



Proposed National Policy Statement for Highly Productive Land Submission

We would like to hear your views on the proposed National Policy Statement for Highly Productive Land (NPS-HPL).

Please feel free to use this template to prepare your submission. Once complete please email to soils@mpi.govt.nz.

You can also make a submission using the online submission tool. A link to the online submission tool is available at www.mpi.govt.nz/HighlyProductiveLand.

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Are you submitting on behalf of an organisation? Yes

If yes, which organisation are you submitting on behalf of?

Kapiti Coast District Council



1.0 Overall submission comments

Key agreement/support areas

- Productive land is a critical resource that is under threat
- Productive land is under pressure from urban expansion, rural residential (lifestyle blocks) and reverse sensitivity
- Linkage to the urban development and freshwater reforms and work on national planning standards also being undertaken
- There are limitations to the LUC classification system which make it difficult to use at a property level
- Regional council to undertake assessment of 'highly productive land' with default of classes 1-3 initially. Nationally consistent methodology should be used.
- Need to include clear transitional provisions including at least the objectives policies 6 & 7 and definitions to manage the likely 'gold rush' of subdivision and development on highly productive land between gazettal and implementation.

Areas of concern and suggestions for improvement

- The timeframe available to respond to the proposed NPS-UD was not sufficient for Council to seek feedback from iwi on its submission.
- As currently worded the policies will not achieve the objectives (particularly objective 3), as the language used in the policies does not deliver on the objectives 'avoid' and 'protect' terminology. This will likely result in uncertainty for decision makers on plan changes and resource consent applications. This lack of clarity will likely result in disagreement and appeals.
- The policies understate the importance of highly productive land in providing the ability of future generations to produce food, and the fact highly productive land is a finite natural resource.
- The economic value of food production as highlighted in the discussion document focuses on international exports (for example Figure 1). The value of food production for the local and national markets appears to be a secondary value.
- The costs and difficulties of implementing this NPS given the need for plan changes to implement objectives and policies, and potential significant costs associated with clarifying highly productive land boundaries
- Ensuring alignment with other National Direction (operative and proposed)
- Need to use the Schedule 1 plan change process and deal with Environment Court appeals to implement the NPS



- Five years from gazettal timeframe for District Council implementation of policies is unlikely to achieve the objectives, there is a need for clearer transitional provisions if the objectives are to be met.

Suggested changes

- Amend policy 1: 1.2 so territorial authorities are not required to use the Schedule 1 process to amend their district plans to identify highly productive land maps only as identified by the regional council under policy 1.1. noting that rules can be introduced separately under a schedule 1 process.
- Amend policy 3 to be more directive about protection of HPL as a priority over urban or lifestyle development;
- Amend policy 4 to be more specific about lot sizes for rural production
- Amend the 'rural lifestyle development' definition to either delete reference to lot sizes or have a much smaller maximum for the range
- Provide a path for implementation which excludes Environment Court Appeals; and
- Remove five year requirement for implementation (retain 2 years after Regional Council has included in RPS, but ensure this is operative before commencing a district plan change).
- Amend definition for productive capacity to remove reference to 'the most economic output', as this may change over time. Including the reference to the most economic output could be considered at odds with Part 2, as the determination on economic output will be made as a snapshot in time. This risks undervaluing the potential importance of productive land for food production in the future and the changing nature of markets/economies of scale over time.

2.0 Response to Questions for submitters

Section 2.3: Defining highly productive land [page 19]

1. What are the values and benefits associated with highly productive land?

Economic benefits

the primary sector can continue to operate efficiently, local food supply is not threatened, and primary sector earnings are sustained.

Social benefits

Ensures the ability for current and future generations to produce food.

Protecting rural employment opportunities benefits both rural and urban workforces



Environmental benefits

Highly productive land is a finite natural resource, which is often part of, and complementary to remaining natural systems.

Cultural benefits

Insufficient time has been provided to allow Council to engage on its submission with iwi. However, we note that local food production enabled by highly productive land has traditionally been an important part of the culture of New Zealanders.

2. What are the values and benefits associated with existing food growing hubs and how can these be maximised?

These areas provide local, regional and sometimes national benefits in terms of food supply. The aggregation of production of specific crops or raw materials within a hub creates efficiencies such as transport to markets or processors. The benefits of these hubs can be maximised by protecting them from urban development and reverse sensitivity issues to enable them to continue to operate into the future.

Section 3.1: Problem statement [page 23]

3. Does the RMA framework provide sufficient clarity and direction on how highly productive land should be managed? Why/why not?

