

SUBMISSION

27 April 2016

TO:

Bay of Plenty Regional Council

ON:

Plan Change 10 – Regional water and land plan - Lake Rotorua

BY:

Beef + Lamb New Zealand Ltd

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Submission

Introduction

B+LNZ is an industry-good body funded under the Commodity Levies Act through a levy paid by producers on all cattle and sheep slaughtered in New Zealand. Its purpose is to help farmers make informed business decisions and to promote their collective interests.

B+LNZ is actively engaged in environmental issues that affect the pastoral production sector.

B+LNZ is not a trade competitor for the purposes of this submission and will not gain in any way from the submissions and decisions sought below.

B+LNZ wish to be heard in support of this submission and if others present similar submissions we will consider a joint hearing with them.

This submission is made with the support of Sheep and Beef farmers within the Lake Rotorua catchment and has been informed by them. As an industry good body we have actively encouraged farmers to be involved in the plan change. Individual farmers will make submissions that pertain to their own business interests and this submission supports the outcomes they seek and should not undermine the important weight that council should give to the specific issues raised by farmers in their own submissions.

Submissions

- 1. B+LNZ opposes in part policies LRP1 LRP17
- 2. B+LNZ opposes in part rules LRR1 LRR13
- 3. Beef + Lamb New Zealand supports the submissions of Federated Farmers of New Zealand and the Deer Farmers Association. In particular B+LNZ supports any individual sheep and beef farmers who have developed and presented a submission to the plan.
- 4. The proposed plan change is inconsistent with the Regional Policy Statement, as it relates to Lake Rotorua.
- 5. The plan is too structured around providing for Nitrogen Discharge Allowances and incorporates an inappropriate and inconsistent use of Overseer.

Reasons for submissions

1. B+LNZ is committed to supporting farmers to adopt farm practices that will meet water quality objectives for Lake Rotorua. As an industry good body we will continue to offer advice, science, support, extension and partnerships that improve sheep and beef farmers understanding of and actions to manage environmental risk and that

align to meet their social, production and financial goals for their property and ultimately the local and regional economy. We consider that the current plan does not provide the right mix of regulatory and non regulatory methods to achieve lake water quality objectives.

- 2. There is an unwaivering commitment by farmers within the catchment to do everything possible to meet the proposed Nitrogen reduction targets for Lake Rotorua. B+LNZ will work proactively with Council to support on farm actions that support improved lake water quality.
- 3. B+LNZ developed, supports, promotes and invests in the adoption by farmers of Land and Environment Plans (LEP). The LEP programme is entirely voluntary. It is delivered through a series of facilitated workshops, where farmers are assisted to identify environmental risk on their individual properties and to put in place a set of agreed actions to manage this risk. These actions are prioritised and given a budget allocation from year to year. The identification of these risks and agreed actions is undertaken in a whole farm systems approach to managing the effect of the operation on the environment and optimal resource use, by matching appropriate land use to different areas of the farm while achieving production and development goals for the property.
- 4. B+LNZ considers that farmer led, farm specific and industry supported initiatives and actions are the most effective method to achieve practice change that results in long term sustainable management of natural resources.
- 5. There is too much uncertainty in applying NDA's at a property level at this time. NDA's should be delayed until current and proposed science and modelling reviews are completed.
- 6. While a pragmatic approach has been taken by some farmers in supporting the adoption of sector averaging approach to allocation of Nitrogen, to work towards an agreed community approach there are significant long term impacts on individual's flexibility of land use and potential constraints on land use within the catchment as a result of adopting sector averaging.
- 7. Council's current approach to on farm management through potentially prescriptive farm plans is counterintuitive to achieving action at a sub catchment level, through coordinated, well supported and prioritised actions.
- 8. Acknowledgement needs to be given to a whole farm approach to managing the potential impacts on water quality, not just limited to Nitrogen.
- 9. While it may seem a generous time frame to be compliant with NDA targets, short term actions should focus on longer term behaviour change and immediate on farm actions that will have an impact on lake water quality.
- 10. There is too much uncertainty in the current and proposed use of Overseer within the plan both for modelling and understanding compliance with the NDA's
- 11. If NDA's and benchmarks are retained then the calculation of benchmarks for Nitrogen loss and proposed NDA's should be changed to be more consistent with best practice use of Overseer as a long term averaging model. This is incredibly important for sheep and beef farmers especially where the mix of weather events, animals, crops and land use can change within and between years, impacting on

modelled Nitrogen loss. Further the use of Overseer for sheep and beef farm systems is complex and requires significant investment in time to be able to get a true reflection of actual loss. Even then there are significant in paddock mitigations that may be occurring that will not result in a change in modelled outputs for sheep and beef farmers

