

# **SUBMISSION ON**

# Change 1 to the Waikato Regional Policy Statement

2 December 2022

**To:** Waikato Regional Council

**Name of Submitter:** Horticulture New Zealand

## **Contact for Service:**

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# OVERVIEW

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## Our submission

Horticulture New Zealand (HortNZ) thanks Waikato Regional Council for the opportunity to submit on Change 1 to the Regional Policy Statement and welcomes any opportunity to continue to work with council and to discuss our submission.

HortNZ could not gain an advantage in trade competition through this submission.

HortNZ wishes to be heard in support of our submission and would be prepared to consider presenting our submission in a joint case with others making a similar submission at any hearing.

The details of HortNZ's submission and decisions we are seeking are set out in our submission below.

# HortNZ's Role

## Background to HortNZ

HortNZ represents the interests of approximately 5,500 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruit, and vegetables. The horticultural sector provides over 40,000 jobs. The value of the Horticulture sector is 6.95bn.

There is approximately, 80,000 hectares of land in New Zealand producing fruit and vegetables for domestic consumers and supplying our global trading partners with high quality food.

It is not just the direct economic benefits associated with horticultural production that are important. Horticulture production provides a platform for long term prosperity for communities, supports the growth of knowledge-intensive agri-tech and suppliers along the supply chain; and plays a key role in helping to achieve New Zealand's climate change objectives.

The horticulture sector plays an important role in food security for New Zealanders. Over 80% of vegetables grown are for the domestic market and many varieties of fruits are grown to serve the domestic market.

HortNZ's purpose is to create an enduring environment where growers prosper. This is done through enabling, promoting and advocating for growers in New Zealand.

## HortNZ's Resource Management Act 1991 Involvement

On behalf of its grower members HortNZ takes a detailed involvement in resource management planning processes around New Zealand. HortNZ works to raise growers' awareness of the Resource Management Act 1991 (RMA) to ensure effective grower involvement under the Act.

# Submission

## 1. Horticulture in Waikato

There are significant areas of horticulture within Waikato with large pockets of high-class soils (as defined in the Waikato Regional Policy Statement) strategically placed near the Auckland and Hamilton markets.

There is more than 6,500ha of horticultural activity in the Waikato region (predominantly vegetables). The most abundant crops include onion, potatoes, carrots, broccoli, lettuce, silverbeet, asparagus, berryfruit and kiwifruit<sup>1</sup>.

Table 1: Area planted in fruit (hectares).

Apples	Grapes	Kiwifruit	Summerfruit	Avocados	Citrus	Berryfruit	Nuts	Olives	Other	Total
144	15	412	50	101	13	350	26	34		1224

Table 2: Area planted in vegetables (hectares).

Asparagus	Broccoli Cab & Caulis	Squash	Carrot	Lettuce	Onion	Potato	Sweetcorn	Other	Total
425	236	84	192	16	1733	1280	83	760	4809

Table 3: Indoor crops (hectares).

Capsicum	Cucumber	Salad Green	Tomato	Other	Total
113	42	22	217	91	485

Agricultural Production Census 2017<sup>2</sup> data reported that there was 4,035 hectares of 'horticultural land and land prepared for horticulture' in the sub-region:

- 3466 ha in Waikato District
- 844 ha in Waipa District
- 25 ha in Hamilton City.

There is a significant area of vegetable growing around Tuakau and Pokeno – extending from the boundary with the Auckland region, and south of the Waikato River. This is part of the area termed the 'Pukekohe Hub'. Vegetables and fruit crops are also grown elsewhere throughout the sub-region.