No there is not sufficient clarity or direction in the RMA. It is left to the discretion of individual local and regional authorities with no national direction. The lack of national direction is the main contributing factor to this situation. This lack of national direction also applies to other resource management issues such as planning for subdivision and development on land affected by natural hazards.

4. Does the RMA framework provide sufficient clarity on how highly productive land should be considered alongside competing uses? Why/why not?

No. Highly productive land is not specified as a section 6 or 7 matter which means it is not necessarily prioritised in decision making when compared with the matters specified in these sections of the RMA. If Councils attempt to manage highly productive land in their plans (for the sole fact the land is highly productive), this can be difficult due to fact the RMA does not identify highly productive land as either a matter of national importance under section 6 or another matter under section 7. Councils must therefore find other reasons and methods to manage highly productive land e.g. maintaining urban form, managing urban development to identified growth areas, and then use subdivision rules and standards to limit subdivision of productive land.



5. How are values and wider benefits of highly productive land being considered in planning and consenting processes?

The Kapiti Coast District Council has included objectives and policies in the Proposed District Plan which consider rural productivity including (emphasis added):

Objective 2.3 – Development Management

To **maintain a consolidated urban form** within *existing urban areas* and a limited number of *identified growth areas* which can be efficiently serviced and integrated with existing townships, delivering:

- a) urban areas which maximise the efficient end use of energy and integration with *infrastructure*;
- b) a variety of living and working areas in a manner which reinforces the function and vitality of *centres*;
- c) resilient communities where *development* does not result in an increase in *risk* to life or severity of damage to property from *natural hazard* events;
- d) higher residential densities in locations that are close to *centres* and public *open spaces*, with good access to public transport;
- e) management of *development* in areas of special character or amenity so as to maintain, and where practicable, enhance those special values;
- f) **sustainable natural processes** including freshwater systems, **areas characterised by the productive potential of the land**, ecological integrity, identified landscapes and features, and other places of significant natural amenity;
- g) an adequate supply of housing and areas for business/employment to meet the needs of the District's anticipated population which is provided at a rate and in a manner that can be sustained within the finite carrying capacity of the District; and
- h) management of the location and effects of potentially incompatible land uses including any interface between such uses.

Objective 2.6 – Rural Productivity

To **sustain the *productive potential of land*** in the District, including:

- a) **retaining land which is suitable for a range of *primary production activities***;
- b) achieving added economic and social value derived from *primary production activities* through *ancillary* on-site processing and marketing;
- c) **enabling activities that utilise the *productive potential of the land in the rural environment***;
- d) reducing conflict between land uses in the rural environment and adjoining areas; and



- e) avoiding, remedying or mitigating adverse *effects* on the efficient operation of existing *primary production activities* from *sensitive activities* establishing on adjoining *sites*;

while safeguarding the life-supporting capacity of air, water, soil, and ecosystems by avoiding, remedying or mitigating adverse *effects* on the *environment*.

Policy 7.1 – Primary Production

Primary production activities will be provided for as the principal use in the District's **Rural Zones** where adverse *effects* on the *environment* are avoided, remedied or mitigated and the life-supporting capacity of air, water, soil and ecosystems is safeguarded.

Policy 7.8 – Growth Management

Avoid the use of land in the Rural Dunes, Rural Plains, Rural Eco-Hamlet and Rural Hills **Zones** for urban development or **rural residential development** where such a proposal would:

- a) **compromise the use and *productive potential* of land for *primary production activities*;**
- b) compromise the District's ability to maintain a consolidated urban form in *existing urban areas*;
- c) compromise the distinctiveness of existing settlements or reduce rural character values between and around settlements;
- d) adversely affect the vitality of the District's *Centre Zones*;
- e) make inefficient use of the *transport network*; or
- f) increase pressure for public services and *infrastructure* (including transport and community *infrastructure*) beyond existing capacity.

These objectives and policies generally align with the direction of the Proposed NPS however these policies were significantly debated as part of the schedule 1 process and some were appealed. This has meant significant costs to the Council to protect productive rural land in the District Plan due to a lack of national direction to date.



Section 3.2: Urban expansion on to highly productive land [page 24]

6. How is highly productive land currently considered when providing urban expansion? Can you provide examples?

The objectives and policies above set out the direction in relation to urban expansion for the Kapiti Coast District Council. It is important to note that the operative NPSUDC could be considered to currently have more weight than the PDP objectives and policies above as the PDP was developed prior to the NPSUDC coming into effect.

The recently completed housing and business land assessment (HBA) to comply with the operative NPSUDC could be used as evidence to promote urban development on existing rural land where a shortage of capacity is identified in the HBA. Urban expansion applications on highly productive land would be difficult to prevent in this situation without strong national HPL direction.

