

Lake Rotorua Draft Nitrogen Rules – Consultation Report

**HAVE
YOUR SAY:**
Draft rules for rural land
use in the Lake Rotorua
catchment

Land use is affecting the health of Lake Rotorua
and we all need to be part of the solution.

 **ROTORUA
TE ARAWA
LAKES
PROGRAMME**

Ko te wai te ora o ngā mea katoa
Water is the life giver of all things

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Acknowledgements:

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Lake Rotorua Draft Nitrogen Rules Report Final (November 2014)

Executive summary

As part of the Bay of Plenty Regional Council (BOPRC) developing the draft rules for managing nitrogen in the Lake Rotorua catchment an intensive period of consultation has been carried out between mid-July and the end of October 2014. The purpose of this consultation was to increase awareness amongst the community about what the rules needed to achieve and how the rules will impact land owners and users once they have effect.

BOPRC communications and engagement staff developed a schedule for consultation which included a number of public and Māori drop-in days, public information sessions/open days, Hui and sector meetings. The consultation and engagement period was widely advertised through different mediums, including Facebook, radio and press adverts, emails and YouTube. Local, sector specific and national media also covered the consultation through articles and news stories. Feedback was provided via different channels including telephone, in person, online and post or email. A range of supporting documentation was made available to the public.

Following feedback in the early stages of consultation some additional meetings were held focusing on the small landowner/lifestyle block sector and Māori landowners. In response to requests from iwi and the public for additional consultation time, the consultation deadline was extended from 14 October to 31 October 2014.

Over 330 feedback forms, emails or letters were completed by the general public, sector organisations, large land block representatives and Māori landowners. While many respondents noted that they supported the intent of the proposal to improve the water quality of Lake Rotorua, there were some recurring themes of concern identified by the feedback. Some of the potential impacts from these were clearly distressing for a number of respondents. The main feedback included:

- There was much concern voiced that the proposal, in general, gives an unfair advantage to the highest nitrogen dischargers whilst placing restrictions on activities not contributing to the problem.
- Many comments related to the importance of positively recognising and accounting for both land use capability and responsible environmental land management decisions.
- It was felt that those landowners who had been actively involved in retiring land, reducing nitrogen inputs, and other similar management approaches should be rewarded and that the proposal should promote incentives to replace high nitrogen emitting activities with low nitrogen emitting ones.
- Māori landowners were concerned that the proposed approach will result in inequity and effectively penalise them for their historically low contribution to the current levels of nitrogen. In particular the suggested approach to allocate nitrogen was opposed in terms of fairness and equity as it was felt it contradicts the effects-based philosophy of the Resource Management Act 1991 (RMA). There was unease amongst Māori landowners that the measures do not promote incentives to replace high nitrogen emitting activities with low nitrogen emitting ones.

- More than $\frac{3}{4}$ of the respondents felt that the proposed consenting approach was not reasonable. There was unease about the lack of fairness, the costs and the lack of allowance individual management approaches. People generally had a preference for voluntary methods to reduce nitrogen to be used.
- Nearly all the respondents had reservations with the consenting process proposed. It was felt that the proposal would have significant and detrimental impacts on Rotorua's economy, reducing property values and income levels.
- Over $\frac{3}{4}$ of the respondents did not support a short-term consent for farmers who do not want to make planned, progressive nitrogen reductions. Respondents stated the latest reports show lake quality is improving so the proposal is not needed and that the BOPRC should help people alter management practices and look at other options.
- More than $\frac{3}{4}$ of the respondents did not support the suggested approach to allocate nitrogen to land use. People felt that the low nitrogen discharges would be subsidising the high nitrogen dischargers. They disagreed with sector averaging and grand parenting and considered the allocation should be on land use capability (natural capital). In particular, it was noted that there is a huge farming variation within drystock that hasn't been allowed for.
- Over $\frac{3}{4}$ of the respondents did not believe the % reductions for dairy and drystock sectors proposed were reasonable. It was believed the approach would have a significant negative economic impact on the viability of Rotorua's economy. Many respondents felt the levels were too high, causing people to significantly understock and result in grass management and weed issues that would have to be managed with chemicals rather than stock.
- The vast majority of respondents said they would prefer an alternative method. Suggested methods included: purchase land; improve management information; different levels of allocations for lifestyle block; single fixed pastoral average; land use capability (natural capital); and promoting other forms of fertiliser.
- The vast majority of respondents believed that additional factors needed to be recognised in setting individual Nitrogen Discharge Allowances (NDA). This included offsetting land voluntarily retired before 2001, considering individual circumstances and including all aspects of farm management.

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Project history

The operative Regional Policy Statement (RPS) provides specific direction for the management of nitrogen in the Lake Rotorua catchment. It requires that the total amount of nitrogen that enters Lake Rotorua shall not exceed 435 tonnes per annum. Policy WL 6B part (c) states that:

No discharges shall be authorised beyond 2032 that result in the limit for Lake Rotorua being exceeded. A catchment intermediate target for the managed reduction of nitrogen loss is to be set to achieve 70% of the required reduction from 746 t/yr to 435 t/yr by 2022.

The best available science has determined that a sustainable nitrogen limit of 435 tonnes per year is required to achieve the water quality target set by the community based on a desire for water quality experienced in the 1960s.

The current nitrogen load to the lake is 755 tonnes, so a reduction of 320 tonnes is needed. 50 tonnes can be reduced through urban and engineering solutions such as reticulation of lakeside communities and removal of nitrogen from geothermal sources. Nitrogen loss from rural land needs to be reduced by 270 tonnes, about half of the current annual nitrogen input of 526 tonnes.

Council has previously confirmed rules will be required to give effect to the intent of the RPS. Over the past eighteen months, a significant amount of work has been undertaken to develop draft rules to manage nitrogen loss in the Lake Rotorua catchment. A draft rules structure has been developed with the Lake Rotorua Catchment Stakeholder Advisory Group (StAG) providing advice and guidance into this process.

Consultation with stakeholders and the community is an essential part of developing the rules on managing the nitrogen loss. An intensive period of consultation was planned for mid-July to mid-October 2014. The purpose of this consultation was to increase awareness about what the rules needed to achieve and how the rules will impact land users once they have effect. In addition, views on possible alternatives to the proposed rules would be sought.

Public consultation on the draft rules ended on 31 October 2014. Feedback will be assessed by the Regional Council and discussed with StAG. The revised draft rules will go before councillors in December in preparation to formally notify proposed rules in March 2015. The public will then be able to make formal submissions on the proposed rules and present views to a Hearing Panel.

Purpose of this report

The report has been prepared to:

- Summarise the feedback and submissions received during the consultation period;

- Assist with developing the rules for managing nitrogen in Lake Rotorua and preparing a section 32 report of the evaluation of the policy proposals; and
- Provide stakeholders, landowners and the community with information on the feedback received and how the information will inform decision-making.

This report is a summary of the views expressed in the public submissions and feedback made to the BOPRC during the consultation period between July and October 2014. They are not the opinion held by BOPRC.

Consultation and engagement process

The draft rules set out how NDA will be allocated to individual rural properties using a mix of resource consents and permitted activities. The rules are likely to affect all properties over 2 hectares in the Lake Rotorua groundwater catchment. The new rules will require a shift in the way land is managed, and will potentially result in lower farm profits and farm values.

