the diffuse discharge of phosphorus, sediment and microbial pathogens is achieved across the sector through the implementation of Best or Good Management Practices; and*



- e. *Identified mitigation actions are set out and implemented within timeframes specified in either a Farm Environment Plan and associated resource consent, or in specific requirements established by participation in a Certified Industry Scheme.*
  - f. *Commercial vegetable production enterprises that reduce nitrogen, phosphorus, sediment and microbial pathogens are enabled; and*
  - g. *The degree of reduction in diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens is proportionate to the amount of current discharge (those discharging more are expected to make greater reductions), and the scale of water quality improvement required in the sub-catchment, with reductions guided by mitigation actions specified in a Farm Environment Plan and through implementation of Best Management Practices.*
- (b) Any similar amendments with like effect.
  - (c) Any consequential amendments that stem from the relief sought.

### **2.1.7 Policy 6: Restricting land use change**

- (a) Ballance opposes (in part) Policy 6 and supporting Rule 3.11.5.7.
- (b) The Company notes that Policy 6 sets out that land use change consent applications that demonstrate an increase in the diffuse discharge of nitrogen, phosphorus, sediment or microbial pathogens will generally not be granted.
- (c) The Company understands that Rule 3.11.5.7 gives effect to Policy 6, and focuses on land use change that was occurring at 22 October 2016 and applies within a property or enterprise, where the extent of the change exceeds a total of 4.1 hectares in area. The rule applies to land use change from
  - woody vegetation to farming activities;
  - any livestock grazing to dairy farming;
  - arable cropping to dairy farming; and
  - any land use to commercial vegetable production (unless provided for in rule 3.11.5.5 Existing commercial vegetable production).
- (d) The changes in land use specified under Rule 3.11.5.7 would become a non-complying activity, until 1 July 2026, which is, by definition, the most difficult category of resource consent to secure under the Act. It is understood that the land use changes specified in Rule 3.11.5.7 have been selected as they are thought to represent the land uses with the highest risk of contaminant discharges.
- (e) The section 32 evaluation for Plan Change 1 sets out that Policy 6 and supporting Rule 3.11.5.7 is an interim measure to control specified land use changes in the Waikato and Waipa catchments that, should they occur, are expected to result in additional diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens.
- (f) It is understood that this interim constraint on land use change is to be supported by a future plan change to introduce a second stage, where further reductions in discharges of sediment, nutrients and microbial pathogens from point sources and activity on the land will be required and that this second stage will focus on land suitability (as set out in Policy 7) and how land use impacts on water quality, based on the type of land and the sensitivity of the receiving water.

- (g) While Ballance is concerned that Policy 6 and supporting Rule 3.11.5.7 will likely affect those landowners who are seeking to change the use of their land to those land uses specified under Rule 3.11.5.7, the Company appreciates that Council has not adopted a more restrictive rule regime (such as a prohibited activity class) over this interim 10-year period. The Company remains concerned that a non-complying activity still generates a very 'high bar' to meet and offers no certainty for rural property owners that may be caught by Rule 3.11.5.7. As a consequence, Ballance considers that a full Discretionary Activity status would achieve the same outcome in order for the Council to assess the merits of this land use change over this interim period, while imposing a more restrictive consent process to be advanced with.
- (h) The Company also notes that Policy 6 assumes that all increases in the diffuse discharge of nitrogen, phosphorus, sediment or microbial pathogens occur in over-allocated sub-catchments and as a consequence will generally not be granted. However, Ballance notes that where increases in the discharge of the contaminant remain within the assimilative capacity of the sub-catchment and do not lead to over-allocation, the increase in discharges should be provided for, particularly if required for social, cultural, and economic well-being. To this end, the Company does not consider that a non-complying activity status is the most effective status to be applied under this 'blanket' and 'catch all approach'.
- (i) Further, the Company notes that changes in land use specified under Rule 3.11.5.7 have the ability to be considered without notification, and without the need to obtain written approval of affected persons (subject to the Council being satisfied that the loss of contaminants from the proposed land use will be lower than that from the existing land use). Ballance considers that a discretionary activity status better accords with the direction for these applications to be processed without notification and considers that providing an exemption to notification, has the potential reduce consent risk and will likely better inform investment decisions relating to land use change over this 10-year period.
- (j) As set out above, Ballance is concerned that Policy 6 and supporting Rule 3.11.5.7 may generate socio-economic impacts upon the component parts of the Waikato farming community, and the Company considers that a discretionary activity status is likely to be just as effective over the first stage of implementing the water quality outcomes set out in Plan Change 1.

### **Relief Sought**

- (a) That Policy 6 of section 3.11.3 (Policies) be amended as follows:
 

*"Policy 6: Restricting land use change*  
*Except as provided for in Policy 16, land use change consent applications that demonstrate an increase in the diffuse discharge of nitrogen, phosphorus, sediment or microbial pathogens will generally not be granted, where this discharge occurs in an over-allocated catchment or sub-catchment.*  
*Land use change consent applications that demonstrate clear and enduring decreases in existing diffuse discharges of nitrogen, phosphorus, sediment or microbial pathogens will generally be granted."*
- (b) That the non-complying activity status supporting Rule 3.11.5.7 be deleted and be replaced with a discretionary activity status.
- (c) Any similar amendments with like effect.
- (d) Any consequential amendments that stem from the relief sought.