Therefore the current practice would benefit from the NPSHPL.

7. How should highly productive land be considered when planning for future urban expansion?

The potential for the loss of highly productive land to occur should be a consideration when looking at any proposal (plan change or resource consent) for urban expansion. Ideally areas of productive land should be the least preferred option for urban expansion.

The tension between the need for housing and the need to protect highly productive areas needs careful consideration and it may mean that some urban areas cannot continue to expand into the surrounding countryside. This may mean that any additional housing needs to be provided (at that location) via intensification of existing urban areas.

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

8. How is highly productive land currently considered when providing for rural-lifestyle development? Can you provide examples?

In the Kapiti Coast District the above objectives and policies (see q 4) identify the need to consider the productive potential of land when considering subdivision for rural lifestyle development. The Kapiti Coast District Plan includes subdivision provisions which require larger lots be retained in the areas which contain the highly productive land (the Rural Plains and Rural Dunes zones) based on the LUC categories 1-3.



There have frequently been challenges to this approach, in individual resource consent applications, where the commercial viability (or lack thereof) of a particular farming type has been argued to try to enable smaller lifestyle lots on potentially highly productive land.

9. How should highly productive land be considered when providing for rural-lifestyle development?

Highly productive land should be avoided, if practicable, when identifying areas for small scale lifestyle lots (e.g. less than 4ha). Highly productive land is a finite natural resource and the fragmentation of it is very difficult to reverse once it has happened.

Section 3.4: Reverse sensitivity [page 26]

10. How should the tensions between primary production activities and potentially incompatible activities best be managed?

The primary production activities occurring lawfully on rural land need to generally be prioritised over sensitive urban activities on the urban/rural interface. Reverse sensitivity and the provisions of RMA sections 16 and 17 (which can override rules in plans and resource consents) are a threat to primary production activities. However some more intensive primary production activities (for example intensive farming, silage pits or market gardening) which are likely to result in significant adverse effects (noise, dust or odour) if located close to dwellings and should be managed more carefully in relation to the location of dwellings.

11. How can reverse sensitivity issues at the rural-urban interface best be managed?

These are generally managed through zoning and rules in District Plans and the ability to manage urban development to prevent urban expansion into productive areas. The consolidation of urban areas and urban / rural interface setback conditions are key methods to manage reverse sensitivity. The ability to include these controls in district plans may be eroded by provisions in other national policy statements such as the proposed NPSUD policies 2A & 2B.

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

12. Do you agree that there is a problem? Has it been accurately reflected in this document?



Yes there is a potential problem however the problem may vary across the country depending on growth pressures and productive land availability.

13. Are you aware of other problems facing highly productive land?

Another potential issue is the tension between primary production and the protection of areas of significant indigenous biodiversity. This includes the potential for primary production to impact on freshwater ecosystems. The intensive use of productive land can either result in runoff or ground water that carries a high level of nutrients or sediments to waterways or in the need to abstract water for production.

14. Which option do you think would be the most effective to address the problems identified in Chapter Three? Why?

In terms of effectiveness a national environmental standard working in conjunction with a highly directive NPS will be the most effective method. Past experiences in giving effect to NPS's shows Councils still incur costs and delays due to appeals on matters which should be set out in national environment standards. If bottom lines and clear standards are desirable, a NES is the best method. In the absence of evidence to the level of detail required to support an NES (e.g. mapping to a property level) clear transitional provisions should be included in the NES until the evidence is available. This would manage the very real risk of a 'gold rush' of subdivision and development applications on highly productive land being made before the required evidence is available to support provisions in plans.

The option of including HPL policies or requirements in the NPSUD has some merit as it would clarify the tensions between these NPS. This could include reference to HPL in Policies 2A, 2B, 4D, & 4G of the proposed NPSUD.

The NPS option chosen provides the greatest flexibility for local decision making but has the risk of significant cost to individual regional and then local Councils to implement the NPS in their policy statements and plans, and carries a high degree of risk of not successfully addressing the loss of highly productive land for a number of years before the relevant subdivision and development control provisions are in District Plans especially when considered alongside the NPSUD provisions (particularly policies 2A and 2B).