- 12. That Council acknowledge that recent science illuminates significant patterns in subcatchment loads of N and P; that this information can assist in prioritising subcatchments delivering significant nutrient loads to the lake; can assist sub-catchment communities in developing Sub-catchment Action Plans to prioritise critical source areas significant at sub-catchment scale, and cost-effective interventions for reducing high nutrient base flow and flood flow loads to the lake; and that these interventions would appropriately be considered by the Incentives Fund
- 13. B+LNZ has in conjunction with its levy payers developed a set of 14 principles for the allocation of nutrients to guide and underpin allocation discussions. The plan should not be inconsistent with these principles as it applies to sheep and beef farmers.

Beef + Lamb New Zealand Principles for the Allocation of Nutrients

These principles have been developed to guide decisions on nutrient allocation. They seek to ensure that nutrient allocation is fair, equitable, recognises the complexity of farming systems, and provides for continued flexibility of land use. Beef + Lamb New Zealand supports catchment specific solutions to nutrient management and that different allocation regimes will be established that reflect differences between communities and their catchments, and to meet water quality objectives in those catchments. These principles should be considered carefully when forming any nutrient allocation policies or methods to achieve them. Each principle is important but they should be considered as a whole to inform allocation discussions.

Principle 1 Like land should be treated the same

Allocation should be based on the intrinsic qualities of the land. Two pieces of land with the same qualities should receive the same allocation. This principle recognises that allocation regimes should not be overly influenced by existing land use.

Principle 2 Those undertaking activities that have caused water quality problems should be required to improve their management to meet water quality limits.

All New Zealanders have a responsibility to manage their activities to maintain or improve water quality. This principle reflects the need for those who have caused water quality problems or who are contributing a greater amount to them to take a greater responsibility for meeting the costs of reducing nutrient loss to water. It also reinforces that those who have managed responsibly should not be required to have their land use constrained as a result of others' activity.

Principle 3 Flexibility of land use must be maintained

Land owners need to have the ability to respond to changes in climate, input costs, markets and technological innovation in order to maintain a profitable and sustainable farming enterprise. Allocating nutrients in such a way that unnecessarily limits land use change constrains the ability of land users to respond to those changes and optimally utilise the land resource.

Principle 4 The allocation system should be technically feasible, simple to operate and understandable

A high level of technical feasibility is fundamental to a successful allocation approach. The simpler the system, the more likely it is to be able to operate effectively. The

approach must also be understandable by land users and the wider community. It must be able to be administered fairly and at minimum transaction costs to users and the regulator.

Principle 5 The natural capital of soils should be the primary consideration when establishing an allocation mechanism for nutrient loss

A natural capital approach allows for an economically efficient allocation of nutrients. Those soils with the greatest ability to retain nutrients and optimise nutrient use give land users the greatest flexibility to optimise production, respond to markets and technology while managing potential effects on water quality. Allocation systems should reflect the ability of these soil types to optimise production and land use flexibility.

Principle 6 Allocation approaches should provide for adaptive management and new information

Allocation decisions are primarily made on the information we know now and modelled future scenarios. Our understanding and the availability of both catchment and farm systems will change over the life of an allocation system as will possible management techniques. Allocation systems should provide sufficient flexibility to provide for adaptive management and be reviewed regularly to incorporate new information. Adequate transition times should be provided to incorporate new information where allocation changes as a result.

Principle 7 Appropriate timeframes must be set to allow for transition from current state to one where allocation of nutrients applies

Timeframes should take account of the degree to which any waterway is overallocated (if that is the case), the period over which this state has come about and the costs for businesses and the current ability to manage to that allocation.

It should be recognised that current water quality issues are sometimes the result of many years of land use within catchments and may have developed over generations. Consideration needs to be taken of the legitimate expectations of people and natural justice. Accordingly time should be provided for them to adjust. There needs to be a balanced approach and recognition of the uncertainty associated with water science versus the likely economic impact on businesses and the region. The primary objective should be to set an appropriate direction of travel that will see a steady improvement in water quality.

