

Paper for Discussion with Stakeholder Advisory Group, 18 November 2013

Determining which properties require resource consent and what kind of consent is required

Feedback Required

Staff are seeking feedback from the Stakeholder Advisory Group on:

1. Determining whether a property requires resource consent.
2. Activity classes for resource consent that reflect the scale of nitrogen loss.

Determining whether a property requires resource consent

In the Lake Rotorua catchment there are a large number of small properties that will have varying rates of nitrogen loss. Appendix One provides a breakdown of the number of small land holdings in the catchment. The consenting process is resource hungry – the time and money costs associated with consent applications need to be balanced with the level of effects from an activity. In this case the effects are determined by the level of nitrogen loss.

Staff consider there are two approaches in determining whether a property requires consent:

- a) A nitrogen threshold approach
- b) A property sized approach

A nitrogen threshold approach

Under this approach, we would require consent for properties with property loss over a specified discharge level, for example 10kg/ha/yr.

By extrapolating data from what we know about land use, we estimate the number of properties that have a nitrogen loss rate higher than 10kg/ha/yr to be around 789.

Property size	# properties	# properties <10kg/N/yr	# properties requiring resource consent
0.4 - 4.0 ha	1611	1208	403
4.0 - 10 ha	385	173	212
10 - 20 ha	185	65	120
20 - 40 ha	122	42	80
40+ ha	128	26	102
Total	2431	1514	789

Please note this information is unlikely to be precise and should be used for indicative purposes only.

Points to consider for this approach:

- Effects based (ie based on the actual nitrogen discharge) which aligns with the intent of the RMA
- Reflects STAG concerns that smaller land holdings can have large nitrogen losses that need to be managed

- Also reflects StAG concerns that all farm systems should be managed equally – so the same rule should apply to a dairy support unit whether it is 10ha or 100 ha
- Would result in many small properties requiring resource consent, which will have associated administration and monitoring costs
- Landowners will need advice and support to help them determine whether they need consent
- Smaller land holdings owners not aware of proposed changes
- Need to be mindful of the NDA ranges – if 13 becomes 9-17, then the threshold will have to be lower than the lowest point in the range

Property sized approach

Under this approach, properties over a specified size would require consent. As shown in the table below, if we were to require consent from properties over .4 hectares, 2431 resource consents would be required. Likewise if we were to choose 4 hectares as a property size threshold, 810 consents would be required and the cumulative effect of the 1611 smaller properties would be managed through permitted activity conditions.

Property size	# Properties
0.4 - 4.0 ha	1611
4.0 - 10 ha	385
10 - 20 ha	185
20 - 40 ha	122
40+	128
TOTAL	2431

Points to consider:

- Allowing smaller land holdings to be permitted activities (that is, allowed for) would mean a lot less resource consents would be required. This would be far less resource intensive.
- Harder to manage and monitor the cumulative effects of permitted activities. Not really enforceable to require a permitted activity to provide reporting every year and so monitoring costs would have to be borne by Council
- Just permitting an arbitrary property size will have equity issues.
- Does not necessarily support good land management practice on small land holdings

To discuss...

Is there a preferred approach to determine which properties needs resource consent? For example, a threshold based on nitrogen loss or property size?

What type of resource consent is required?

The Resource Management Act provides for a cascade approach that allocates an activity class according to the severity of effects. In this case the effects are the rate of nitrogen loss.

Staff have been working on a skeletal rule structure. Essentially, thinking about what land uses we can permit and what level of control is required through the resource consent process. The detail of consent conditions is yet to come and will need to be worked through with STAG and the sub-committee.

An innovative approach staff are considering is an on-line anonymous template approach (linked to some basic Overseer-based questions) which would assist landowners in knowing whether they are likely to meet permitted conditions and if not what kind of consent they will need.

Our thinking so far.....

Permitted

Activities specified as permitted can occur 'as of right' without the need to obtain resource consent.

1. Properties less than .4 ha
2. Properties larger than .4 ha but have nitrogen loss less than 10kg/ha/yr

Controlled (but with differing levels of reserved control)

Activities specified as controlled are activities will require resource consent but consent must be granted. Applications for a controlled activity will be assessed against matters which Council has reserved control. The matters of control would be different for each activity set out below.

1. Low level exceedances (eg up to 12kg/ha/yr)
2. Nitrogen loss from properties already achieving their allowable 2032 NDA's
3. Nitrogen loss from properties discharging over 10kg/ha/yr that have approved Farm Management Plans that demonstrate staged reduction to meet NDAs by 2032
4. Trading of nutrient discharges that allows increases in nitrogen loss if it can be offset in Lake Rotorua catchment

Non-complying

Activities specified as non-complying may or may not receive consent. The consent application must meet RMA threshold criteria and meet the objectives and policies of the regional plan. These applications may or may not be notified.