15. Are there other pros and cons of a National Policy Statement that should be considered?

Pros



- *Some flexibility to implement at a local level*
- *Gives some direction*
- *Can be highly directive if desirable*
- *Potential to implement some things immediately*

Cons

- *Leaves the detail to local government through a contestable and legal process (plan changes or resource consents) This imposes significant implementation costs on local government.*
- *Implementation will vary across the country due to contestable process*
- *Generally an expensive and slow exercise to get provisions into a plan under schedule 1 due to consultation and hearing requirements and environment court appeals.*
- *Councils often have to manage appeals on provisions which give effect to an NPS even in cases where the NPS provisions are very directive i.e. they are not optional e.g. NPSET. This imposes costs and delays.*
- *The drafting of NPS's is often open to different interpretations, leading to uncertainty and conflict.*

16. Are there other options not identified in this chapter that could be more effective?

Other options that may be more effective include:

1. *Amending the RMA to elevate HPL to a matter of national importance urgently, and create an NES to manage/protect the resource. This would be efficient if implemented quickly.*
2. *Making HPL provisions part of the National Planning standards and enabling them without the need for a schedule 1 process. This would be quick and low cost for Councils but would be inflexible.*
3. *As part of an NPS, creating a specific process to implement provisions relating to the protection of HPL similar to the freshwater plan change process (no appeals to the environment court) to still allow flexibility but cut the implementation costs, risks to achieving outcomes, and delays with completing planning processes.*
4. *Amend s.86B(3)(a) of the RMA to clarify that rules in a proposed plan for the protection of highly productive soil have immediate legal effect.*

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



17. Should the focus of the National Policy Statement be on versatile soils or highly productive land more broadly? Why/why not?

The focus on highly productive land appears to be more appropriate for the Kapiti Coast District as some areas of class 1-3 soils (particularly class 2 and 3 soils) are poorly drained areas that could be considered to be wetlands. There are also other areas which are productive for olives (award winning oils) which are not identified as class 1-3. The inclusion of additional criteria enables these issues to be considered when defining the actual HPL in the region via the regional assessment.

18. Should the focus of the National Policy Statement be on primary production generally or on certain types of food production activities? Why/why not?

The changing nature of primary production over time would make a product specific approach risky. If a crash occurs in that product market the viability of the land might be discounted and subsequently land lost to fragmentation or urban expansion. This outcome is already a risk under the current wording of proposed policy 2b which directs greater weight to be placed on giving greater protection to highly productive land which make a greater contribution to the economy. This type of assessment is a snapshot in time which may change into the future. There is also less flexibility to take into account changes as a result of climate change. It is potential of highly productive land that is the important natural resource, rather than just the current economic use of that land.

Section 5.3 The scope of the proposal [page 35]

19. Do you support the scope of the proposal to focus on land use planning issues affecting highly productive land? Why/why not?

Overall the scope of addressing urban development, fragmentation of land for lifestyle development and reverse sensitivity is considered appropriate. The exclusion of soil quality and regional constraints to land use flexibility seem to be appropriate as part of an NPS which requires a detailed regional assessment to be carried out which can consider these issues.

20. What matters, if any, should be added to or excluded from the scope of the National Policy Statement? Why?

The contribution to the economy consideration within policy 2 should be removed so the actual productive potential of the land becomes the dominant consideration as to whether or not land is given greater protection. Productive land which is used for food production (non-export) will likely be given less significance under the current wording of policy 2,



despite the importance of the land for domestic food production. It would be useful to expand upon what is meant by 'community' in Policy 2 b.

21. 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?

Areas already identified for urban development shouldn't necessarily be excluded from the NPS unless significant existing infrastructure investment has already occurred to support urban development in these areas. This is particularly relevant if there are alternative sites available for urban expansion in the region or vicinity which are not on HPL.

22. Should the National Policy Statement apply nationally or target areas where the pressures on highly productive land are greater?

There is some merit in focusing on areas where highly productive land is under threat from either urban development or fragmentation as a higher priority eg medium and high growth areas under the NPSUDC. However this could mean that highly productive land in other areas which are not currently fast growing is developed, so a national approach is considered more appropriate than a targeted approach.

Section 5.4 The proposed National Policy Statement [page 37]

23. What would an ideal outcome be for the management of highly productive land for current and future generations?

The ideal outcome would be for primary production in New Zealand to be able to support the New Zealand population sustainably and enable exports of primary products while maintaining and enhancing the quality of the natural environment and providing employment and economic benefits to the population.

Clearly highly productive land is a limited natural resource, so an ideal outcome would be to preserve this land so future generations will be able to use it to provide food.

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

24. If highly productive land is to be identified, how should this be done and by whom?

The current proposal for regional council to do this is acceptable however there will be a significant cost to this work, and delays assuming the regional council will need to follow a Schedule 1 process to amend their RPS. It would be desirable for financial support to be



available to the regional councils to undertake the assessments and a nationally consistent methodology. The regional assessment fits between national direction and repetition of an assessment by each local council and will enable a level of efficiency as well as local input to be considered. A nationally consistent methodology will reduce risk of appeals and consequent costs, delays and uncertainty.

