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OF NEW ZEALAND

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Submitter 2540 / Further Submitter 2746

Proposed Queenstown Lakes District Plan

Stream 14: Wakatipu Basin Variation

Hearing Statement on behalf of Federated Farmers of New Zealand.

## **I. INTRODUCTION**

1. My name is David Cooper. I am a Senior Policy Advisor for Federated Farmers of New Zealand. I hold a Bachelor's degree in Economics, and a Master's degree in Politics, from the University of Otago. I have represented the needs and interests of our farming members across the South Island for the past nine and a half years in a policy role, particularly in the Otago region.
2. As a Senior Policy Advisor at Federated Farmers I provide advice on local government and RMA planning and policy issues to Federated Farmers provincial committees and members across the South Island in the context of farming related issues. This role involves regular and close interaction with a wide cross section of the farming community, often in the context of discussing how resource management policies and rules affect farming enterprises and the rural community, and assessing the impacts of proposed provisions on the economic viability of primary production and the broader socio-economic impacts on rural communities.

## **II. CONTEXT TO OUR SUBMISSIONS TO THE WAKATIPU BASIN VARIATION**

3. In relation to the Proposed District Plan's overall approach to farming - Federated Farmers has been involved throughout Queenstown Lakes District Plan review ('the PDP'). In respect to provisions relating to the rural areas of the District, our primary focus has been ensuring that farming and farming activities are appropriately provided for.

4. From an economic perspective, the lower intensity farming activities provided for in the PDP are only viable if they provide sufficient direct economic return to the farmer. If a farming operation is unable to at least cover operating costs (either through farming directly, or through complimentary and compatible activities) it is not sustainable long term. While the actions and decisions of individual owners certainly play an important part in this economic viability, so too does the regulatory environment within which the farmer operates.
5. The PDP in turn plays an important part in enabling the ongoing economic viability of farming in the Queenstown Lakes District, in that if the provisions are inappropriate or onerous, they can impose significant and unnecessary costs. Importantly, these costs can include both direct regulatory costs, and costs resulting from uncertainty where the provisions are unclear or overly reliant on subjective values.
6. Consequently, our primary focus in submitting to the PDP has been on ensuring farming and related activities are enabled in the rural zones of the District. As a general view, we consider the approach taken through the PDP appropriately provides for farming and farming related activities, and as a result recognises the positive direct and indirect contribution farming makes to the District's amenity. This enabling approach is to the benefit of the District, as farming activities positively contribute to the District, particularly in respect to maintaining the District's rural amenity values.
7. A balance is required - At the same time, we are cognisant there is significant pressure for further development in the District. Consequently, there are significant drivers for the development of current farming or rural land uses into alternative land uses, particularly residential and rural residential land use, and significant 'opportunity costs' if there is not some capacity for reasonable or compatible development.
8. From an individual landowner's perspective, these drivers for land use change are such that the direct economic returns from land development often significantly outweigh the economic returns provided through extensive farming. In short, for many of the District's farmers the most economically viable use of their land is for residential or rural

residential development, rather than farming. A consequence is that, all else equal, farmers often face significant opportunity costs for continuing to farm.

9. Where extensive farming does remain economically viable, often this viability may be underpinned by either longstanding ownership of the property (or a low level of indebtedness) or the ability for landowners to make reasonable land use decisions which enable sustainable economic use of the land.
10. These land use decisions can include the need to develop alternative but complementary business opportunities within the rural area, or subdivide and develop to allow for farm succession, or to provide housing for farm workers and family. Some farmers will also need to develop land that is marginally productive or where the primary production use for that land is significantly outweighed by an alternative land use. In these latter examples the ability to develop, subdivide or change land use in a manner that is compatible or does not conflict with rural amenity values can underpin the long term economic viability of the farming operation overall.
11. These tensions, the feasibility of development, and the feasibility (and worth) of restricting development in order to retain rural and other amenity values, differ across the various zones identified in the District through the PDP. Logically, from an economic perspective the PDP should reflect these differences as much as possible. Such is the case with the Wakatipu Basin variation to the PDP.
12. We agree with the overall approach proposed through the PDP. We agree with the development of specific rules for each zone, with specific provisions used within each zone to define what is or is not appropriate development for that zone. As we have submitted in respect to each zone, as a rule we broadly agree with the overall purpose and the majority of objectives proposed for each zone.
13. While individual farmers will have submitted in respect to the proposed provisions as they relate to their specific properties, we have focussed our submissions on evaluating whether the provisions proposed for each zone are reasonable and recognise the need for a balance between enabling appropriate and compatible land use and development

on one hand, while recognising that there is finite capacity for some activities in the rural areas if the valued qualities of the rural areas are to be sustainably used, maintained and enjoyed.

14. The Wakatipu Basin context - We have read and considered the conclusions of the Wakatipu Basin Land Use Planning Study, March 2017 (the Land Use study). We have also read and considered the evidence and rebuttal evidence of Mr Craig Barr, and the evidence put forward by other submitters, particularly from farmers or larger landowners who are seeking to undertake further (or non-farming) development.