Principle 8 Long term investment certainty is a critical feature of a viable nutrient management system

Changes to nutrient allocation regimes must be signalled as far out as possible. Refinements to those systems must be managed to minimise their impacts on business viability, land value and the flexibility of land use. The aim must be to reflect the underlying elements of sustainable management in achieving improved water quality outcomes including reducing those adverse impacts on social and economic outcomes.

Principle 9 Improvement in water quality must remain the primary objective of adopting any nutrient allocation regime

When exploring the adoption of methods to achieve water quality improvements and manage to limits, the focus of community debates, modelling and discussion of allocation of nutrients can distract from the primary goal – maintaining and improving water quality. This principle emphasises that allocating nutrients to a property level doesn't in itself result in improved in water quality; it is the actions of land users that ultimately result in improved nutrient management.

Principle 10 In under-allocated catchments, where property based nutrient allocation has not been adopted in setting water quality limits, the system for allocating nutrients must be determined well before the limit is reached, be clear and easy to understand, and designed to avoid over-allocation

The mechanism for allocating nutrients, even if it does not have immediate effect, should be clear from the time when water quality limits are set. Allocation mechanisms should reflect the level of risk that the catchment will become over allocated. This may include the adoption of a pre-agreed catchment-specific environmental threshold (e.g. 75%-90% of a limit) to determine when an allocation regime should be adopted.

Principle 11 In designing the allocation system the benefits of a nutrient transfer system within the catchment or water management unit should be considered

Maximum economic efficiency of land use could be assisted by a mechanism for transferring nutrient discharge allowances within the same catchment.

Principle 12 Regulation, monitoring, auditing and reporting of nutrients within an allocation regime needs to relate to the degree of environmental impact and pressure

If there is limited environmental pressure and if an activity has a low impact then regulation – and the financial cost of complying with that regulation – should be commensurate with the degree to which the activities are causing an adverse effect on water quality

Principle 13 As a minimum expectation, in all catchments, all land users should be at or moving towards (industry defined) Good Management Practice (GMP), recognising that GMP is constantly evolving and continuous improvement is inherent in GMP

In many catchments, lifting everyone to GMP is likely to go a long way towards achieving community objectives for managing to water quality limits. In catchments where nutrients are not over allocated, requiring good management practice is a sound alternative method to allocating nutrients to a farm (property based) level.

Principle 14 Nutrient allocation must be informed by sound science and stable and reliable catchment and farm system modelling and measurement

Modelling nutrient loss is important to inform nutrient allocation, but all models have limitations. Overseer is a key tool for understanding and managing nutrients on farms and to inform nutrient allocation decisions. In the short term there are significant limitations that need to be catered for in determining any regulatory or nutrient allocation regime (e.g. assumptions in Overseer regarding GMP, modelling of cropping regimes, ability of Overseer to estimate nutrient loss from the adoption of certain mitigations and the validation of Overseer estimates). Other measures may need to be included in the approach to managing nutrient loss to ensure innovative change is incentivised and that the focus remains on promoting good practice. Over time modelling designed to estimate nutrient loss will improve. Modelled estimates will change, so allocation regimes should account for modelling uncertainty and provide for appropriate transition periods.

Estimates of nutrient loss are a necessary input to decisions on nutrient management but broader catchment-scale modelling is critical if these decisions are to be robust. There is an urgent need to increase the emphasis placed on catchment-scale modelling.