25. Are the proposed criteria all relevant and important considerations for identifying highly productive land? Why/why not?

The proposed criteria seem generally appropriate to allow significant flexibility at a regional level however the requirement to exclude areas identified for future urban may be an unnecessary or inappropriate constraint in some locations.

Policy 2: Maintaining highly productive land for primary production [page 42]

26. What are the pros and cons associated with prioritising highly productive land for primary production?

These are discussed in the response to Q1

Alignment with the Urban Growth Agenda [page 43]

27. 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 is clear tension with both the NPSUDC and the Proposed NPSUD in relation to urban expansion. Incorporating the key highly productive land provisions from the NSPHPL into the NPSUD would provide greater clarity. This may be more effective and efficient than creating a separate NPS for highly productive land.

There is also some tension with the NPSFM in relation to prioritising primary production on HPL in catchments where freshwater is over-allocated.

28. How can the proposed National Policy Statement for Highly Productive Land and the proposed National Policy Statement on Urban Development best work alongside each other to achieve housing objectives and better management of the highly productive land resource?

Including some clear policies in each Proposed NPS that identifies this tension and gives direction to resolve it. The proposed NSPHPL recognises that urban expansion may be



necessary (policy 3) and seems as currently drafted to prioritise urban expansion required by the NPSUDC if the productive land issues have been considered in a cost benefit analysis. It would be helpful if the proposed NPSUD also recognised the protection of highly productive land when considering areas for urban expansion and ideally prioritised intensification within urban areas over greenfield expansion onto highly productive land.

The freshwater work could similarly be clear about the water demands and potential risks to freshwater from primary production activities and clarify how these issues are to be prioritised.

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

29. How should highly productive land be considered when identifying areas for urban expansion?

Policy 3 sets out an assessment to allow urban expansion on highly productive land. The policy states (**emphasis added**)

Proposed Policy 3: New urban development and growth on highly productive land

Urban expansion must not be located on highly productive land unless:

- a. there is a **shortage of development capacity to meet demand** (in accordance with the NPS-UDC methodologies and definitions); and
- b. it is demonstrated that this is **the most appropriate option** based on a consideration of:
 - a cost-benefit analysis that explicitly considers the long-term costs associated with the irreversible loss of highly productive land for primary production;
 - whether **the benefits** (environmental, economic, social and cultural) from **allowing urban expansion on highly productive land outweigh the benefits of the continued use of that land for primary production**; and
 - the **feasibility of alternative locations and options** to provide for the required demand, including intensification of existing urban areas.

This approach could be strengthened and in many cases less assessment required if the final bullet point of the policy was amended and relocated to before b) to read as follows:

- b) There are no feasible alternative locations or options (including intensification within existing urban environments) to provide for identified demand for housing or business capacity which do not include highly productive land; and
- c) It is demonstrated...

30. How should the National Policy Statement direct the management of rural subdivision and fragmentation on highly productive land?



The approach of having this occur as part of district plans seems appropriate. However the policy is not particularly specific and will result in each Council debating via a schedule 1 process the appropriate lot size and other elements of the policy. This process will result in appeals with the associated costs and delays. Guidance in the policy about the scale of lots that are suitable for primary production activities would assist Councils to implement the policy.

31. How should the National Policy Statement direct the management of reverse sensitivity effects on and adjacent to highly productive land?

This issue should be included in the NPS as reverse sensitivity can be very difficult to manage especially in already fragmented rural areas or areas adjacent to urban areas. Common reverse sensitivity issues relate to noise, dust or odour. Some primary production activities are less likely to create these effects, or may only have seasonal or occasional effects on their residential neighbours. Consideration of reverse sensitivity is important to be clear about.

Policies 6 and 7: Consideration of private plan changes and resource consent applications on highly productive land [page 49]

32. How should the National Policy Statement guide decision-making on private plan changes to rezone highly productive land for urban or rural lifestyle use?

This is important as the value of urban land is significantly higher than rural land and there is often a desire for rural landowners to subdivide as a way to generate income when they retire from their farming activity. However the private plan change risk is even more likely to erode productive potential and is not included in this policy. This policy should relate to both rural residential and urban expansion risks.

As currently drafted policies 6 and 7 are weaker than policy 3 and it is highly likely that productive land will be lost before policy 3 is able to be implemented.