### 2.1.8 Policy 7: Preparing for allocation in the future

- (a) Ballance opposes (in part) Policy 7 of Section 3.11.3 (Policies) on the basis that it is both unclear and is seeking to foreshadow a policy response that is subject to a separate statutory planning process.
- (b) The Company understands that the policy is forward looking (to the second stage) of what will be a staged implementation process, and is seeking to promote research and monitoring outcomes that will assist with defining the 'land suitability' approach that the Council has identified within Plan Change 1. The Company understands that Methods 3.11.4.7 and 3.11.4.8 provide for the information to support future allocation.
- (c) While Ballance understands the need for the Council to foreshadow its intentions for the (stage two) approach that is to follow after 1 July 2026, this process is subject to a separate statutory process and the effectiveness of this approach is still to be considered through a detailed section 32 evaluation. To this end, the Company questions whether it is appropriate for Policy 7 to refer specifically to any "*future allocation requiring consideration of the criteria*"<sup>6</sup> identified in Policy 7(a) relating to 'land suitability', when the merits of the 'land suitability' approach is still very much in its infancy and has not been tested through a robust statutory planning analysis.
- (d) Within the reasons for adopting Objective 4, it is identified that "*[i]n the future, a property-level allocation of contaminant discharges may be required. Chapter 3.11 sets out the framework for collecting the required information so that the most appropriate approach can be identified...*"<sup>7</sup> (our emphasis added). This reinforces, in the Company's opinion, that at a policy level, it is not appropriate to be requiring future allocation assessments to be considered against specified 'land suitability' criteria.
- (e) Ballance considers that it is appropriate for the policy to emphasise the need to collect information and undertake research to support this 'land suitability' approach, however any requirement for future allocation to consider principles set out in Policy 7 is premature and will likely generate significant confusion for plan users as to when consideration will need to be given to the principles. Given this, Ballance asks that Policy 7 be amended to specifically remove reference to the need for any future allocation to consider the principles set out in clauses (a) to (d) of this policy.
- (f) If this relief is not accepted, the Company considers that as the 'land suitability' approach is to be advanced as part of the stage two implementation process, that the Policy should be amended to reference "From 1 July 2026". This will make it clear for plan users when this policy is to be applied when dealing with allocation considerations.

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<sup>6</sup> Future mechanisms for allocation based on land suitability will consider the following criteria:

- a) The biophysical properties of the land that determine productive potential and susceptibility to contaminant loss (e.g. slope, soil type, drainage class, and geology); and
  - b) the local climate regime that determines productive potential and the likelihood of water storage and runoff patterns (e.g. frost, rainfall and its seasonal distribution); and
  - c) The natural capacity of the landscape to attenuate contaminant loss; and
  - d) the Objective 1 water quality limits<sup>^</sup> related to nitrogen, phosphorus, microbial pathogens and sediment for the surface waters that the land is hydrologically connected to; and
  - e) the desired values<sup>^</sup> in those receiving waters (ecological and human health) and how they are influenced by the four contaminants.
- The future weightings are to be determined.

For the avoidance of doubt, land suitability criteria exclude current land use and current water quality, the moderating effects of potential mitigations, and non-biophysical criteria (economic, social and cultural). Instead these factors will be of importance in analysing the implications of a completed land suitability classification.

<sup>7</sup> As set out at page 32 of Plan Change 1.

## Relief Sought

- (a) That Policy 7 of section 3.11.3 (Policies) be amended as follows:

*Policy 7: Preparing for allocation in the future/Te Kaupapa Here 7: Kia takatū ki ngā tohanga hei ngā tau e heke mai ana*

*"Prepare for further diffuse discharge reductions and any future property or enterprise-level allocation of diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens that will be required by subsequent regional plans, by implementing the policies and methods in this chapter. To ensure this occurs, collect information and undertake research to support this, including collecting information about current discharges, developing appropriate modelling tools to estimate contaminant discharges, and researching the spatial variability of land use and contaminant losses and the effect of contaminant discharges in different parts of the catchment that will assist in defining 'land suitability'.*

*Any future allocation should consider the following principles:*

- ~~(a) Land suitability which reflects the biophysical and climate properties, the risk of contaminant discharges from land, and the sensitivity of the receiving water body, as a starting point (i.e. where the effect on the land and receiving waters will be the same, like land is treated the same for the purposes of allocation); and~~  
~~(b) Allowance for flexibility of development of tangata whenua ancestral land; and~~  
~~(c) Minimise social disruption and costs in the transition to the 'land suitability' approach; and~~  
~~(d) Future allocation decisions should take advantage of new data and knowledge."~~

- (b) In the alternative, Ballance considers that reference to 'future allocation' should be amended so that it is clear that the point in time that future allocation will need to consider the land suitability principles set out in Policy 7 is from 1 July 2026, at which point stage two of the implementation process will have been initiated. As such, Ballance requests that in the alternative Policy 7 be amended as follows:

*"From 1 July 2026, Any future allocation should consider the following principles:*

- (e) Land suitability which reflects the biophysical and climate properties, the risk of contaminant discharges from land, and the sensitivity of the receiving water body, as a starting point (i.e. where the effect on the land and receiving waters will be the same, like land is treated the same for the purposes of allocation); and*  
*(f) Allowance for flexibility of development of tangata whenua ancestral land; and*  
*(g) Minimise social disruption and costs in the transition to the 'land suitability' approach; and*  
*(h) Future allocation decisions should take advantage of new data and knowledge."*

- (c) Any similar amendments with like effect.
- (d) Any consequential amendments that stem from the relief sought.