Whilst significant science and planning has gone into developing the rules in collaboration with StAG, staff were aware from the outset that once individuals began to understand how they would be impacted by new rules they will feel aggrieved. For this reason the consultation process was designed in a way that attempted:

- Provide transparency and balance in the rule development approach;
- Engage with the general community in developing the rules and encourage feedback;
- Consult with a wide range of stakeholders and encourage feedback;
- Identify key issues and concerns with the draft rules; and
- Provide responses to the feedback received.

Consultation activities

Council communications and engagement staff developed a schedule for consultation between mid-July and 14 October 2015. These included:

- Public information sessions/open days
- Sector meetings
- Public drop-in days

The public were also able to provide feedback through a number of channels, including:

- By telephone - To Regional Council on 0800 884 880 and speak to staff
- In person - Visit the Regional Council offices and speak to staff
- Online - Complete the online feedback form
- Through the post or email - Complete and post or email the feedback form on the Have Your Say brochure

A range of information sessions were held to make sure farmers, landowners and the wider community were provided with the information they needed to be fully informed about the process, as shown in the table below.

| Date | Meeting | Sector | Attendees |
|------------|------------------------------------------|-------------------------------|-------------------------------------------|
| 23/06/2014 | Deer Farmers AGM | Deer Farmers | |
| 2/07/2014 | TALT pre-briefing | TALT trustees | |
| 2/07/2014 | Bayleys Rural Agents | Rural Professionals | Bayleys agents |
| 10/07/2014 | First National and Harcourts Rural Teams | Rural Professionals | Agents |
| 9/08/2014 | Rotary caravan | Business | Rotary Caravan national |
| 24/07/2014 | Property managers | Rural Professionals | Property Managers team |
| 7/08/2014 | Rotorua Lakes Community Board | Political and residence | Lakes Board and public |
| 21/07/2014 | TALT Governance Board | Iwi Political | Full Board |
| 16/07/2014 | Rotorua District Council | Political | Full Council, Mayor and 20 public members |
| 17/07/2014 | Rural Professionals | Rural Professionals | Rural professionals |
| 22/07/2014 | Dairy sector | Dairy | List available |
| 28/07/2014 | Drystock sector | Drystock | List available |
| 30/07/2014 | Public Open Session | All | 70 |
| 8/09/2014 | Drop in day | Small blocks | 22 sets people |
| 8/09/2014 | Collective public meeting | Drystock | 70+ farmers |
| 26/08/2014 | 1 on 1 meeting | Dairy | 1 |
| 26/08/2014 | Concerned farmers | Dairy and dairy support | 4 |
| 17/09/2014 | Drop in day | Small blocks | 24 sets people |
| 22/09/2014 | Drop in day | Small blocks | 54 sets people |
| 22/09/2014 | Collective public meeting | Drystock | 150 |
| 1/10/2014 | Drop in day | Small blocks | 33 sets |
| 1/10/2014 | Small block owners public meeting | Small blocks | 150+ |
| 7/10/2014 | Collective public meeting | Dairy, drystock, small blocks | 70+ |
| 9/10/2014 | Councillors meeting with Collective | Collective | |

| | | | |
|------------|--------------------------------------------|--------------------|------------------------------------------------------------|
| 18/09/2014 | Grow Rotorua Contractor | Professional | |
| | Kaitiaki Kiwi | urban | |
| 29/07/2014 | Māori land owning trusts | Diary and drystock | Tokerau A14A2 Trust Board, Maraeroa Trust Board, Takehe 8c |
| 10/09/2014 | Dairy farmer in catchment and Consultant | Diary | 2 |
| 14/10/2014 | Meeting with RDC Councillors | Political | RDC Councillors |
| 20/10/2014 | Drop in day for Māori landowners (all day) | Māori land | |
| 21/10/2014 | Hui for Māori landowners | Māori land | |
| 22/10/2014 | Hui for Māori landowners | Māori land | |
| 23/10/2014 | ASB bank sustainability/rural team | Rural agents | 12 |
| 28/10/2014 | Drop in day for Māori landowners (all day) | Māori land | |
| 28/10/2014 | Hui for Māori landowners | Māori land | |

At the end of August and the end of September updates summarising the feedback from consultation to date were posted on the website to provide the community with a snapshot of the general feeling about the proposal at different stages through the consultation period.

Additional consultation activities

Following feedback in the early stages of consultation some additional meetings were held. These were focused on the small landowner/lifestyle block sector.

In response to requests from iwi and the public for additional consultation time the consultation deadline was extended from 14 October to 31 October 2014.

Work was undertaken by GHA to assist in raising awareness and encouraging feedback from Māori landowners regarding the draft nitrogen rules and incentives framework. This work is summarised in the *Summary Report - NDA Rules Presentations and Promotion amongst Māori Land Owners* (November 2014).

Supporting information

A wide range of supporting information was prepared to assist the community to understand the proposal. The consultation information was made available to the public online on the Rotorua Te Arawa Lakes Programme website (www.rotorualakes.co.nz), was available at the public meetings and could be posted to people if requested. This information is outlined in the table below.

| Name | Description |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Lake Rotorua Groundwater catchment map | An indicative map of the Lake Rotorua groundwater catchment area with the ability to zoom in on the catchment line and see property boundaries |
| Have Your Say brochure | A summary of the draft rules and what they mean for landowners |
| Rules – Q&As | Answers common questions on the draft rules to limit nitrogen loss from rural land |
| Resource consents | Provides an overview of what a resource consent is and the different consent types |
| Nitrogen Discharge Allowances | Provides an explanation of the preferred allocation approach, why it was chosen and the different allocation options available |
| How rules will affect landowners | Provides a summary of what the draft rules will mean for landowners and provides examples |
| Stocking intensity table – Can access by contact with staff | Provides an indication of whether small block owners will be under the threshold of 10kg N/ha/yr |
| Cost impacts of draft NDAs on farms | Is a high level summary of a report by Perrin Ag Consultants on the impact that NDAs may have on farm profitability |
| Rotorua NDA Impact Analysis | Report from Perrin Ag Consultants on the impact that NDAs may have on farm profitability |
| Support and incentives | Details the support available to landowners for advice to |

| | |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | meet their NDA and the incentives scheme to reduce nitrogen to below their NDA |
| Gorse conversion fund | Explains why gorse conversion is being done, what the conversion options are and how it works |
| Cost of new rules | Provides an overview of the cost implications of the draft rules for landowners, the community and the Regional Council |
| Science behind the nitrogen limit for Lake Rotorua | Provides an overview of the science that supports the nitrogen limit of 435 tonnes for Lake Rotorua |
| A number of scientific reports | Science reports that provide the research, monitoring and modelling to support the sustainable nitrogen load of 435 tonnes per year |
| Lake Rotorua Modelling Presentation and Presentation Q&As | Professor David Hamilton presented Lake Rotorua modelling results in December 2013 to provide information on the success of alum dosing and why Lake Rotorua has been at its target for the last 2 years |
| Using Overseer within rules | Summarises the regulatory and practical challenges in using Overseer within potential Rotorua catchment rules and makes recommendations |
| Draft rules structure | Provides a more detailed technical overview of the draft rules |
| Council report | The Regional Council approved the draft rules for consultation on 24 June 2014 |

Participation in consultation

In response to the consultation activities, the BOPRC received a substantial amount of formal feedback forms (hard copy and online) and submissions, other emails, phone calls and letters. In addition, a number of meetings were held with private landowners, stakeholders and interested organisations/groups. All feedback forms, including website forms, received were acknowledged with a letter.