This is important as the value of urban land is significantly higher than rural land and subdivision is likely to be sought. This risk also relates to rural lifestyle development as well and the policy should be expanded to cover this.

These two policies need to provide strong transitional provisions until the Regional assessment and district plan changes required by earlier policies have been implemented. The inclusion of HPL in the NPSUD is necessary to achieve the objectives.



33. How should the National Policy Statement guide decision-making on resource consent applications for subdivision and urban expansion on highly productive land?

The guidance should align with the objectives of both NPSUD and NPSHPL.

Section 5.6 Implementation [page 52]

34. What guidance would be useful to support the implementation of the National Policy Statement?

Non-statutory guidance has no legal weight and while potentially helpful, it is unlikely to reduce litigation and may increase delays if the guidance recommends highly complicated assessments. Guidance may not be necessary if the current conflict between the objectives and policies is resolved.



Specific / technical questions

The questions below are included in the outline of the proposed NPS-HPL (Chapter Five of the discussion document) and may assist technical experts when providing a submission.

Specific questions

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

35. How should the National Policy Statement best influence plan preparation and decision-making on resource consents and private plan changes?

Through objectives and policies which are clear, unambiguous and directive with criteria to be applied at the local level only where flexibility is required.

Ideally implementing the NPS should not lead to litigation over the policy intent or the intended meaning of particular words or phrases within the NPS..

36. Should the National Policy Statement include policies that must be inserted into policy statements and plans without going through the Schedule 1 process? What are the potential benefits and risks?

Yes this is preferred for clarity and simplicity. The objectives and policies that manage consents and private plan changes should be inserted into district plans and the objectives could be beneficial in Regional Policy Statements. If managing highly productive land is of national significance and it is desirable to address the issue consistently at a national level, Councils should not have to use schedule 1 to insert provisions into their district plans. Using schedule 1 will most likely lead to different approaches being put into plans. This risks achieving NPS objectives and increases costs on Councils from the schedule 1 process and resolving appeals.

37. What areas of land, if any, should be excluded from the scope of the proposed National Policy Statement? Why?

Existing urban areas (including identified future urban zones) and conservation land. All other land may have productive uses which are valuable and an appropriate public engagement process (regional assessment) is needed to determine which areas are highly productive in each region.

Specific questions



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

38. What level of direction versus flexibility should the objectives provide to maintain the availability of highly productive land for primary production?

The NPS should allow flexibility in determining what is highly productive land in each region, and in relation to any areas that are not LUC class 1-3 there should be flexibility about the provisions for these areas. It should be directive (more so than the current proposal) about how highly productive land is protected and managed for future generations.

Given the tone of the objectives, the policies should set clear bottom lines for highly productive land to be retained for future generations, however this is not the case. As currently worded the policies set up a process for the further loss of highly productive land, as it is clearly of secondary importance to the provision of additional urban land under the draft NPSUD. This flexibility provided by the policies is at odds with the direction of the objectives. This should be rectified to provide certainty to decision makers.

39. Should the objectives provide more or less guidance on what is “inappropriate subdivision, use and development” on highly productive land? Why/why not?

Greater clarity is needed, particularly on specific issues such as appropriate minimum lot sizes. However these detailed matters are not suitable for an objective and would be best located in either a policy or an NES.



Specific questions

40. What are the pros and cons of requiring highly productive land to be spatially identified?

Strongly support spatial identification of highly productive land. If the land is to be protected from urban development and lifestyle subdivision it is essential that it is easily identifiable in map form to all parties. Mapping must be at a scale which can be used at a property level. If the mapping information is accurate there are no cons associated with mapping highly productive land as it provides greater certainty to all parties and will be shown in LIMs, and could also be made available to public via GIS.

41. Is the identification of highly productive land best done at the regional or district level? Why?

The national level would be best as it is the most efficient. The current (national) LUC maps provide a start point for this work. It does not make sense to leave this to the district level as all territorial authorities would need to procure the same assessment in a relatively short timeframe. The regional level is the next most appropriate, in the Wellington Region for example a regional assessment would be more efficient than 8 local assessments. Incorporating the regional mapping into district plans without having to use schedule 1 would be greatly beneficial.

42. What are the likely costs and effort involved in identifying highly productive land in your region?

Unable to comment specifically.

43. What guidance and technical assistance do you think will be beneficial to help councils identify highly productive land?

If possible updated national soil mapping as the LUC mapping is quite old. If that is not possible then a nationally consistent methodology and science support to undertake identification processes. Technical science expertise to undertake this work is likely to be held within a few science institutes, and the timeframes for this work is likely to put significant pressure on those with expertise, which may compromise the quality and robustness of the work.