### **2.1.8 Policy 11 - Application of Best Practicable Option and mitigation or offset of effects to point source discharges**

#### **Policy 12 - Additional considerations for point source discharges in relation to water quality targets**

#### **Policy 13 - Point sources consent duration**

- (a) Ballance supports Policy 11, Policy 12 and Policy 13 of section 3.11.3 (Policies).
- (b) As set out in Policy 11, the Company considers that the ability to apply mitigation or offset of effects to point source discharges is appropriate and promotes innovation through the adoption of environmental management responses within the same catchment in the first instance, or at the very least within the same Freshwater Management Unit. The Company supports this approach.

- (c) Further, as detailed within Policy 12(c), Ballance supports the ability to stage future mitigation actions to allow investment costs to be spread over time in order to meet water quality targets. In some instances, these mitigation costs are considerable for resource users and therefore the ability to spread these costs over time will likely offer greater certainty for investment decisions relating to resource consent processes linked to nutrient discharges.
- (d) Collectively, Ballance supports the policy outcomes set out in Policy 11, Policy 12 and Policy 13 of section 3.11.3 (Policies).

**Relief Sought**

- (a) That the Council adopt as notified Policy 11, 12 and 13 of Section 3.11.3 (Policies).
- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the relief sought.

**2.1.9 Rule 3.11.5.2 - Permitted Activity Rule - Other farming activities**

- (a) Ballance opposes Rule 3.11.5.2 (Other Farming Activities) of section 3.11.5 (Rules).
- (b) In particular, the Company questions the practicality and effectiveness (in economic terms) of excluding cultivated or grazed land over 15 degree sloped land from the permitted activity Rule 3.11.5.2. Essentially, all farming and cultivation on slopes greater than 15 degrees require a Restricted Discretionary Activity consent under Rule 13.11.5.6.
- (c) Ballance considers that it is appropriate to manage land use activities and discharges so that water quality can be maintained, however the Company considers that the restriction imposed on the cultivation and grazing of land greater than 15 degrees slope is unnecessarily onerous on properties that are topographically constrained. The Company notes that there appears to be limited consideration of this issue within the section 32 evaluation supporting Plan Change 1. While a catchment-wide rule requiring resource consent for cultivation or grazing of slopes above 15 degrees may be effective to administer (in that it applies a blanket 'catch all' response), it fails to consider existing on farm management responses or indeed on farm conditions, including whether there is a likelihood of overland flow and proximity of waterways.
- (d) The Company considers that the rule would be more effective if it provided for the consideration of on farm management practices underpinning cultivation and grazing on sloping ground over 15 degrees. Put another way, the Company requests that the rule be amended so that cultivation and grazing activities are managed through the adoption of Good Management Practices (described in the document entitled 'Industry-agreed Good Management Practices relating to water quality' - dated September 2015) with the aim of minimising the effects of bad practice, such as the loss of sediment and nutrients.
- (e) Ballance considers that a more effective response would be to ensure that the cultivation and grazing of land on sloping ground should be managed at a farm level, noting that Good Management Practices should ensure the right environmental outcomes are achieved.

**Relief Sought**

- (a) That Rule 3.11.5.2 (Other Farming Activities) of section 3.11.5 (Rules) be amended as follows:

*"3.11.5.2 Permitted Activity Rule - Other farming activities*

*The use of land for farming activities (excluding commercial vegetable production) and the associated diffuse discharge of nitrogen, phosphorus, sediment and microbial pathogens onto or into land in circumstances which may result in those contaminants entering water where the property area is greater than 4.1 hectares, and has more than 6 stock units per hectare or is used for arable cropping, is a permitted activity provided that:*

.....

4 c) *No part of the property or enterprise over 15 degrees slope is cultivated or grazed, except where the property is managed in accordance with Good Management Practices that accord with the practices described in the document entitled 'Industry-agreed Good Management Practices relating to water quality' - dated September 2015; and..."*

- (b) Any similar and/or consequential amendments that stem from the changes and/or additions described above.

#### **2.1.10 3.11.4.11 Monitoring and evaluation of the implementation of Chapter 3.11**

- (a) Ballance supports, in part, Method 3.11.4.11 – Monitoring and evaluation of implementation of Chapter 3.11 set out under section 3.11.4 (Implementation Methods).
- (b) The Company asks that this implementation method be amended to make it explicit that the long term (80 year) implementation timeframe will be reviewed as part of any future plan changes to the WRP.