Personal phone calls and emails were made to respondents where they requested further information or to be contacted by a staff member with queries.

Engagement through the website

The results of the engagement and information made available through the www.rotorualakes.co.nz website (shown below) highlight that there has been doubling of the number of people visiting the website, and more people visiting for the first time. They have also been spending a reasonable amount of time reviewing the information that has been provided.

| Overview | October | September | August | July | June |
|--------------------------|---------|-----------|--------|-------|-------|
| Total number of visitors | 2,359 | 2,085 | 1,205 | 1,971 | 1,158 |

| | | | | | |
|----------------------|-------|-------|-------|-------|-------|
| Unique visitors | 1,457 | 1,385 | 825 | 1,431 | 868 |
| % of new visits | 0 | 1 | 1 | 1 | 1 |
| Average time on site | 4 | 4 | 4 | 3 | 3 |
| Pages/session | 4 | 4 | 4 | 3 | 4 |
| Total pages viewed | 9,177 | 8,446 | 4,509 | 6,776 | 4,080 |

Advertising

A wide range of advertising was used to ensure that as many people as possible were aware of the proposal and the consultation period. This included:

- **Facebook** - Adverts ran from 13 July until 29 July to promote the Public Information Day
- **Radio** - Radio advertising was purchased from 13/7 to 29/7 to Public Information Day. In addition, free radio community announcements promoted the Public Information Day on 30/7 and the four open days held at the BOPRC's Rotorua Office.
- **Press** – Adverts were placed in a number of local newspapers, including:
 - Daily Post – public notice
 - Weekender
 - The Land – Daily Post
 - Ngongotaha News
 - Mokoia Newsletter
 - Māori Television News
- **Emails** – Emails were used for a number of purposes, including sending invitations (such as to the Rural Professionals Seminar), reminders for the seminar and Public Information Day, reminding people that the consultation close on 14 October and then advising people that the consultation period was extended until 31 October.
- **YouTube** – A 5 minute video was placed on YouTube which detailed the project, the proposal and the draft rules. The video focused on Māori farmers, as 25% of landowners in the Rotorua Lakes catchment, with translation in Māori.
<https://www.youtube.com/watch?v=6NT0qcFU8pk&list=UUnIAqmkGz2sKqAuuau5wDBg>

Media/Other coverage

The media covering the consultation included:

- Local media - such as Rotorua Daily Post
- Sector specific media – including Coast and Country News and NZX Agri
- National media – including Scoop, Radio New Zealand and Fairfax Media Digital

Summary of feedback from Open Days

The recurring themes that arose during the open days include:

- Confidence over the certainty of the science in regards to groundwater boundaries
- Queries on how the NDA will be allocated on the small blocks, such as what would constitute an effective pasture area
- Distress that the thresholds are too low, especially for small lifestyle block owners,

- Concern over the cost of the consents and the programme overall
- The need for longer term consents – 35 years for certainty of investment
- Immediate need for support and advice on nutrient assessments and NDA
- Some felt the rules rewarded the dairy farmers
- Concern that other activities, such as industrial and urban, were not been considered in this process

Summary of feedback from early Sector meetings

Small block owners

- Lack of clarity about the process and how the rules would be applied to small blocks
- Queries about how “other” properties will be dealt with
- Concern that some land uses will be put out of business
- Lack of knowledge about Rule 11 or the Draft rules
- Lack of understanding of the extensive process that has already been underway with the StAG
- Some frustration about navigating OSET requirements

Rural Professionals seminar

- Concern over the ability to apply the rules to properties out to the groundwater boundary
- Need a comprehensive and detailed groundwater catchment map to be able to advise clients
- Lack of understanding of Rule 11
- Concern that the proposal will have a big impact on land value
- Concern about the major issues with Overseer

Dairy farmer Collective/DairyNZ

- Questioned the validity of Overseer
- Will the required on-farm nitrogen reductions increase in absolute terms with Overseer version changes?
- Pre-2001 mitigation, such as retiring land, is ignored
- Concerned there is no evidence that N reductions will improve the TLI
- Concerned there will be consent cost escalation
- Concerned about the costs of farm plans to consider multiple scenarios to achieve a 30% reduction in N loss
- Questioned what would happen if a farmer could not meet their NDA
- If a farm is sold will the new owner be locked in to the existing farm nutrient plan?
- Why not consider 35 year consents?
- Sought clarification of how NDAs apply to effective area versus total farm area

Drystock farmers

- Overseer is not reliable on pumice soils
- The rules conflict with BOPRC’s project to replace gorse with forestry

- As TLI improves, greater water clarity will encourage more water growth
- Why don't BOPRC just buy the land needed?
- Financial risks to farmers have not been properly recognised
- The 2015 target is unrealistic – allow for incremental change by farmers
- BOPRC should give farmers a guarantee on consent costs

Deer Farmers

- No major opposition
- Felt that dairy got the most N but are in the best position to fund reductions
- Felt dairy benefited at the expense of other sectors
- Questioned the validity of Overseer

Summary of feedback from Māori land owners

Te Awara landowners pre-meeting

Te Awara landowners are have the largest land holding of farmers in the catchment. During the pre-consultation period meeting it was identified that:

- Te Awara landowners need to collaborate closely during the consultation period to identify both the risks and opportunities from the proposed rules and incentives framework
- There was support for N trading as an opportunity for Te Arawa to secure N for smaller blocks as part of a Te Arawa wide collective strategy

Anecdotal information about how Māori are responding to the nitrogen rules/ incentives framework

The GHA Summary Report (November 2014) identified a key list of matters related to the project that had been heard anecdotally that are of value to assist with understanding the Māori perspective on this topic. The following is a summary of those.

- **Appealing the Rules** – evidence suggests that some Māori land trusts are preparing to oppose the rules through the environment courts, including a collective pulling together a fighting fund for the appeal.
- **Economic Hardship** – a key reason for appealing the proposed rules is the potential economic hardship that may occur. There are specific economic concerns for Māori. Some of these concerns include: Economic hardship for Māori entails a lot of historical and current baggage including poor economic performance historically where Māori land tends to be under-utilised and/ or underperforming and that Māori are starting from a lower profitability point.
- **Limited future opportunity** – Māori are concerned that future development will be limited and furthermore, the use of grand parenting to establish Nitrogen allocation means Māori landowners are locked into low profitability land use. Council needs to encourage a focus on innovative and profitable solutions for Māori.