<sup>1</sup> Freshfacts, 2020 (<https://www.freshfacts.co.nz/files/freshfacts-2020.pdf>)

<sup>2</sup> Agricultural Production Census 2017 Final Results by Territorial Authority. Statistics New Zealand

### **Pukekohe Hub**

The Pukekohe Hub straddles the Auckland Region and Waikato District boundaries; a significant portion including Tuakau, Pokeno, Aka Aka, Te Kohanga, Onewhero and Pukewaka is located within north Waikato. HortNZ commissioned Deloitte to undertake an analysis of the contribution of the 'Pukekohe Hub', this report found that:<sup>4</sup>

- The Hub's horticulture industry directly contributes approximately \$86 million per annum, in value-added terms, to the regional economy
- The Hub's horticulture industries indirect contribution, reflecting expenditure on intermediate inputs such as agriculture support services, water, machinery, feed, fertiliser and seed, is \$175 million per annum, in value-added terms
- The Hub employs 3,090 full time equivalents and 90% of the produce grown in the Hub is for the domestic market

There are locational reasons why the rural sector is so productive in northern Waikato related not just to the quality of soil but also access to freshwater, transport linkages, post-harvest facilities, access to labour, the proximity of the market and a diverse land parcel structure.

## **1.1. Gross domestic product and employment**

Within the Waikato district, 'horticulture and fruit growing' contributed \$46.2m to GDP in 2018<sup>3</sup>. This represents a 1.9 percent share of the districts total GDP, compared to a 0.5 percent share of total GDP for 'horticulture and fruit growing' at a national level<sup>4</sup>. In 2017, the onion industry generated \$29 million revenue in Waikato, accounting for 19 percent of the contribution of onions to the overall national revenue.

## **1.2. Domestic food supply**

A key growing area, the Pukehoke Hub, which straddles the Auckland Region and Waikato district boundaries includes a significant portion within north Waikato (including Tuakau, Pokeno, Aka Aka, Te Kohanga, Onewhero and Pukewaka). In a Deloitte report, it was reported that the horticulture industry in the Hub directly contributes approximately \$86 million per annum, in value-added terms, to the regional economy, employs 3,090 full time equivalents and 90 percent of the produce grown in the Hub is for the domestic market<sup>5</sup>.

## **2. Change 1**

Change 1 does not give effect to the National Policy Statement for Highly Productive Land (NPSHPL). The operative Regional Policy Statement defines highly productive land (high class soils) as follows:

*Those soils in Land Use Capability Classes I and II (excluding peat soils) and soils in Land Use Capability Class IIIe1 and IIIe5, classified as Allophanic Soils, using the New Zealand Soil Classification.*

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<sup>3</sup> <https://www.openwaikato.co.nz/>

<sup>4</sup> <https://ecoprofile.infometrics.co.nz/Waikatopercent20District/Gdp/Structure>

<sup>5</sup> New Zealand's Food Story. The Pukekohe Hub. Deloitte. 2018. <http://www.hortnz.co.nz/assets/Deloitte/New-Zealands-food-story-The-Pukekohe-hub.pdf>

Change 1 then proposes to introduce Map 6-2 to separately identify LUC 1 (within wāhi toitū) from LUC 2 and 3 (wāhi toitū). Map 6-2 then provides a different interpretation of high-class soils:

Wāhi toitū layers include high risk flood zones, instability risk, significant natural areas, wetlands, heritage sites, reserves, DOC land, QEII trust covenants, infrastructure corridors, outstanding natural features, steep slopes (25 degrees or greater), high class soils (LUC1), peat soil (depth greater than 3m), peat lakes (outside Rotokauri).

Wāhi toiora layers include moderate slopes (15-25 degrees), high class soils (LUC2 and 3 (allophanic)), peat soils (depth less than 3m), peat lake (Rotokauri only).

The operative Regional Policy Statement applies a consistent planning response to high class soils based on the definition. It does not suggest there is a productive capability difference that would require a tailored planning response regionally or in district plans.

The approach is confusing, inconsistent with the National Policy Statement for Highly Productive Land, developed through a Future Proof Growth Strategy that has deliberately, and outside of a Resource Management Act Schedule 1 process, defined a hierarchy of highly productive land and productive capacity without policy or scientific evidence, that will enable urban growth and rural lifestyle activity to compromise regionally and nationally significant rural production land.

HortNZ is highly concerned with this approach and the suggestion that this strategy then informs changes to the Regional Policy Statement and thereby lower order planning documents.