#### **Relief Sought**

- (a) That Method 3.11.4.11 – Monitoring and evaluation of implementation of Chapter 3.11 be amended as follows:

*"Waikato Regional Council will:*

- a. Review and report on the progress towards and achievement of the 80-year water quality objectives of Chapter 3.1, and the applicability of the 80-year timeframe, should science and the information available advance to the point where it may be possible to achieve the water quality objectives in a shorter timeframe without causing unacceptable social and economic harm.*
- b. Research and identify methods to measure actions at a sub-catchment, property and enterprise level, and their contribution to reductions in the discharge of contaminants.*
- c. Monitor the achievement of the values<sup>^</sup> for the Waikato and Waipa Rivers and the uses made of those rivers.*
- d. Collate data on the number of land use resource consents issued under the rules of this chapter, the number of Farm Environment Plans completed, compliance with the actions listed in Farm Environment Plans, Nitrogen Reference Points for properties and enterprises, and nitrogen discharge data reported under Farm Environment Plans.*
- e. Work with industry to collate information on the functioning and success of any Certified Industry Scheme."*

- (b) Any similar and/or consequential amendments that stem from the changes and/or additions described above.

### **2.1.11 3.11.4.12- Support research and dissemination of best practice guidelines to reduce diffuse discharges**

- (a) Ballance supports Method 3.11.4.12 - Support research and dissemination of best practice guidelines to reduce diffuse discharges set out under section 3.11.4 (Implementation Methods).
- (b) Method 3.11.4.12 sets out that Waikato Regional Council will:
  - a. Develop and disseminate best management practice guidelines for reducing the diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens; and*
  - b. Support research into methods for reducing diffuse discharges of contaminants to water."*
- (c) The Company supports research into methods for reducing diffuse discharges of contaminants to water. Ballance recently embarked on a 7-year research program -entitled 'Clearview' -under the Primary Growth Partnership scheme that is jointly funded with the Ministry for Primary Industries.<sup>8</sup> The Clearview programme of work is largely focused around increasing nitrogen and phosphorus use efficiency and reducing losses.
- (d) As noted in the introduction section of this submission, Ballance has extensive interest in the development of tools to manage nutrient losses on farms, including the 'MitAgator' which is a GIS-based water quality decision support tool that links with OVERSEER® to refine the latter models output. In doing this, MitAgator will provide greater insight into the spatial variability of nutrient (as well as sediment and microbial) loss within a farm landscape. This will allow users to identify critical source areas (or 'hot spots') for nitrogen, phosphorus, sediment and microbial loss within the farm landscape. Targeted application of mitigation and management strategies to these critical source areas will help to provide more cost-effective environmental management solutions for farmers.
- (e) The Company considers that ongoing research and any support that the Council can provide into this space is an essential part of nutrient management and will be essential as Council moves towards Stage 2 of improving water quality within the Waikato and Waipa catchments.
- (f) Lastly, Ballance notes, for completeness, that it has recommended amendments to the definition of 'Good Management Practice' (under submission point 2.1.15) to ensure that the definition also cross-references to "Industry Agreed Good Management Practices" being the practices described in the document entitled 'Industry-agreed Good Management Practices relating to water quality' - dated September 2015. This amendment to the definition of 'Good Management Practice' is considered important to ensure that there is consistent application of this definition across all regions in New Zealand.

#### **Relief Sought**

- (a) That the Council adopt as notified Method 3.11.4.12- Support research and dissemination of best practice guidelines to reduce diffuse discharges of section 3.11.4 (Implementation Methods), subject to the following amendment:

Method 3.11.4.12 sets out that Waikato Regional Council will:

- a. Develop and disseminate best management practice guidelines, including "Industry Agreed Good Management Practices" being the practices described in the document entitled 'Industry-agreed Good*

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<sup>8</sup> In October 2011 Ballance was awarded government funding towards a selected portfolio of work. Over seven years, the \$19.5m dollar 50:50 co-investments between Ministry of Primary Industries and Ballance Agri-Nutrients that is named Clearview, is focussed on fast-tracking development and bringing to market new technologies that will benefit 'New Zealand Inc.'.

- Management Practices relating to water quality' - dated September 2015), for reducing the diffuse discharges of nitrogen, phosphorus, sediment and microbial pathogens; and*
- b. *Support research into methods for reducing diffuse discharges of contaminants to water."*

- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the relief sought.

#### **2.1.12 3.11.5.5 Controlled Activity Rule - Existing commercial vegetable production**

- (a) Ballance opposes (in part), Rule 3.11.5.5 Controlled Activity Rule under section 3.11.5 (Rules) on the basis that the supporting advice note makes it clear that a consent must be applied for within 6 months of 1 January 2020, namely by 1 July 2020. The Company considers that the rule should be amended to integrate reference to the date at which point controlled activity consent is required for commercial vegetable production.

#### **Relief Sought**

- (a) That Rule 3.11.5.5 be amended to make it clear at what point the rule will trigger the need for resource consent.
- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the relief sought.