General comments from Māori land owner representatives

- Support the reduction of nitrogen export into Lake Rotorua to sustainable levels and acknowledge that owners of Māori land in the catchment must play their part in this important kaupapa
- The proposed approach will result in (or perpetuate) inequity for a substantial number of Māori landowners and effectively penalises owners of Māori land for their historically low contribution to the current levels of nitrogen in Lake Rotorua
- Māori landowners will forever be shut out from higher intensive pastoral activities
- Without access to the economic impact assessment informed decisions cannot be made about the impact of the proposal
- The trophic levels in the Lake Rotorua have already reached 1960s targets – why is more required now. Feel like the goal posts keep moving.
- The measures do not promote incentives to replace high nitrogen emitting activities with low nitrogen emitting ones
- Proposal provides for activities causing the problem to continue at a lesser rate and place restrictions on activities not contributing to the problem
- The draft rules mean land use on land recently returned to Iwi through Treaty Settlement process cannot be changed
- The timeframes for consent and reviews are not long enough
- Effective compliance monitoring of the resource consents is critical to ensure the targets are met
- Providing a short term exclusion from the rules is strongly opposed
- Overseer creates inequity and uncertainty
- The suggested approach to allocate nitrogen is opposed – in particular the ‘grandparenting’ - in terms of fairness and equity and contradicts the effects-based philosophy of the Resource Management Act 1991 (RMA)
- Rule 11 has been shown to have inequities
- This approach will financially impact on forest land owners and the owners of undeveloped land through a significant loss in land value
- The capitalist market for Māori land does not exist, so much longer timeframes are needed
- Initial allocation of nitrogen should use single fixed pastoral average and nitrogen trading to reduce any inequity and allows land use flexibility for all land owners
- It is important that both land use capability and responsible environmental land management decisions are positively recognised and accounted for
- An allocation approach must properly recognise and provide for the relationship of Māori with their ancestral lands, give credit for the benefit that has derived from historically low nutrient export from areas of Māori land and address how nutrient export allocations might be assigned so as to not unreasonably impede future use and development of under-utilised Māori land in the catchment

Summary of feedback large land block owners/sector representatives/industry organisations

This provides a summary from the meetings and submissions of a number of different groups, including main industry organisations, representatives and collectives.

Beef + Lamb New Zealand Ltd

- Support the submissions of Federated Farmers and the Deer Farmers Association.
- It would be preferable if there was some other process that would give sufficient certainty to both producers and the Council without the bureaucratic and financial burden associated with the consenting process.
- The effect on land values of the introduction of an NDA through a consenting process will be severe for drystock farmers if the proposed allocation method is put into effect.
- For consents to have any value to landowners they need to provide certainty over a reasonable period of time to allow for sensible investment decisions. A reasonable period for consents is 35 years.
- A consent should only stipulate the requirement to meet the proposed NDA within the consenting period which should be as long as possible and farm plans should not form part of the consenting process.
- Allocation based on current state is flawed. Apart for the arguments below on preservation of land use flexibility there is a world of difference between an allocation of 35kgN/Ha and 13kgN/Ha.
- The mitigation options within a drystock system are severely limited beyond which the drastic measure of land use change is the only option.
- The use of grandparenting as a final allocation system effectively locks future land use in to today's patterns.
- The proposed rules framework on the basis of effective hectares is not supported. It penalises farmers who have done the "right thing" and at their expense, rewards other farmers, who have done nothing.
- Regulation of nutrient loss to waterways should follow the principles applied to all other forms of environmental discharge – polluter pays.
- Support a regime that promotes maximum flexibility of land use and an allocation system is seen to be both equitable and sustainable.
- The system must also be sustainable in its own right by being supportive of sustainable farming practices incentivising activities and behaviours that will favour desired water quality outcomes.
- Allocating the nutrient loss limit based on the natural capital of the soil in the catchment offers a basis for developing policy that is linked directly to the underlying natural biophysical resources in the catchment.
- The application of a NDA should be delayed. A science review is due in 2017 at which time it is likely that the target reductions required will be reviewed in the light of new science.

- Promote farm planning and provide a clear target for N loss from pastoral sources and time (5-7 years) for that target to be achieved voluntarily, as measured by nutrient budgets.

Dairy New Zealand and Fonterra

- From experiences throughout New Zealand, and associated research investigations, we know that any policy focused on limiting nitrogen from dairy farms can have significant impacts on farm viability.
- Since the signing of the Oturoa Agreement, we have noted a significant improvement in the willingness to engage between both BOPRC and farmers. Throughout the process of collaboration through the STAG, relationships have continued to improve.
- Continue to work with urgency to deliver on robust policy and rules, but delay notification if further time is necessary to deliver a robust solution.
- Initiate an open dialogue with stakeholders and the community about the potential risks and benefits of alum dosing and medium-term phosphorus management.
- Ensure the Regional Plan reflects a short, medium and long term strategy for managing both phosphorus and nitrogen that explicitly includes how alum dosing and catchment phosphorus mitigation would be used.
- Work with STAG and other key stakeholders to develop terms of reference for a science review that involves transparent community discussion about different options for the maintenance of water quality, including the economic implications.
- Ensure Rule 11 benchmarks and land uses are the starting point for any allocation system.
- Recognise the mitigation measures undertaken prior to 2001 and look to incentivise these past, and future, mitigation measures where possible.
- Ensure that STAG are satisfied that they have been given sufficient evidence (including implications for profit, debt servicing and equity) to make an informed final recommendation about nutrient allocation. Ensure that BOPRC timelines allow time for sufficient evidence to be provided to the STAG.
- Work with farmers, with maximum transparency, about how progress towards the shared target is tracking.
- Ensure policy for managing the 2022 target is focused on achieving the desired outcome, rather than developing contingency plans to manage minor risks.
- Provide for an open market for nutrient trading.
- Provide for both long-term streams of allowances and leasing.
- Limit consenting requirements to requiring an effective farm Environment Plan that will prioritise and support change on farm without being onerous.
- Prevent duplication by enabling multiple instruments to be used provided they serve the same overall purpose and provide the same key indicators.
- Provide for 35 year consents that provide investment certainty.
- Develop a clear procedure in the notified rules for how consents will be reviewed (and any associated allocation adjusted) in response to new information.
- Develop a transparent, agreed protocol for how changes in Overseer versions will be accounted for in the rules framework.

- Work with farmers to ensure that compliance plans are flexible and focus on outcomes (compliance with nutrient discharge allowance), rather than being rigid and inflexible.
- There is still a significant task ahead to formulate robust rules which can deliver on the twin goals of a clean lake and a prosperous community. While we recognise the BOPRC's desire to provide certainty on the rules as soon as practicable, we consider that it is better to take as much time as is needed to do the work required, rather than risk a perverse outcome.

Federated Farmers New Zealand

- In the Rotorua Catchment agriculture contributes significantly to the region's economic base.
- Concerns around the uncertainty that Overseer creates.
- Believes the proposal will cause a considerable drop in property values with no compensation. In response the BOPRC should implement rating adjustments that reflect the percentage drop in land values and market rates.
- Question why other contributors of nutrients have longer consent time frames and no individual NDA nutrient reduction being applied to their consent.
- This proposal is essentially penalising the land owners that have less options to reduce leaching.
- Supports an "adaptive management" approach with moving targets (ranges) with evolution of science knowledge and technology.
- Supports the differing levels of 30% for dairy and 20% for dry stock given the practicality and costs of meeting a 20% nitrogen reduction will vary greatly and even for a good dry-stock farm this is much harder than a dairy farm.
- Farms that have done work to reduce leaching since 2001-04 benchmarks were established under the operative rule 11 should have that captured in their "before" and "after " benchmarking process so they get that included as an achieved reduction.
- Would like to see several alternatives to allocation nitrogen to the rural sector and not just BOPRC's preferred option.
- Concerned at how the Waikato Regional Council farmers which are included in the groundwater catchment will be incorporated in the rules framework.
- BOPRC needs to make a clear public statement it will be responsible for 100 tonnes of nitrogen.
- Investigate and consult over the issues of alum dosing issues that may impact on Lake Rotorua.
- Do not support this proposed rules framework on the basis of effective hectares. It rewards the farmers who have done nothing as they can still realise the "easy wins" that other proactive farmers have already done.
- Support Farm Nutrient Plans as a method of improving good practice on farm, but they are not a compliance tool.
- Urge BOPRC to consider delaying the notification so the new economic information from the Section 32 analysis can be understood by all parties and they can participate in the formal process for effectively.