HortNZ strongly opposes the distinction made to separate LUC 1 (within wāhi toitū) from LUC 2 and 3 (wāhi toitū) and to then apply a different planning response and criteria to each for the purposes of directing growth management based on the following reasons:

- There is no policy basis for this in existing District, Waikato Regional or National planning frameworks
- The approach is directly contrary to the Waikato Regional Policy Statement which considers by definition and policy that all LUC1, 2 and 3 (Ille1 and e5) are high class soils and highly productive)
- The approach is contrary and does not give effect to the National Policy Statement for Highly Productive Land that considers all LUC 1, 2, and 3 as highly productive land pursuant to s3.5(7). Urban zoning, rural lifestyle rezoning, and development and subdivision of Highly Productive Land is to be avoided except as provided in the National Policy Statement for Highly Productive Land
- The Waikato Regional Policy Statement is required to adopt the definition of highly productive land as prescribed in the National Policy Statement for Highly Productive Land until such time as mapping of highly productive land occurs in accordance with s3.4.
- The approach conflicts with section 9 of the Future Proof Growth Strategy.

For the horticultural food production sector there is no distinction between LUC classes 1, 2 and 3 in terms of its critical need to support the production system. As much food is produced on LUC classes 2 and 3, as class 1. In the case of commercial vegetable production, the activity operates a rotational system across LUC classes 1, 2 and 3 that is necessary for sustaining soil health and productivity.

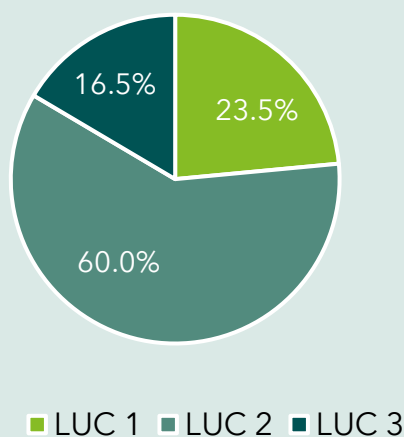
HortNZs analysis of short rotation cropland highlights that the majority of this land is LUC classes 2 and 3. If this land is put into alternative use (urban, rural lifestyle) then food cannot be produced.

### **Analysis of existing crop land across LUC 1, 2 and 3**

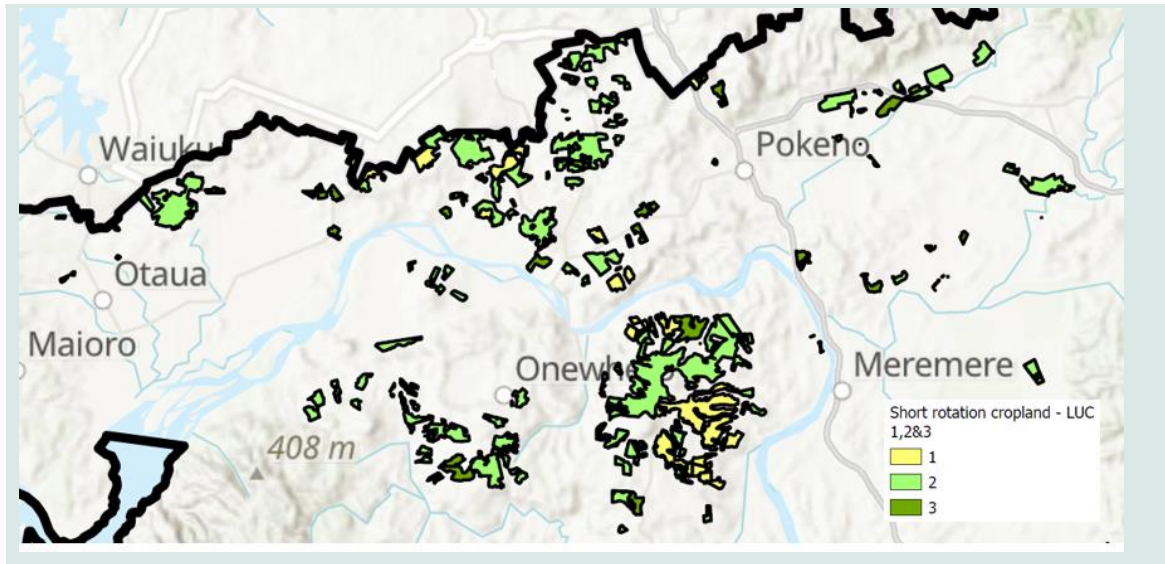
**Appendix A** includes an analysis of the area of short rotation cropland data (Land Cover Database version 5.0) as a proxy for existing vegetable growing land in the sub-region across LUC classes 1, 2 and 3.