#### **2.1.13 Schedule A - Registration with Waikato Regional Council**

- (a) Ballance opposes (in part), Schedule A - Registration with Waikato Regional Council on the basis that the schedule does not direct property owners to where to register this information and implies that this information will be provided via a non-electronic means / system. We note, however, that the Implementation Plan identifies that an electronic portal will be developed to assist with the registration of activities and gathering of information. The Company considers that Schedule A should be supported with a clearer overview of the registration process and how registration should be implemented.
- (b) The Company considers that it would be appropriate to include a link to an 'example' web page that provides a clear overview of the registration process, and how property owners can gain access to this page.
- (c) The Company also notes that there is no definition supporting what constitutes an 'urban property'. Ballance considers that it would be helpful to have this defined within Schedule A or within Part C (Additions to Glossary of Terms).
- (d) Schedule A sub clause 1 states that registration must occur between 1 September 2018 and 31 March 2019, and landowners are required to specify land use activity or activities undertaken on the property as at 22 October 2016, including the land area of each activity under Schedule A sub clause 5(d). It is evident that the registration process is critical for the Council to gain an accurate forward projection of land use activities within the Waikato and Waipa catchments. Indeed, Ballance is already aware that industry stakeholders are working with their farming clients to ensure that parties are aware of the Plan Change 1 registration requirements. As noted in section 2.1.1 of this submission however, the Company considers that the timeframe for registration is unacceptably short. By tying the timeframe for registration to the Plan Change being made operative the Council would be advancing an approach that is more achievable and appropriate.



- (e) Schedule A sub clause 3 states that proof of registration must be provided to the Council if requested, however if registering online, there is no need for this clause as the Council will automatically have record of this registration. With electronic systems available, Council has ease of reference log of those property owners who have registered and thus the proof that a farm has been registered. This lends support to the suggestion that the registration process should be via an interactive internet portal, where it is clear that there will be efficiencies for both the Council and landowners.
- (f) Furthermore, Schedule A sub clause 4 states that the registration information must be updated, however it provides no guidance on what data needs to be updated. Clarification is required as to whether the whole registration process has to be periodically repeated. We note also that new property owners may find it difficult to ascertain some of the information required within 30 working days of by a property.
- (g) Overall, while Ballance understands the need for Council to gather the relevant information on the land use activities that are undertaken within the Waikato and Waipa catchments, the Company requests amendments to Schedule A to ensure that it is fit for purpose, user friendly and imposes the minimum practicable obligation of qualifying rural land owners.

### **Relief Sought**

- (a) That Schedule A - - Registration with Waikato Regional Council be amended as to:
- Provide a definition for the term 'urban properties';
  - The timely implementation of an online portal for the registration of properties, which provides clear and transparent guidance to identify how property owners can gain access to an interactive web-based information page;
  - Make Schedule A sub clause 4 clear as to what registration information must be updated, when and how frequently.
- (b) Any similar amendments with like effect.
- (c) Any consequential amendments that stem from the relief sought.

### **2.1.14 Schedule B - Nitrogen Reference Point and Introduction of 'Certified Nutrient Management Adviser'**

- (a) Ballance supports (in part) Schedule B - Nitrogen Reference Point, however the Company is concerned that reference is made to Certified Farm Nutrient Advisor<sup>9</sup> in sub clause (a) to Schedule B. The Company considers that 'Certified Farm Nutrient Advisor' should be replaced with 'Certified Nutrient Management Adviser' to ensure that an appropriately qualified person with specialist skills in nutrient use and management. Such an approach is consistent with the direction that other regional council's are advancing in similar plan change processes. By way of an example, the Canterbury Land and Water Plan defines Certified Nutrient Management Advisor, including the recognition of specific qualifications. Consistency between regions is supported by the Company.
- (b) By reference to 'Certified Nutrient Management Adviser' the Company is referring to a person certified under the Nutrient Manager Adviser Certification Programme Ltd, which is a programme developed with the aim of

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<sup>9</sup> Certified Farm Nutrient Advisor: is a person certified by the Chief Executive Officer of Waikato Regional Council and listed on the Waikato Regional Council website as a certified farm nutrient advisor and has the following qualifications and experience:

a. Has completed nutrient management training to at least intermediate level, and b. Has experience in nutrient management planning.

building and upholding a transparent set of industry standards for nutrient management advisers to meet, so that they provide nationally consistent advice of the highest standard to farmers.

- (c) Ballance notes that there are now over 164 certified nutrient management advisers nationally (as of 18<sup>th</sup> January 2017, with 62 working towards accreditation) and the scheme was developed with support from the Dairy industry, specifically to provide nationally consistent, robust, universally recognised qualifications with on-going professional development of those who advise on nutrient use and management.
- (d) To ensure consistency and to ensure that there is a high level of competency in the use of OVERSEER®, Ballance also considers that 'Certified Farm Nutrient Advisor' set out in Schedule B is replaced with 'Certified Nutrient Management Adviser' and that Part 3 – Additions to Glossary of Terms is updated accordingly.
- (e) In terms of the broader application of Schedule B, Ballance has undertaken a detailed technical appraisal of Schedule B and provides the following comments on a number of salient points that Council should look to update in order to ensure the schedule is more effective. These points include:

- Schedule B sub clause c) sets out that the 'Nitrogen Reference Point' must be calculated using the current version of the OVERSEER® Model (or any other model approved by the Chief Executive of the Waikato Regional Council). The Company notes that OVERSEER® is usually updated twice per year, with one significant version change usually in May, and a minor one later in the year, usually in November. A version change can involve relatively minor matters such as the model user interface wording or an output report wording, improving the data entry methods, fixing an insignificant software bug, or adding some functionality that doesn't change the 'engine' calculations. These types of changes would not have any impact on nutrient loss estimates. Conversely, a version change can involve a significant new or upgraded module, such as happened in April 2015 with the introduction of the new irrigation module.