Fertiliser Association

- A system for introducing further nutrient reduction should be seen as fair and equitable.
- The proposed reduction has the potential to penalise diligent and efficient farmers and reward less efficient farmers with a higher nitrogen loss.
- Support a permitted activity and controlled activity consent process subject to conditions with long term (20 year) consents to provide for business certainty.
- Recommend a restricted discretionary activity status for greater flexibility.
- Concern that consents for 2-40ha properties may be unnecessarily demanding, thus support nutrient management requirements only for 2-40ha properties where specified intensive activities have higher risk of nutrient loss.
- An output based approach which addresses nutrient loss and provides for flexibility and innovation is supported.
- Does not believe the proposed approach (which is clarified as being a production or intensity based approach not an output based approach) is not appropriate.
- Consent conditions should remain focused on nitrogen loss not specific farm details ensuring full flexibility for the farm system while meeting RMA obligations.
- Greater engagement with the fertiliser industry is warranted in regard to implementing nutrient management planning requirements.
- Support is given for an incentives scheme.

Forestry

- The policy proposed discourages commercial forest investment in the district, and potentially in other parts of New Zealand.
- The policy rewards polluters and punishes investors that have behaved in an environmentally benign way.
- Any policy that shields a land use from the full or true costs to society adds value to the land under that activity.
- The only rational starting point to the allocation of NDAs is equally across all rural land, regardless of historic use.
- An NDA trading platform approach will ensure that the private costs and benefits of a particular land use are fully aligned with the wider public costs and benefits.
- The only basis by which some form of interim fixed sector or grand parented allocation would be tolerable is if the reductions required of the emitters were such that not only did they achieve the required reduction in nitrogen load to the lakes but they also exceeded those reductions by 2032.
- Many forestry blocks will exceed the 40ha threshold requiring consent. Suggested either automatic issuing of consents or forestry is a permitted use at all scales.

Lake Rotorua Primary Producers Collective

- The solution must be fair and equitable, as well as work towards the goal of clean lake and a sustainable community. Concern that the current proposal does not achieve this.
- Question the relevance of the policy given the recent improvements in Lake Rotorua TLI.
- Real reservations that resource consents will not promote sound environmental practices.

- The compliance costs must be kept as low as possible.
- The timeframe does not provide certainty to current landowners.
- Farm management plans are not part of the Resource Consent to allow for ongoing adaptive and/or inventive management not yet known.
- Give pre 2001-2004 environmental retirement of land an allocation slightly higher than that of production forestry in acknowledgement of permanent retirement of the land.
- BOPRC should carry the risk of the 100 tonnes associated with the incentives fund. Talk of changing the rules if the Council fails to capture the 100 tonnes does not engender trust and does not reflect the spirit of partnership in the Oturoa Agreement.
- Council investigate the economic and environmental impact of the allocation options and report back to land owners before the Rules are established.
- The Collective request BOPRC to go back to the communities that make up the greater Rotorua lake catchment and ask if they are prepared to pay the financial and social price as shown by the section 32 report to look out on a clean lake.
- Council advise the community of all the other options that are known of outside of the Rules framework that could enable a reduction in nutrients to the lake.

New Zealand Deer Farmer's Association Rotorua sub-committee and Deer Industry New Zealand

- Deer farming perspectives have not been represented on StAG.
- Appalled that the potential of farming deer, which has a relatively low n-loss footprint, is to be compromised to allow continuance of activity with farming an animal (the dairy cow) that is clearly recognised as a gross exacerbator of the nitrate loss issue.
- The proposed NDAs do not reflect current farming practices and feasibility of achieving NDAs.
- Deer farming provides a number of environmental benefits which will be compromised by the proposed NDAs and expected change to farm systems.
- The principle of grandparenting is opposed, as it rewards existing businesses with high nitrogen losses and restricts activities of businesses that have lower losses, effectively reducing land values.
- The proposed allocation system grossly favours one system over another.
- The proposed NDAs should be withdrawn and the proposed differential nutrient allocation rule should be reviewed.
- Principles and procedures consistent with the Land and Water Partnership Policy Working Group's Nutrient Management Process should be followed.
- Ensure past and future commitment of land to 'Environmental Services' is rewarded with an appropriate nitrogen allocation system rather than penalised.
- Develop partnerships with all community to develop opportunities to lead initiatives that reward sustainable farming in the catchment.

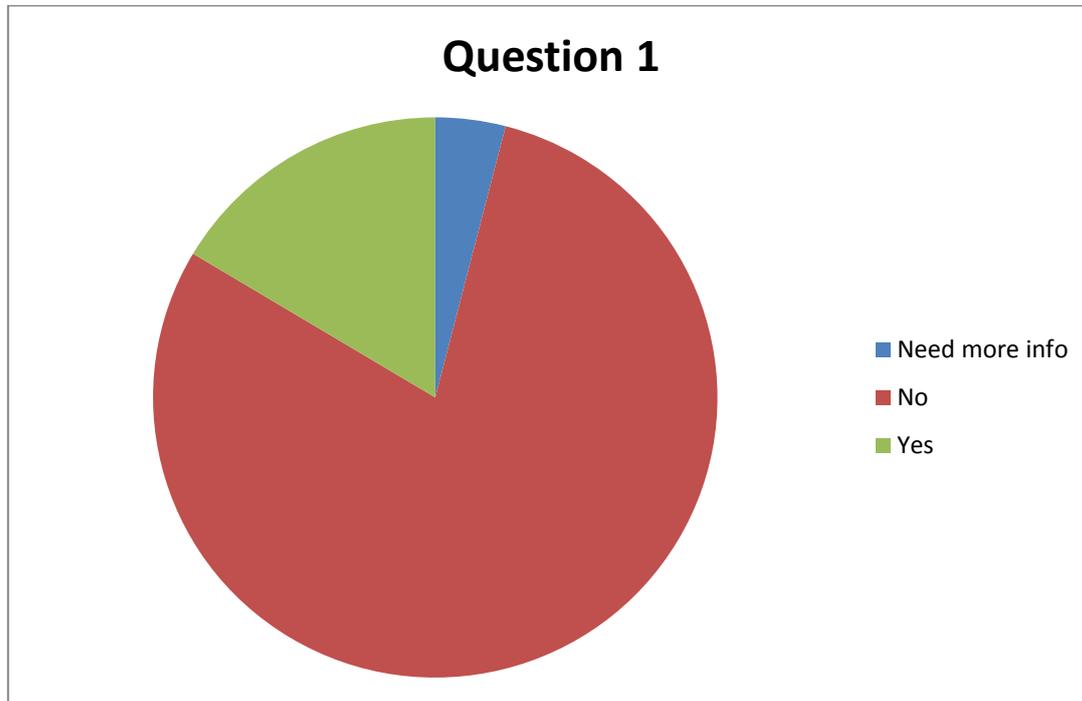
Summary of public feedback

The following section summarises the public feedback received. The verbatim comments for each question which are provided in Appendix One are intended to highlight the main issues that were identified for each question.