15. We note the general agreement that farming is no longer the dominant land use within the Wakatipu Basin. In our view this is best encapsulated in the conclusion to the Land Use study:

*“...existing character is perceived to no longer reflect a traditional rural productive farming landscape and built environment character; rather it has a rural amenity value and character that derives from a mix of rural activities that reflect lifestyle uses of land, with a limited component of what could best be termed ‘hobby farming’. There are few larger blocks of land that are actively farmed for productive purposes, and they tend to be located in the outer ‘peripheral parts’ of the Basin (e.g. Crown Terrace).*

16. This conclusion matters, as it indicates there is little benefit in the PDP holding to the idea that the Wakatipu Basin should be considered a ‘farming landscape’, and held to standards relevant to the other rural areas of the District. In our view this conclusion underlines the need to ensure farming is clearly provided for in the Wakatipu Basin variation, while also tilting the factors towards enabling further compatible development.

### **III. SPECIFIC PROVISIONS PROPOSED FOR THE WAKATIPU BASIN**

17. Federated Farmers supports the overall approach proposed for the Wakatipu Basin. We strongly support the intention that farming and farming related activities are enabled within the Zone, and we support the exemptions for small farm buildings from the requirement for a resource consent.

18. We also support the general policy framework proposed, including the Wakatipu Basin Rural Amenity Zone and Wakatipu Basin Lifestyle Precinct. We recognise the benefit of providing minimum lot sizes in order to retain the desired amenity values; however we consider it is important there is provision for dispensations to the proposed minimum lot sizes in the form of the proposed discretionary activity criteria. We consider the proposed discretionary activity status is the most reasonable approach for considering individual applications (and potential effects) on a case by case basis given the diversity of geography, topography, and the ability for developers and landowners to propose specific solutions to mitigate or address potential visual amenity impacts.
19. Federated Farmers notes there are a number of individual landowners who are seeking amendments to individual landscape overlays and provisions as they relate to specific properties. We support individual farmers putting forward their own concerns around how proposed mapping and provisions may impact the feasibility of their individual farming operations, and how proposed provisions or maps may need to be amended to meet the objectives of the PDP at least cost to those farmers.
20. We have largely supported the specific provisions proposed for the Wakatipu Basin. Mr Barr addresses these areas of support in his evidence. For the remainder of this hearing statement I will take the provisions we have supported as read, and focus on areas where we disagree with the proposed provisions or where there has been a significant change proposed as a result of submissions. For clarity's sake, where I do not address a provision we are broadly accepting of the Officer's report recommendations.
21. Objective 24.2.1 Landscape character and visual amenity values are protected, maintained and enhanced – Federated Farmers submitted seeking that this Objective be amended as we were concerned that the requirement to 'protect, maintain and enhance' landscape and visual amenity values set too high a bar. Mr Barr has responded (at para 20.7 of his evidence) that the "*objective needs to be viewed through the lens of the overall policies and rules, and that farming is a permitted activity (Rule 24.4.2)*".

22. We recognise the points Mr Barr makes about considering the Objective through the lens of these provisions, and that it “*is landscape change associated with rural living developments that are the focus of the policy framework*”. Therefore, while from a plan user’s perspective we would prefer that the Objective is amended to reflect the practical and marginal changes are expected to occur as a result of some practices (particularly farming) while the overall amenity values are maintained or enhanced, we recognise there is a need to send a signal in respect to rural living.
23. In short, as long as the overall permitted activity approach for farming remains as proposed, and there is some provision for exceptions for development to be considered in the basin on a case by case basis, as has also been proposed, we are not strongly opposed to the retention of the Objective for the reasons Mr Barr has outlined.
24. Policy 24.2.1.6 – We, and other submitters, sought minor wording amendments as we were concerned with the implications of the word ‘avoid’. The Officer’s report makes recommendations to amend this Policy, to soften the policy and remove the word ‘avoid’, refocus on the location, design and scale of activities, and aim for maintenance and enhancement of values. We support the proposed changes for the reasons outlined.
25. Policy 24.2.1.8 – We support the Officer’s report recommendation that this policy is deleted. In our submissions we were concerned at the implications of the proposed policy, particularly use of the word ‘protect’, and what this may mean for working landscapes which are subject to some change even though this would not undermine the overall amenity values of the Basin.
26. Objective 24.2.4 – We support the Officer’s report recommendations that the words ‘land use’ be deleted from this Objective. We agree with the intent of the policy as it relates to subdivision and development, but inclusion of the words ‘land use’ as originally notified had the potential to cause unnecessary confusion between regional and district council functions from a plan user’s perspective.

27. New Policy 24.2.4.7 – We support the proposed wording of this new policy, as it seeks to “*encourage the removal of trees with wilding potential as part of development proposals, and where necessary, provide non-wilding species as replacements to maintain landscape character and amenity values*”. We consider this policy is well worded and balanced, giving direction, while focusing on development proposals as a trigger for regulatory intervention.
28. Rule 24.4.14 – This rule was originally notified as a Discretionary Activity and addresses: *Retail sales of farm and garden produce and wine grown, reared or produced on-site or handicrafts produced on the site where the access is onto a State Highway.*
29. Federated Farmers submitted seeking this is amended to a Restricted Discretionary activity given the matters for discretion should be easy to identify, including visual impact and safety. The Officer’s report has recommended this Rule be changed to a Restricted Discretionary activity, with the matters for discretion restricted to access safety and transportation effects, and on-site parking.
30. We support this change. While this may seem a trivial matter, the ability to sell produce roadside is a source of pride for many of the District’s producers, and offers a useful avenue for additional revenue at low marginal cost. We agree with the Officer’s report that the matters for discretion are relevant.
31. Again, where we have not addressed a specific provision, we have either supported the notified version or we are happy with the Officer’s report recommendations. We thank Council for its comprehensive S42a report and background information.

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