Ballance asks that the Schedule be updated to specifically provide guidance to plan users on what happens when OVERSEER® is updated. The Company considers that the implications for change to OVERSEER® should be guided by reference to "Using Overseer in Regulation" report prepared by Freeman Environmental, dated August 2016. This report provides comprehensive guidance to both Councils and plan users;

- As identified in section 2.1.1 of this submission, sub-clause e) of Schedule B requires the NRP and the NRP data to be provided to the Waikato Regional Council within the period of 1 September 2018 to 31 March 2019. The 5,000 properties that are estimated to require the production of a NRP will result in a significant peak of work by a selected few qualified people to undertake it. We estimate that the volume of work required to meet this requirement would result in the creation of 10,000 OVERSEER® files, which ultimately need to be audited. We (conservatively) estimate that these files would each take 10 person hours to prepare and, as a result, will require the expansion of the existing nutrient modelling workforce and incur considerable expense for those in the agricultural sector. Such a workload requires a lead in time to complete and a considerable expense to landowners. Further to this, the calculations are required to be undertaken with the latest version of OVERSEER®, which as identified above, is updated periodically throughout the year. The anticipated timeframe for completing the RMA first schedule statutory process associated with the Plan Change roughly aligns with the requirement to submit the NRP's and NRP data, however, it does not take into account the potential for appeals to be lodged to the Plan Change and as a result delays in the provisions being made operative. We are of the opinion it is not fair and reasonable to require landowners to commit the expenditure associated with developing a NRP without the certainty that the provisions will remain valid through the hearing and appeal process. As such, the Company seeks that the date associated

with the registration of the NRP and the NRP data, as identified in clause e) of Schedule B, be amended to an alternative date that is more achievable. In our opinion, such a date should be 12-months from the date that the Plan Change is made operative.

- Schedule B sub clause f) sets out that the reference period is the two financial years covering 2014/2015 and 2015/2016, except for commercial vegetable production in which case the reference period is 1 July 2006 to 30 June 2016.

Ballance considers that the application of these dates may not be effective due to the low milk pay-out during this period and the droughts experienced over this time are likely to have resulted in reduction in stock numbers over that period. As a consequence, the Company considers that these dates be amended to better reflect a time period when the farming sector was not influenced by externalities such as extreme environmental conditions and extreme fluctuations in international milk pricing.

Ballance recommends that years 2012/2013 and 2013/2014 be added in conjunction with 2014/2015 and 2015/2016 with the ability to choose any two years as the reference point years. The Company consider that this response would overcome any apparent deficiency with selecting 2014/2015 and 2015/2016 given the poor milk pay-out during this period, while also avoiding any impact upon other pastoral sectors who may not have been in downturn in 2014/2015 and 2015/2016.

Further, Ballance is opposed to the ten-year period over which commercial vegetable production is to identify its reference period over. The Company considers that while this sector does vary its operations and land parcels, a four-year period would equally be an appropriate response. The Company considers that Schedule B clause (f) be amended so that the reference period for commercial vegetable production is taken from 1 July 2012 to 30 June 2016.

- Schedule B sub clause g) i) sets out that records (where relevant to the land use undertaken on the property or enterprise) of stock numbers as recorded in annual accounts together with stock sale and purchase invoices, must be retained and provided to Waikato Regional Council at its request. Ballance considers that this information should be extended to monthly numbers or they won't be properly recorded;
- Schedule B Table 1: Data input methodology for ensuring consistency of Nitrogen Reference Point data using the OVERSEER® Model should be amended to accommodate the following key changes:
  - Location Pastoral and horticulture – The Company recommends reference to “Select Waikato Region” in column two is deleted and replaced with “Select relevant OVERSEER® Region for your farm (refer drop down)”, which is considered a more relevant data entry reference.
  - Animal distribution – relative productivity pastoral only – Ballance agrees with the relevant settings for “Animal distribution” in the 1st cell (OVERSEER Parameter), however questions how the figure for the non-irrigated areas to 0.75 (75%) is taken from and seeks clarification on this point.
  - Block climate data – Ballance notes that some farm properties may be large and have very significant geographical differences and as a consequence warrant climate data for individual management blocks. As a consequence, this aspect of Table 1 should be updated to reflect this variability in block size and geographical differences;
  - Soil description – Ballance considers that the most up to date data should be utilised and if available S-map should be used first then soil order where S-map is not available and when

more s-map data comes to hand then the OVERSEER soils data should be changed in order to obtain a new reference point.

- (f) As a consequence of the amendments sought to Schedule B set out above, Ballance considers that the schedule be updated to reflect those changes set out in paragraphs (a) to (e) above.