The vast majority of feedback has come from rural landowners and farmers on blocks between 2 and 40 hectares. Approximately one quarter of the feedback has been received from the general community – which includes non-landowners and urban residents.

Drystock is the main sector represented by the public feedback. In addition, there has been approximately one quarter of feedback from the “Other” sector, including sheep, native bush, local businesses, wetlands, forestry nursery and horses.

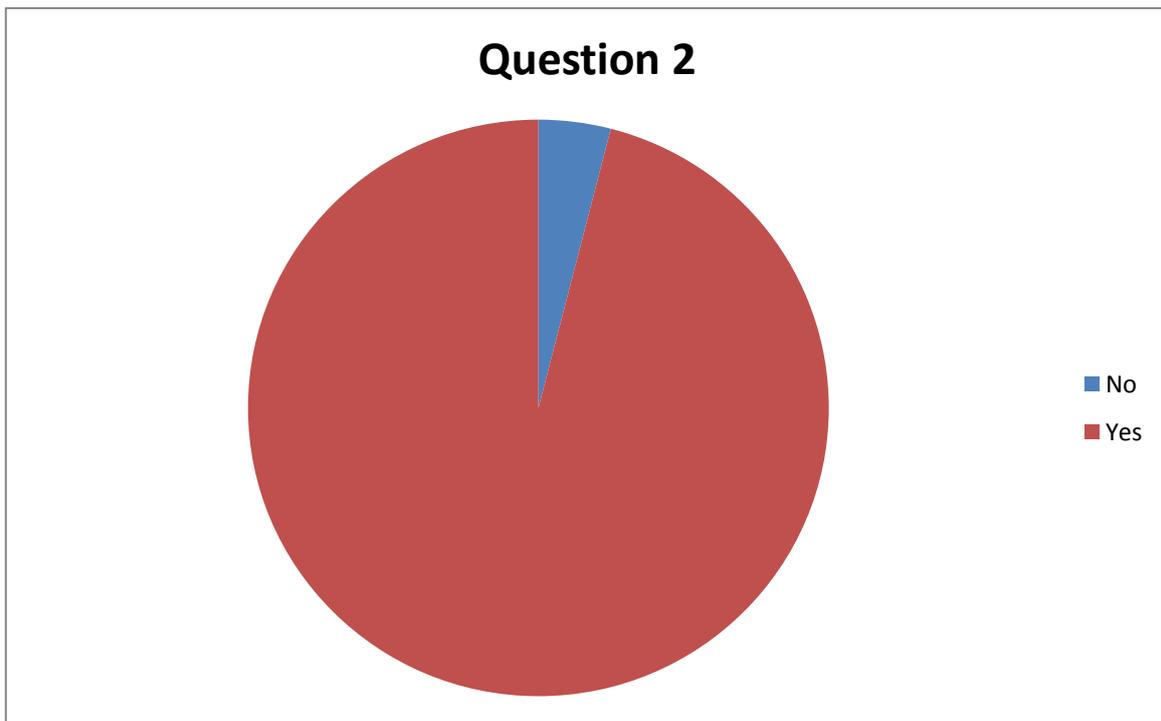
Response to Question 1: To reach the target significant nitrogen reductions are needed from rural land use. Do you think the proposed consenting process is a reasonable approach to manage nitrogen loss in the Lake Rotorua catchment?



Key themes arising from Question 1

- The approach must be applied consistently and fairly
- Need to differentiate between the high impact/nitrogen users and lifestyle blocks
- Small property owners will be forced to significantly understock
- The approach will mean that landowners will need to use chemical sprays to control weed growth/grasses because of understocking
- Levels are too high to start with
- Concern over the cost of resource consents
- Want clarity on how non-compliance of consents will be policed
- The timeframes are too soon
- There is no allowance for individual management or previously retired areas
- The process will be expensive and place extreme financial burden on some landowners, particularly lifestyle block owners
- Would prefer voluntary reductions
- There are other management methods that should be used which are more likely to achieve the objective
- Would like to see voluntary reduction in nitrogen levels before resource consents applied
- Water quality is improving and unclear why this is needed
- A Memorandum of Understanding would be more effective and achieve more outcomes

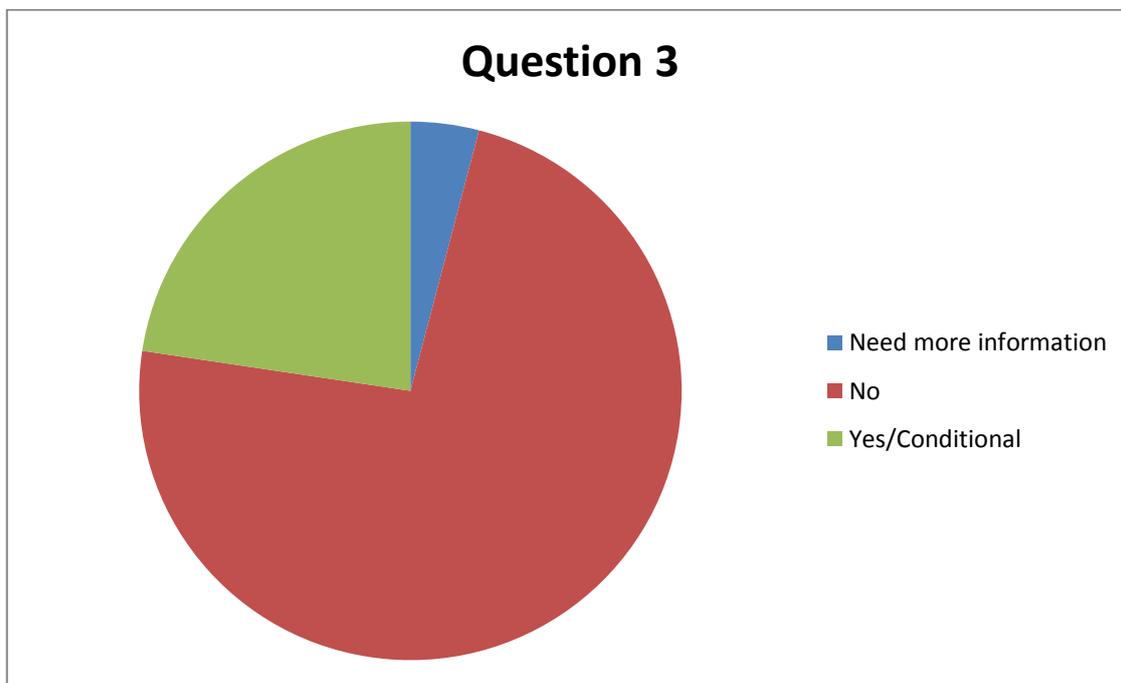
Response to Question 2: Do you have any reservations about the proposed consenting process and what it means for landowners?