1. Nitrogen loss from properties that do not meet Permitted and Controlled rule requirements
2. Increases in nitrogen loss that can not be offset

To discuss...

Will the proposed consenting approach ensure we can meet our targets for nitrogen loss?

Are we pitching the discharge and/or property threshold at the right level? Does it reflect the appropriate level of intervention?

Are there are other important considerations for the resource consent process?

Background – land use and nitrogen loss on small holdings

The Lake Rotorua groundwater catchment area covers approximately 46,376 ha. It is estimated that approximately 11,871 ha of this is made up of properties 0.4 – 40ha in size. This means “small holdings” make up approximately 26% of the catchment.

The number of properties in different size classes is shown in the table below. 70% of small properties are 0.4 – 4.0 ha, however these properties make up less than 20% of the total (small property) area. Conversely, only 5% of small properties are 20 – 40 ha but these make up over 30% of the total (small property) area.

Property size	# Properties	Proportion of total number of small properties (%)	Proportion of total area in small properties (%)
0.4 - 4.0 ha	1611	70.0	19.3
4.0 - 10 ha	385	16.7	22.1
10 - 20 ha	185	8.0	26.3
20 - 40 ha	122	5.3	32.3
TOTAL	2303		

Land use on small holdings is very similar (proportionately) to land use across the catchment (see below). The main differences, as would be expected, are that there is less land in dairy and more land in drystock.

Land use	<i>Small holdings - groundwater</i>		<i>Benchmarking information - surface water</i>	
	Area (ha)	Proportion of total area (%)	Area (ha)	Proportion of total area (%)
Bush and Scrub	2,447.25	20.61	8,519.62	23.14
Crop	230.80	1.94	65.58	0.18
Cut and Carry	2.06	0.02	172.32	0.47
Forestry	1,372.97	11.57	7,116.41	19.33
House	37.01	0.31	81.91	0.22
Non-productive	64.63	0.54	135.80	0.37
Pastoral (Dairy Support)	849.91	7.16	2,196.41	5.97
Pastoral (Dairy)	535.41	4.51	4,469.75	12.14
Pastoral (Dry Stock)	5,328.97	44.89	13,340.39	36.24
Riparian	30.37	0.26	409.45	1.11
Uncategorised	121.66	1.02	302.70	0.82
Urban	850.56	7.16		
Total	11,871.60		36,810.33	

A breakdown of the most common land uses in each size class of small properties shows that drystock is the most common land use in all size classes (see below). Dairy support is most important on properties 10 – 40ha.

0.4 - 4.0 ha		4.0 - 10 ha		10 - 20 ha		20 - 40 ha	
Pastoral (Dry Stock)	33.2	Pastoral (Dry Stock)	50.0	Pastoral (Dry Stock)	46.2	Pastoral (Dry Stock)	51.1
Forestry	23.7	Bush and Scrub	26.8	Bush and Scrub	17.2	Bush and Scrub	20.4
Bush and Scrub	19.1	Urban	6.3	Pastoral (Dairy Support)	11.3	Pastoral (Dairy Support)	10.0
Urban	18.0	Forestry	4.9	Forestry	8.5	Forestry	7.6
Pastoral (Dairy Support)	2.1	Pastoral (Dairy Support)	4.9	Pastoral (Dairy)	6.4	Pastoral (Dairy)	5.9
TOTAL (%)	96.1		92.9		89.7		95.1

It is difficult to determine how much nitrogen loss can be attributed to properties <40ha. Our best available information for the groundwater catchment is ROTAN:

Sector	ROTAN area (ha)	% total GW catchment	average N loss (kg/ha)	total N loss (t/yr)	% total GW N loss (755tN/yr)
Dairy	5050	10.9	54.1	273.2	36.2
Drystock (including lifestyle & dairy support)	16125	34.8	15.7	253.2	33.5
TOTAL	21175	45.7		526.4	69.7

If we extrapolate the information we have on properties <40ha using ROTAN N loss values, we can get a rough estimate of the N loss that could be attributed to small properties. Properties <40ha could be contributing up to 17% of the total catchment load, or 130 of the 755 tN/yr:

Source of nitrogen	Area in use (ha)	% of area <40 ha	Total N extrapolated	Potential % total sector N	Potential % total catchment N
Dairy	535.4	4.5	29.0	10.6	3.8
Drystock	6411.7	54.0	100.7	39.8	13.3
TOTAL	6947.2		129.6		17.2