This indicated that in the sub-region, of the approximately 7,500 hectares of short rotation crop land on LUC 1-3 land, the majority of this (76.5%) is located on LUC classes 2 and 3 (refer to figure below).

#### **Short rotation crop land - % on LUC 1, 2 and 3**



The bulk of the existing vegetable growing land in the sub-region is within the Waikato District (part of this being part of the 'Pukekohe Hub'). Within this district, 19.7% of short rotation crop land (on LUC 1-3) is located on LUC 1, 62.6% on LUC2 and 17.8% on LUC 3 (as shown below).



## Analysis of Short Rotation Cropland across LUC 1, 2, 3

### Sub-region (Waikato, Waipa and Hamilton City districts)

LUC	Hectares	Percentage (%)
<b>LUC 1</b>	1777.5	23.5
<b>LUC 2</b>	4545.4	60.0
<b>LUC 3</b>	1253.4	16.5
	<b>7576.3</b>	<b>100.0</b>

### By territorial authority

Territorial Authority	LUC Class	Hectares	Percentage (%)
<b>Hamilton City</b>	<b>1</b>	30.4	39.3
	<b>2</b>	47.0	60.7
<b>Waikato District</b>	<b>1</b>	1286.4	19.7
	<b>2</b>	4092.1	62.6
	<b>3</b>	1161.4	17.8
<b>Waipa District</b>	<b>1</b>	460.6	48.0
	<b>2</b>	406.3	42.4
	<b>3</b>	92.0	9.6



## Submission on Change 1

Without limiting the generality of the above, HortNZ seeks the following decisions on the Change 1 as set out below, or alternative amendments to address the substance of the concerns raised in this submission and any consequential amendments required to address the concerns raised in this submission.

Additions are indicated by bolded underline, and deletions by strikethrough text.

Provision	Support/ oppose	Reason	Decision sought
<b>Definitions</b>			
New definition - <u>Highly productive land</u>	New	To align with National Policy Statement Highly Productive Land	Include definition of highly productive land from the National Policy Statement Highly Productive Land
High class soils	Oppose	HortNZ strongly opposes the distinction made to separate LUC 1 (within wāhi toitū) from LUC 2 and 3 (wāhi toitū) and to then apply a different planning response and criteria to each for the purposes of directing growth management.	Delete definition and include definition of highly productive land consistent with National Policy Statement Highly Productive Land
<b>Significant resource management issues for the region</b>			

SRMR - 14 Managing the built environment	Support in part	Amendments to SRMR-14 do not give effect to the National Policy Statement for Highly productive Land.	Amend to identify what local authorities must do to give effect to the objectives and policies of the National Policy Statement for Highly productive Land
SRMR-PR4 Managing the Built Environment	Oppose in part	Amendments to SRMR-PR4 do not give effect to the National Policy Statement for Highly productive Land.	Amend to identify what local authorities must do to give effect to the objectives and policies of the National Policy Statement for Highly productive Land
IM-O1-Integrated Management	Oppose in part	Amendments to IM-O1 do not give effect to the National Policy Statement for Highly productive Land.	Amend IM-O1 to be consistent with and reference to s3.2 of the National Policy Statement for Highly Productive Land
UFD-O1 Built Environment	Oppose in part	Amendments to UFD-O1 do not give effect to the National Policy Statement for Highly productive Land.	Amend to identify what local authorities must do to give effect to the objectives and policies of the National Policy Statement for Highly productive Land.
UFD-P2 Built Environment	Oppose in part	Amendments to UFD-O1 do not give effect to the National Policy Statement for Highly productive Land.	Amend IM-O1 to be consistent with and reference to s3.2 of the National Policy Statement for Highly productive Land.
UFD-P14 Rural-Residential Development in Future Proof Areas	Oppose in part	Amendments to UFD-P14 do not give effect to the National Policy Statement for Highly productive Land.	Amend UFD-P14 to be consistent with Policy 6 and s3.7 of the National Policy Statement for Highly productive Land.
UFD-P18-Tier 3 Local Authority Areas Outside the Future Proof Strategy	Oppose in part	HortNZ strongly opposes the distinction made to separate LUC 1 (within wāhi toitū) from LUC 2 and 3 (wāhi toitū) and to then apply a different planning	Amend to identify that urban zoning, rural lifestyle rezoning and development and subdivision of Highly Productive Land is to be avoided except as