Decisions sought

- 1. Council and farmers have put significant amount of work into developing a nitrogen allocation method that aims to meet the principles and the objectives of the RPS however the introduction of property specific NDA's should be delayed. Given the current progress and continued predicted progress of initiatives within the catchment both in lake and from land uses, objectives of enhancing water quality may be met without the need to apply NDA's.
- 2. Council at least delay application of NDA's until current and 2017 science and modelling reviews are completed. Once these are completed that targets and catchment load reductions are reviewed.
- 3. Council immediately adopt an Integrated Nutrient Management Framework for Lake Rotorua working at a sub catchment level that aims to acknowledge existing and prioritise immediate on farm actions within current farm systems to meet the objectives of improved lake water quality – in order to achieve this that less internal focus is placed on compliance and understanding NDA's and is redirected towards land management staff leading sub catchment programmes/action plans in partnership with farmer led groups. This is a preferred approach to the current proposed plan.
- 4. In aiming to meet the 2022 Managed Reduction Target that a whole farm approach to managing the risks to water quality be adopted. Assessment of progress towards overall objective of improving water quality in Lake Rotorua should take into account a whole farm approach to managing nutrient discharge and the extent to which on farm actions that contribute to improved lake water quality have been previously undertaken or are planned and identified as a greater priority. Compliance with the plan should not be a single assessment of compliance with an NDA.
- 5. Council delete any reference to prescriptive input-based management ; and accordingly, remove all references in the rules to prescriptive management of farm plans farm plans are a method by which farmers can identify and describe actions to manage environmental risk specific to their properties and aligned with their overall objectives. They should not be used as a method by which councils aim to prescribe and or manage farm activities.
- 6. Provide for consistent use of Overseer throughout the plan change both in determining limits/ Nitrogen Discharge Allowances and in understanding and or modelling progress towards them refer to and use latest version of Overseer and ensure that plan provides for updates to NDA's and limits to accommodate the latest version of Overseer without the requirement for a plan change develop an expert reference group to support reviews That Council acknowledge the significant shifts in load estimates from Overseer version 5.4 to version 6.2 alongside recognition of catchment attenuation; that Rotan estimates of catchment loads are currently being revised; and that this revision will necessitate review of the RPS load numbers and load reduction targets
- 7. Require reduced reporting to 3 5 year cycle for properties that are below target Nitrogen Discharge Allowance where these exist
- 8. Reference to Nitrogen Management Plans should be deleted throughout the plan change and be replaced by nutrient management plans

- 9. If NDA targets and allocations are retained benchmarks should be calculated over a 5 year period with the highest number of those 5 years adopted as the benchmark. Where compliance with a benchmark or an NDA is required this should be calculated using the mean of the output files of 5 years of actual Overseer end of year budgets.
- 10. Any Nutrient Allocation framework or NDA applied at a property level adopted by council or included within this plan change should not be inconsistent with the B+LNZ principles of nutrient allocation included in the reasons for our submission. If this is adopted now or delayed until a future plan change, any policies or methods should move farmer behaviour around management of nutrients to be consistent with any proposed future approach.
- 11. The plan should provide for sufficient transition times from any allocation approach to provide optimal land use over time but to avoid any short term significant impacts on individuals or the local or regional economy
- 12. The plan change should be amended to be consistent with the Regional Policy Statement

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From:	rules
To:	"Matt Harcombe"
Subject:	RE: B+LNZ submission PC 10 land and water plan
Date:	Wednesday, 4 May 2016 4:29:00 p.m.

Good afternoon Matt. Thank you for your email.

This is to confirm that the Bay of Plenty Regional Council received your submission on Proposed Plan Change 10 on 28 April 2016. Your submission was considered late by the Bay of Plenty Regional Council as the initial submission was withdrawn and the amended version received after the closing time of the submission period (4.00pm, 27 April 2016). however the Water Policy Manager, under delegated authority, has decided to accept your submission pursuant to section 37A(1) of the Resource Management Act. It has been noted that you wish to be heard in support of your submission.

Under Clause 7(1) of Schedule 1 of the Resource Management Act 1991, staff will prepare a summary of all submissions and publicly notify its availability. A copy of the public notice will be sent to you. Any person (including you) will then have the opportunity to make a further submission in support of, or in opposition to, any of the original submissions.

If any change is required to your contact details, please let me know.

Regards Sue

Sue Simpson | Planning Coordinator | Bay of Plenty Regional Council | Tauranga, New Zealand | Ph: 0800 884 881 Ext. 8318 | Web: <u>www.boprc.govt.nz</u> Please consider the environment before printing this email

From: Matt Harcombe [mailto:Matt.Harcombe@beeflambnz.com] Sent: Thursday, 28 April 2016 10:46 a.m. To: rules Subject: RE: B+LNZ submission PC 10 land and water plan

Hi there

Please find attached a slightly amended version of the submission posted yesterday It contains some minor editing and the deletion of one paragraph

We consider that no other submitter will be disadvantaged by accepting this version I would appreciate if you could delete the previous version and accept this submission as the final version of B+LNZ submission

Many thanks Matt

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From: Matt Harcombe Sent: Wednesday, 27 April 2016 4:01 p.m. To: 'rules@boprc.govt.nz' Subject: B+LNZ submission PC 10 land and water plan

Please find attached B+LNZ submission on PC10 Lake Rotorua to the land and water plan.

Please note we wish to be heard in support of our submission

Matt Harcombe | Environment Programme Manager beef + lamb new zealand

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