Information held by MPI on primary production activities, including any economic information.

Clarity on suitable lot sizes which are efficient for primary production activities, however this should not be non-statutory guidance.



Specific questions

Appendix A: Criteria to identify highly productive land [page 41]

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

This would be helpful as a transitional provision alongside policies 6 and 7.

45. What are the key considerations to consider when identifying highly productive land? What factors should be mandatory or optional to consider?

The key considerations should include:

- *Soil suitability*
- *Water availability*
- *Site size*

These should be mandatory, all others could potentially be optional.

46. 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 Essential Freshwater Programme?

Alignment with the freshwater programme is important as water allocation and reliability of water is a key consideration for primary production. However, we caution against locking in perceptions that land is productive or not based solely on current water availability, given water availability may change over time through climate change or by future development of water storage and distribution infrastructure.

47. 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?

Not necessarily. The LUC maps for the Kapiti Coast show very little class one land. In some places it is impractical to separate classes as class 1 is on the same farm as class 3 land. Separating them may result in perverse outcomes for production. Some crops are better suited to other soil types. The LUC maps should only be used as transitional/starting point reference until more detailed mapping is completed by regional councils.



Specific questions

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

48. How can this policy best encourage proactive and transparent consideration of highly productive land when identifying areas for new urban development and growth?

The policy could be amended to better align with the objectives to read as follows to be stronger in protecting highly productive land.

Urban expansion must not be located on highly productive land unless:

- a. *there is a shortage of development capacity to meet demand (in accordance with the NPS-UDC methodologies and definitions); and*
 - b. *there are no feasible alternative locations and options to provide for the required demand, including intensification of existing urban areas; and*
- b. it is demonstrated that this is the most appropriate option based on a consideration of:*
- *a cost-benefit analysis that explicitly considers the long-term costs associated with the irreversible loss of highly productive land for primary production;*
 - *whether the benefits (environmental, economic, social and cultural) from allowing urban expansion on highly productive land outweigh the benefits of the continued use of that land for primary production; and*
 - ~~*the feasibility of alternative locations and options to provide for the required demand, including intensification of existing urban areas.*~~

49. How can the proposed National Policy Statement for Highly Productive Land best align and complement the requirements of the proposed National Policy Statement on Urban Development?

See response to Q 29 above.

Specific questions

Policy 4: Rural subdivision and fragmentation [page 46]

50. Should the National Policy Statement provide greater direction on how to manage subdivision on highly productive land (e.g. setting minimum lot size standards for subdivisions)? If so, how can this best be done?

Policy 4 directs that subdivision in highly productive land have minimum lot sizes. However this does not identify what an appropriate lot size may be for highly productive land. The Kapiti Coast District Plan for example, has a 6ha minimum lot size for the most productive land and a 4ha lot size for other productive land. This contrasts with 4000m² and 1ha lot



sizes for 'rural residential' development. It is unclear what lot sizes are considered appropriate for HPL.

51. Should the proposed National Policy Statement encourage incentives and mechanisms to increase the productive capacity of highly productive land (e.g. amalgamation of small titles)? Why/why not?

Clause b) of this policy is unclear with 'incentives and restrictions' in the same clause. These potentially need to be separated into 2 clauses with further clarity on the type of 'incentives and restrictions' that may be considered appropriate.

Specific questions

Policy 5: Reverse sensitivity [page 47]

52. How can the National Policy Statement best manage reverse sensitivity effects within and adjacent to highly productive land?

The policy seems appropriate to manage reverse sensitivity issues.

Specific questions

Policy 6 and Policy 7: Consideration of private plan changes and resource consent applications on highly productive land [page 49]

53. 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?

Yes this is necessary to ensure immediate protection. This policy requires triggers to stop it from applying once a FDS is completed under the NPSUD unless a new HBA identifies new shortfalls in supply. Otherwise Councils will be bound by this policy despite having carried out all necessary capacity and delivery assessment work, and having identified future urban development areas in their plans. Such an outcome would undermine all this work and risks the unnecessary loss of additional highly productive land.

How this policy interplays with the draft NPSUD policies needs to be clarified.



It would be helpful for these policies, in the form they are suggested to be modified in responses to Q32 and 33 above to be transitional provisions with a transitional definition of highly productive land. These transitional provisions must be able to be implemented in district plans without formality.

54. How can these policies best assist decision-makers consider trade-offs, benefits, costs and alternatives when urban development and subdivision is proposed on highly productive land?