		response and criteria to each for the purposes of directing growth management.	provided in the National Policy Statement for Highly Productive Land
UFD-P19 Being Responsive to Significant Unintended and Out-Of-Sequence Growth Within Tier 3 Local Environments	Oppose in part	HortNZ strongly opposes the distinction made to separate LUC 1 (within wāhi toitū) from LUC 2 and 3 (wāhi toitū) and to then apply a different planning response and criteria to each for the purposes of directing growth management.	Amend to identify that urban zoning, rural lifestyle rezoning and development and subdivision of Highly Productive Land is to be avoided except as provided in the National Policy Statement for Highly Productive Land
UFD-M5 District plan provisions for rural-residential development	Oppose in part	The WRPS, Proposed Change 1 and the UFD-M5 does not give effect to the National Policy Statement for Highly Productive Land 2022.	Amend UFD-M5 to give effect to Policy 6-7 and s3.7-3.8 of the National Policy Statement for Highly Productive Land concerning rural lifestyle activity
UFD-M8 Information to Support New Urban Development and Subdivision	Oppose in part	The WRPS, Proposed Change 1 and the UFD-M8 do not give effect to the National Policy Statement for Highly Productive Land 2022.	Add information requirements to require analysis of the spatial arrangement of Highly Productive Land and how a proposal gives effect to the National Policy Statement for Highly Productive Land
UFD-M49 Out-Of-Sequence or Unanticipated Urban Growth	Oppose in part	The WRPS, Proposed Change 1 and the UFD-M49 do not give effect to the National Policy Statement for Highly Productive Land 2022.	Add criteria to set out the requirements of district plans and structure plans in regard to the National Policy Statement for Highly Productive Land
UDF-M55 District plan provisions and growth strategies managing rural residential development in the Future Proof area	Oppose in part	The WRPS, Proposed Change 1 and the UFD-M55 does not give effect to the National Policy Statement for Highly Productive Land 2022.	Amend UFD-M55 to give effect to Policy 6-7 and s3.7-3.8 of the National Policy Statement for Highly Productive Land concerning rural lifestyle activity

UDF-M56 Rural-residential development around Hamilton	Oppose in part	The WRPS, Proposed Change 1 and the UFD-M56 does not give effect to the National Policy Statement for Highly Productive Land 2022.	Amend UFD-M55 to give effect to Policy 6-7 and s3.7-3.8 of the National Policy Statement for Highly Productive Land concerning rural lifestyle activity.
UDF-M57 Directing development to rural-residential zones in the Future Proof area	Oppose in part	The WRPS, Proposed Change 1 and the UFD-M57 does not give effect to the National Policy Statement for Highly Productive Land 2022.	Amend UFD-M55 to give effect to Policy 6-7 and s3.7-3.8 of the National Policy Statement for Highly Productive Land concerning rural lifestyle activity.
UFD-M69 Council-approved growth strategy or equivalent in tier 3 local authority areas	Oppose in part	The WRPS and Proposed Change 1 do not give effect to the National Policy Statement for Highly Productive Land 2022.	Amend the criteria to identify what local authorities must do to give effect to the objectives and policies of the National Policy Statement for Highly productive Land
UFD-M74	Oppose in part	The WRPS and Proposed Change 1 do not give effect to the National Policy Statement for Highly Productive Land 2022.	Amend the criteria to identify the things local authorities must do to give effect to the objectives and policies of the National Policy Statement for Highly productive Land
UFD-PR1 Planned and co-ordinated subdivision, use and development	Oppose in part	The WRPS and Proposed Change 1 do not give effect to the National Policy Statement for Highly Productive Land 2022.	Amend UFD-PR1 to identify what local authorities must do to give effect to the objectives and policies of the National Policy Statement for Highly productive Land
UFD-PR11 Adopting Future Proof land use pattern	Oppose in part	Future urban and village enablement areas are identified on Map 43 before appeals on the Waikato District Plan that may affect the location and spatial extent of these areas	Await resolution of appeals on the Waikato District Plan before confirming Future urban and village enablement areas.