Key themes arising from Question 2

- The proposal will have significant and detrimental impacts on Rotorua's economy
- It will reduce property values and income levels
- Will require slaughtering of healthy animals
- The process is far too complicated
- The process does not provide any certainty
- No incentive for dairy sector to increase individual animal performance
- Grassland management will be extremely difficult during the high grass growth period especially for small blocks
- There is not enough information to make such a significant decision
- Does not address the unnecessary use of nitrogen

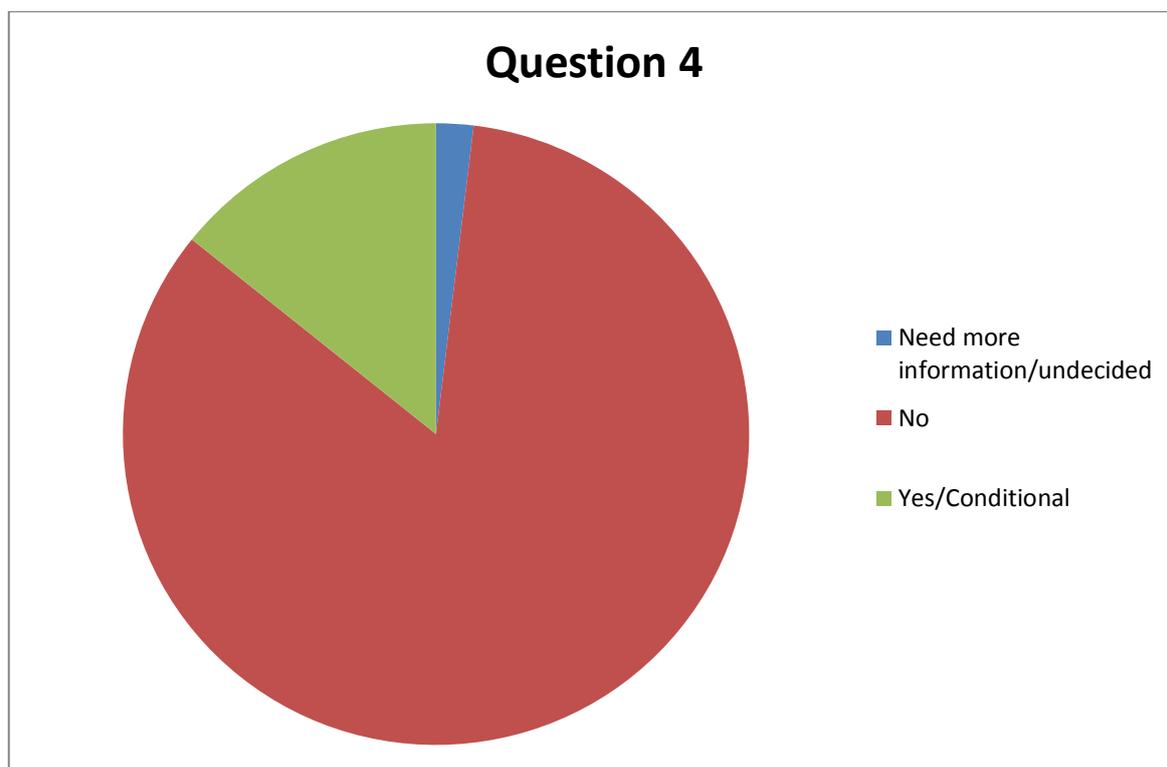
Response to Question 3: Do you support including a short term consent (Restricted Discretionary consent) for farmers who do not want to make planned, progressive nitrogen reductions?



Key themes arising from Question 3

- Yes, for dairy farmers and large farms
- Have a trial period without consents to encourage voluntary reductions
- Help people alter management practices
- Need to look at other options
- It is an abuse of land owners rights
- Farmers should be able to plan their stocking rates and reduce nitrogen without needing a consent to farm
- Latest reports show lake quality is improving so this proposal is not needed
- Provide individual assessment based on current nitrogen usage
- Place time limit to see if properties can reduce their output and then incentives to reduce further

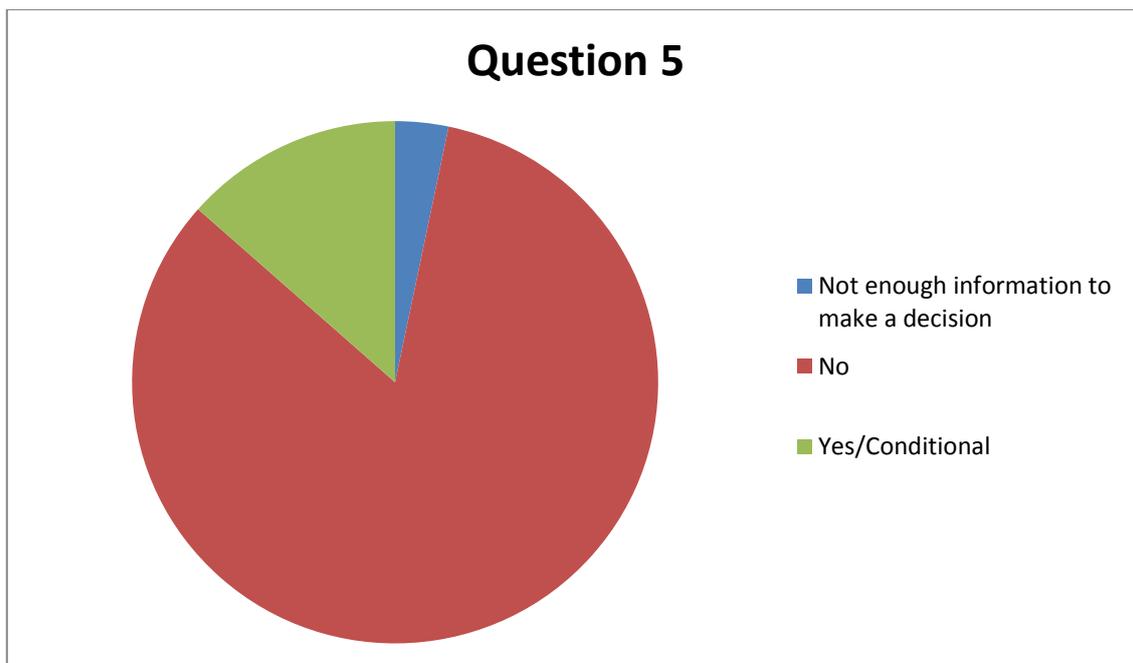
Response to Question 4: Do you support the suggested approach to allocate nitrogen to land use?



Key themes arising from Question 4

- Low nitrogen discharges are subsidising the high nitrogen dischargers
- Disagree with sector averaging and grand parenting
- Ignores fertiliser use
- There is a huge farming variation within drystock that hasn't been allowed for
- Farmers with a low benchmark of 2001-04 are penalised
- Land retired pre "Rule 11" needs to be considered
- NDA's should be calculated by property and should not be an average
- Focus needs to be on those farming activities which affect nitrogen load
- The allocation should be on land use capability (natural capital)