### **Relief Sought**

- (a) That Schedule be amended to delete 'Certified Farm Nutrient Advisor' and a new definition of 'Certified Nutrient Management Adviser' within Part 3 – Additions to Part C (Additions to Glossary of Terms) is provided for as follows:

*"Certified Nutrient Management Adviser' means a Nutrient Management Adviser certified under the Nutrient Manager Adviser Certification Programme Ltd".*

- (b) As a consequence of the inclusion of 'Certified Nutrient Management Adviser' into Plan Change 1, the following additional amendments are required to the Part C (Additions to Glossary of Terms):

*"Nitrogen Reference Point: The nitrogen loss number (units of kg N/ha/year) that is derived from an OVERSEER® use protocol compliant OVERSEER® file that describes the property or farm enterprise and farm practices in an agreed year or years developed by a ~~Certified Farm Nutrient Advisor~~ Certified Nutrient Management Adviser, using the current version of the OVERSEER® model (or another model approved by the Council) for the property or enterprise at the "reference" point in time."*

- (c) That Schedule B – Nitrogen Reference Point be further amended as follows:

- The Schedule should be updated to specifically provide guidance to plan users on what happens when OVERSEER® is updated and that the implications for change to OVERSEER® should be guided by reference to "Using Overseer in Regulation" report prepared by Freeman Environmental, dated August 2016;
- That the Council amend the timeframes for the registration of the NRP and the NRP data, as identified in clause e) of Schedule B, to a more achievable timeframe, such as the period beginning 12 months from the date that the Plan Change is made operative.
- Schedule B sub clause g) i) be extended to monthly stock numbers to be recorded;
- Schedule B sub clause f) reference period covering 2014/2015 and 2015/2016, is amended to also include reference to 2012/2013 and 2013/2014 to be considered in conjunction with 2014/2015 and 2015/2016 with the ability to choose any two years as the reference point years;
- Schedule B sub clause f) is amended so the reference point for commercial vegetable production is taken from 1 July 2012 to 30 June 2016;
- Amend Table 1 in Schedule B to provide for the following amendments:
  - Location Pastoral and horticulture – reference to "Select Waikato Region" in column two is deleted and replaced with "Select relevant OVERSEER® Region for your farm (refer drop down)";
  - Animal distribution – relative productivity pastoral only – clarification sought on how the figure for the non-irrigated areas to 0.75 (75%) is taken from;
  - Block climate data – amend to reflect variability in block size and geographical differences;
  - Soil description – amend so that the most up to date data (i.e. S-Map data) is utilised and when more s-map data comes to hand then the OVERSEER soils data be changed in order to obtain a new reference point.

- (d) Any similar and/or consequential amendments that stem from the changes and/or additions described above.

### 2.1.15 Schedule C – Stock Exclusion

- (a) Ballance supports (in part) Schedule C – Stock exclusion, however the Company notes that there is an inconsistency between the clause 2 (which references to one metre setback) and the setback identified within Rule 3.11.5.2.3(e) which refers to three metre setback.
- (b) Ballance therefore requests that this inconsistency is addressed by updating Schedule C to align with the three metre setback identified within Rule 3.11.5.2.3(e).

#### Relief Sought

- (a) That Schedule C is amended to align with the three-metre setback identified in Rule 3.11.5.2.3(e).
- (b) Any similar and/or consequential amendments that stem from the changes and/or additions described above.

### 2.1.16 Definition – Good Management Practice

- (a) Ballance is supportive of the reference to Good Management Practice (GMP) within Plan Change 1 and for the purposes of Chapter 3.11, “means industry agreed and approved practices and actions undertaken on a property or enterprise that reduce or minimise the risk of contaminants entering a water body.”
- (b) Ballance considers, however, that the definition of GMP would be more effective if it also cross-referenced to “Industry Agreed Good Management Practices” being the practices described in the document entitled ‘Industry-agreed Good Management Practices relating to water quality’ - dated September 2015. ”

#### Relief Sought

- (a) That the definition of Good Management Practice is amended as follows:  
  
*“Good Management Practice: For the purposes of Chapter 3.11, means industry agreed and approved practices and actions undertaken on a property or enterprise that reduce or minimise the risk of contaminants entering a water body and practices described in the document entitled ‘Industry-agreed Good Management Practices relating to water quality’ - dated September 2015.”*
- (b) Any similar and/or consequential amendments that stem from the changes and/or additions described above.

### 2.1.17 Schedule 1 – Requirements for Farm Environment Plans and Definition of Certified Farm Environmental Planner

- (a) Ballance is supportive (in part) of the parameters set out within Schedule 1 – Requirements for Farm Environment Plans (‘FEPS’). However, the Company has two key concerns relating to Schedule 1, however that it has suggested amendments to the schedule. The first relates to the mitigation responses required for cultivation on sloping ground under clauses (b)(iii) and clause (f) of Schedule 1 and the reference to Certified Farm Environmental Planner.<sup>10</sup>

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<sup>10</sup> Certified Farm Environment Planner: is a person or entity certified by the Chief Executive Officer of Waikato Regional Council and listed on the Waikato Regional Council website as a Certified Farm Environment Planner and has as a minimum the following qualifications and experience:

- a. five years’ experience in the management of pastoral, horticulture or arable farm systems; and
- b. completed advanced training or a tertiary qualification in sustainable nutrient management (nitrogen and phosphorus); and