Given the scarcity of highly productive land close to urban areas with significant growth pressures (for example Auckland, Hamilton, Wellington, Queenstown) the retention of the remaining highly productive land should have priority over urban expansion and only be considered if all other options to meet demand (including intensification, redevelopment and brownfield development) have been exhausted.

55. Should the policies extend beyond rural lifestyle subdivision and urban development to large scale rural industries operations on highly productive land? Why/why not?

We see reasons for and against this.

As for rural lifestyle and urban development, land values for business uses typically far exceed the land value for primary production activities, so once a rural industrial use is established on highly productive land it will be unlikely to revert to primary productive use.

However, there are likely to be some benefits from locating rural industries on highly productive land, such as transport efficiencies and avoiding reverse sensitivity issues. Simply extending the policy to rural industries may make it difficult for decision-makers to recognise these benefits.

Specific questions

Section 5.5: Interpretation

56. Do any of the draft definitions in the National Policy Statement need further clarification? If so, how?

Certainty about where extractive industries (quarries) fit? Are they primary production or not?



Concern that the definition of “rural lifestyle development’ is very broad in terms of lot size. 8ha is a very large lot to be a lifestyle development in some parts of the country. For example on the Kapiti Coast at least 50% of the highly productive land is in lots of less than 8ha. The only area of class 1 soil in the District south of the Otaki River is an area of approximately 14 ha in 4 lots one of which is an avocado orchard and another citrus and berry orchard.

Consider that 4ha is a more appropriate maximum size for lifestyle development and that many market gardens and orchards (on the Kapiti Coast) are between 4 and 8ha in size. Alternatively delete the ‘typically in the range of 0.2 -8ha’ from the definition.

57. Are there other key terms in the National Policy Statement that should be defined and, if so, how?

No comment

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

It may be useful to have some clear criteria such as percentage or area or both to ensure sites with only tiny slivers of productive land were not being inappropriately identified. However it is difficult to comment on this in the absence of detailed mapping to identify potential unanticipated outcomes.



Specific questions

Section 5.6: Implementation [page 52]

59. Do you think a planning standard is needed to support the consistent implementation of some proposals in this document?

A planning standard or NES could be helpful if implemented as part of a package with this NPS.

60. If yes, what specific provisions do you consider are effectively delivered via a planning standard tool?

Due to the flexibility of the policies within the draft NPS (which contrast with the objectives), and the dominance of the NPSUD over it, there do not appear to be any genuine bottom lines which could be put into national planning standard format. It would be helpful if minimum lot sizes were included in a national standard or NES.

Specific questions

Section 5.7: Timeframes [page 52]

The proposed timeframes are as follows:

- Proposed Policy 1.1 and 2 – regional councils must identify highly productive land no later than three years after the NPS is gazetted; and
- Proposed Policies 1.2, 2, 4 and 5 – territorial authorities must implement these policies no later than two years after the relevant regional council identifies highly productive land in accordance with proposed Policy 1.1, or no later than five years after the NPS is gazetted.

The objectives and remaining policies in the proposed NPS would have immediate effect from the date the NPS is gazetted and would have to be implemented as soon as practicable after this date.

61. What is the most appropriate and workable approach for highly productive land to be identified by council? Should this be sequenced as proposed?

Territorial authorities should not have to implement Policy 1.2 until regional councils have met their obligations under Policy 1.1. There is no certainty for local councils that the regional assessment in Policy 1 will be final until it is operative in the RPS. This could take several years after notification of the proposed RPS change unless there is an alternative mechanism proposed for changes to the RPS to implement this NPS that does not include schedule 1.



Once a regional council has identified the highly productive land under Policy 1.1, territorial authorities should be required to insert these maps and policies into their district plans without using schedule 1.

The implementation of Policies 4 and 5 by territorial authorities is likely to result in many appeals. It should be carefully considered whether it is possible for some of the requirements of Policies 4 and 5 to be nationally prescribed under NPS (or NES), and put into district plans without territorial authorities having to use schedule 1 e.g. minimum lot size standards for primary production activities on highly productive land; reverse sensitivity methods and standards.

62. 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?

The five year total is not easy for territorial authorities to meet if the Regional Council is delayed in completing their assessment, for example it is challenged in the RPS schedule 1 process, and if inserting the mapping to be inserted into district plans is also to be done via schedule 1 (with potential appeals). Suggest removing the 5 year maximum for district plan implementation and making it clear schedule 1 is not to be used by territorial authorities to insert the mapping and policies which have been debated at the regional level. Prefer a 2 year timefraome for rules in a district plan after the regional policy statement changes are operative.

Please use the space below to provide any additional comments you may have.