UFD-PR14 Rural-residential development in Future Proof area	Oppose in part	Amendments to UFD-P14 do not give effect to the National Policy Statement for Highly productive Land	Amend UFD-P14 to be consistent with Policy 6 and s3.7 of the National Policy Statement for Highly productive Land
UFD-PR18 Tier 3 Local authority areas outside the Future Proof Strategy	Oppose in part	HortNZ strongly opposes the distinction made to separate LUC 1 (within wāhi toitū) from LUC 2 and 3 (wāhi toitū) and to then apply a different planning response and criteria to each for the purposes of directing growth management.	Amend to identify that urban zoning, rural lifestyle rezoning and development and subdivision of Highly Productive Land is to be avoided except as provided in the National Policy Statement for Highly Productive Land
UFD-PR19 Being Responsive to Significant Unintended and Out-Of-Sequence Growth Within Tier 3 Local Environments	Oppose in part	HortNZ strongly opposes the distinction made to separate LUC 1 (within wāhi toitū) from LUC 2 and 3 (wāhi toitū) and to then apply a different planning response and criteria to each for the purposes of directing growth management.	Amend to identify that urban zoning, rural lifestyle rezoning and development and subdivision of Highly Productive Land is to be avoided except as provided in the National Policy Statement for Highly Productive Land.
UFD-M new	New	The WRPS, Proposed Change 1 and the UFD-M49 do not give effect to the National Policy Statement for Highly Productive Land 2022.	Add new method requiring territorial authorities to give effect to Policy 9 and s3.13 of the National Policy Statement for Highly Productive Land concerning managing reverse sensitivity and cumulative effects.
APP11 Development Principles	Oppose in part	The WRPS, Proposed Change 1 and the Development Principles set out in APP11 do not give effect to the National Policy Statement for Highly Productive Land 2022.	Amend General Development Principles as follows: h) be directed away from identified significant mineral resources and their access routes, natural hazard areas,

			<p>energy and transmission corridors, locations identified as likely renewable energy generation sites and their associated energy resources, regionally significant industry, high class soils, and primary production activities on those high class soils;</p> <p><b><u>.) The urban zoning of highly productive land is avoided, except as provided in the National Policy Statement for Highly Productive Land.</u></b></p> <p>Amend <b>Principles Specific to Rural-Residential Development</b> as follows:</p> <p><b><u>.) The rezoning and development of highly productive land as rural lifestyle is avoided, except as provided for in the National Policy Statement for Highly Productive Land.</u></b></p>
<p>APP13 Responsive Planning Criteria - Out-Of-Sequence and Unanticipated Developments (Future Proof Local Authorities)</p>	<p>Oppose in part</p>	<p>The WRPS, Proposed Change 1 and APP13 do not give effect to the National Policy Statement for Highly Productive Land 2022.</p>	<p>Add new Criteria A as follows:</p> <p><b><u>That the development avoids areas identified as Highly Productive Land (LUC 1, 2, and 3) on Map 44.</u></b></p>

APP14 - Responsive Planning Criteria - Out-Of-Sequence and Unanticipated Developments (Non-Future Proof Tier 3 Local Authorities)	Oppose in part	The WRPS, Proposed Change 1 and APP14 do not give effect to the National Policy Statement for Highly Productive Land 2022.	Add new Criteria as follows:  <b><u>That the development avoids areas identified as Highly Productive Land (LUC 1, 2, and 3) on Map 44.</u></b>
Map 43 Future proof indicative urban and village enablement areas	Oppose in part	Future urban and village enablement areas are identified on Map 6-2 in the Waikato District, before appeals on the Waikato District Plan that may affect the location and spatial extent of these areas.	Await resolution of appeals on the Waikato District Plan before confirming Future urban and village enablement areas.