- (b) In relation to the mitigation responses provided for cultivation on sloping land under clauses (b)(iii) and clause (f) of Schedule 1, the Company considers that cultivation on sloping ground can be managed by promoting Good Management Practices for cultivation and cropping with the aim of minimising the effects of bad practice, such as the loss of sediment and nutrients. The Company considers that these specific clauses are amended to include reference to Good Management Practices (consistent with the Company's amended definition).
- (c) Secondly, the Company notes that the FEPs are to be certified by a Certified Farm Environmental Planner.
- (d) Ballance is concerned that the qualifications set out in the definition of 'Certified Farm Environmental Planner' may not necessarily reflect that these individuals are the most qualified in the use of OVERSEER®.
- (e) It should be noted that only the Advance Sustainable Nutrient Management Course requires the demonstration of use and application of OVERSEER® to produce Nutrient Management Plans which address nutrient loss limits. This may or may not be a desirable requirement for a 'Certified Farm Environmental Planner'. If it is a desirable requirement, and in Ballance's opinion it is, then the Advanced Sustainable Nutrient Management Course should be articulated within the definition of 'Certified Farm Environmental Planner'.
- (f) Further to this, the Company notes that similar positions to this are advanced in other regional planning instruments. As an organisation that has interactions will all of the regions throughout New Zealand, the Company considers that it is important for New Zealand's regional councils to adopt consistent terminology and qualifications of such a position, in order to reduce the duplication and inefficiencies that could otherwise arise from the different definitions. PC 1 should, in our opinion, specifically recognise the Advanced Sustainable Nutrient Management Course from Massey University, as identified in (e) above, which is also a requirement of the Canterbury Regional Council as part of their Land and Water Regional Plan auditing process.

### **Relief Sought**

- (a) That Schedule 1 – Requirements for Farm Environment Plans be amended as follows:
  - “(b) A description of setbacks and riparian management, including:
 
    - (i) The management of water body margins including how damage to the bed and margins of water bodies, and the direct input of contaminants will be avoided, and how riparian margin settling and filtering will be provided for; and
    - (ii) Where practicable the provision of minimum grazing setbacks from water bodies for stock exclusion of 1 metre for land with a slope of less than 15 and 3 metres for land with a slope between 15 degree and 25 degree ; and
    - (iii) The provision of minimum cultivation setbacks of 5 metres, except where the property is managed in accordance with Good Management Practices that accord with the practices described in the document entitled 'Industry-agreed Good Management Practices relating to water quality' - dated September 2015].*
  - “(f) A description of cultivation management, including:
 
    - (i) The identification of slopes over 15 degrees and how cultivation on them will be avoided; unless contaminant discharges and how cultivation on them will be avoided;*

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c. experience in soil conservation and sediment management.

- (ii) *How the adverse effects of cultivation on slopes of less than 15 degrees and sediment controls for each paddock that will be cultivated including by:*
  - (a) *assessing where overland flows enters and exits the paddock in rainfall events; and*
  - (b) *identifying appropriate measures to divert overland flows from entering the cultivated paddock; and*
  - (c) *identifying measures to trap sediment leaving the cultivated paddock in overland flows; and*
  - (d) *maintaining appropriate buffers between cultivated areas and water bodies (minimum 5m setback), except where the property is managed in accordance with Good Management Practices that accord with the practices described in the document entitled 'Industry-agreed Good Management Practices relating to water quality' - dated September 2015.*
  - (e) *A description of collected animal effluent management including how the risks associated with the operation of effluent systems will be managed to minimise contaminant discharges to groundwater or surface water.*
  - (f) *A description of freshwater irrigation management including how contaminant loss arising from the irrigation system to groundwater or surface water will be minimised."*
  
- (b) That the Council adopt a consistent approach to other regional council's for the definition of the experts responsible for auditing nutrient management operations. In light of this, it is proposed that the definition of 'Certified Farm Environmental Planner' be amended as follows:
 

*"Certified Farm Environment Planner: is a person or entity certified by the Chief Executive Officer of Waikato Regional Council and listed on the Waikato Regional Council website as a Certified Farm Environment Planner and has as a minimum the following qualifications and experience:*

  - a. five years' experience in the management of pastoral, horticulture or arable farm systems; and*
  - b. completed advanced training or a tertiary qualification in sustainable nutrient management (nitrogen and phosphorus), and shall include a Certificate of Completion in Advanced Sustainable Nutrient Management in New Zealand from Massey University; and*
  - c. experience in soil conservation and sediment management."*
  
- (c) Any similar and/or consequential amendments that stem from the changes and/or additions described above.

### **3.0 CONCLUSION**

The Company would be happy to meet with the Council and other submitters who raise similar issues to Ballance, to discuss its submission and the suggestions it makes within the same.

Ballance wish to be heard in support of this submission.

If others, make a similar submission Ballance would consider presenting a joint case with them at any hearing.

Ballance cannot gain an advantage in trade competition through this submission.

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**Signature:**

Kevin Wood, for and on behalf of Ballance Agri-Nutrients Limited

**Date:**

7<sup>th</sup> March 2017.

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