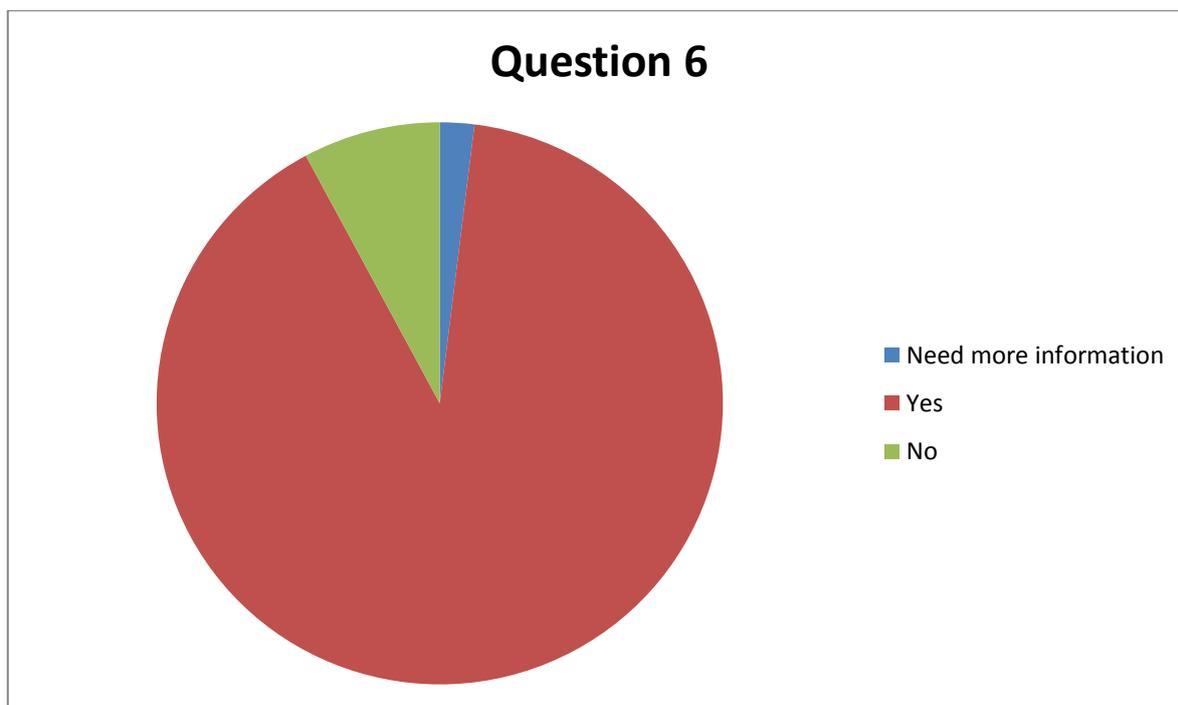
Response to Question 5: Do you think an average 30% reduction for the dairy sector and an average 20% reduction for the drystock sector is reasonable?



Key themes arising from Question 5

- Very radical and will have a dramatic impact on land prices
- Generally yes, but is not appropriate for lifestylers
- Ratio seems right
- Will have a significant negative economic impact on the viability of Rotorua's economy
- Overseer is flawed and has been modified so many times it is not appropriate to use
- 30% is fine for dairy but 20% for drystock would render many farms uneconomic
- It is much harder to find reductions in drystock as there are fewer nutrients flowing through the system
- Levels for nitrogen should be calculated on individual property basis
- These levels are too high, they will cause people to significantly understock and result in grass management issues
- Will result in having to put down animals, including pets
- Farmers caused most of the problem so should be responsible for fixing it

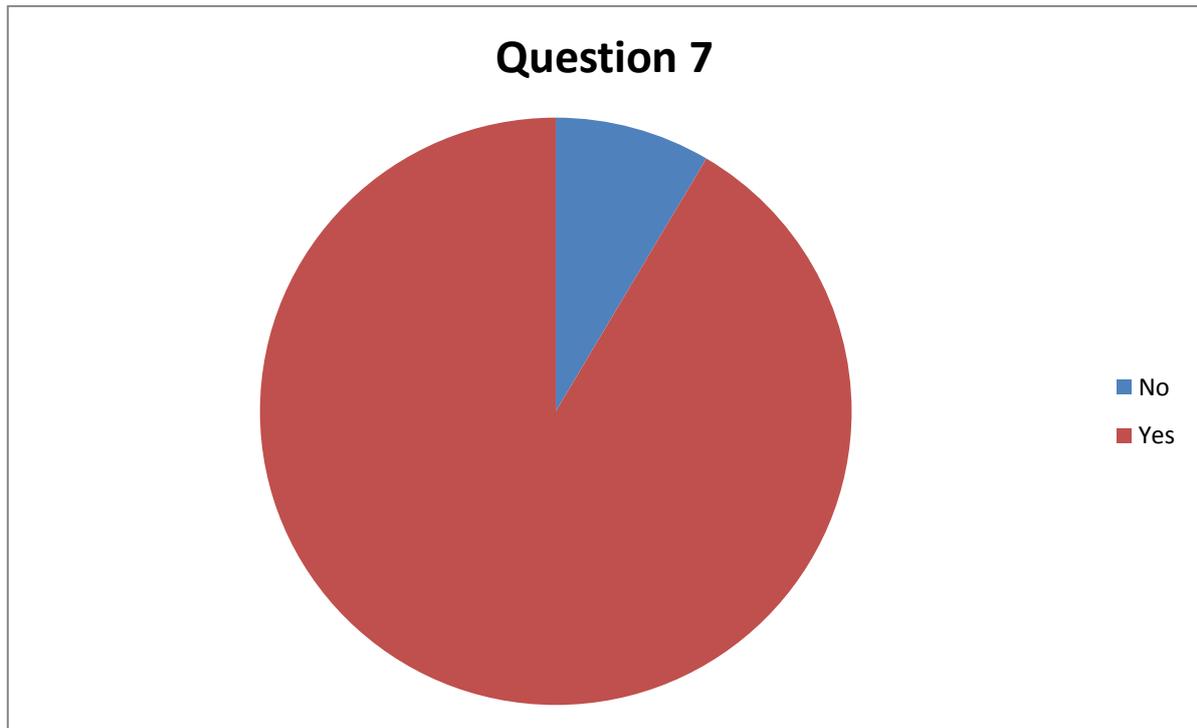
Response to Question 6: Would you prefer an alternative method to be used to allocate nitrogen to the rural sector?



Key themes arising from Question 6

- Purchase land required
- Improve management offered to the farmers
- Blanket reduction to kg per ha
- Needs to be done on an individual property basis
- Lifestyle blocks should have different levels of allocations
- Single fixed pastoral average
- Other forms of fertiliser should be promoted
- Land use capability (natural capital)

Response to Question 7: Is there anything else that should be recognised in setting individual Nitrogen Discharge Allowances (NDA)?



Key themes arising from Question 7

- Both prior to and since Rule 11 many properties have made substantial improvements that are meaning less nitrogen into the Lake which must be taken into account
- Science question not about allocation
- Land that was voluntarily retired before 2001 should be recognised and offset
- Land already in trees needs to be considered
- Individual circumstances must be taken into account
- All aspects of farm management should be included
- NDA should not be applied as an average
- Each landholding needs to be considered on its own merits

Conclusions

Following an intensive consultation period with over 330 official responses received and a range of different engagement processes there has been some valuable information gathered about the community's perspective of the draft nitrogen rules for Lake Rotorua.

Whilst there was support for the intent of the draft rules, overall community and stakeholder feedback was that the proposal as it stands is not fair and reasonable to all landowners. In general, it was believed that the draft rules are not based on the principles of polluter pays, sustainable management and equity.

There was much concern voiced that the proposal, in general, gives an unfair advantage to the highest nitrogen dischargers whilst placing restrictions on activities not contributing to the problem. Many comments related to the importance of positively recognising and accounting for both land use capability and responsible environmental land management decisions. It was felt that those landowners who had been actively involved in retiring land, reducing nitrogen inputs, and other similar management approaches should be rewarded and that the proposal should promote incentives to replace high nitrogen emitting activities with low nitrogen emitting ones.

Some Māori landowners felt that the draft rules mean land use on land recently returned to Iwi through Treaty Settlement process cannot be changed. These landowners also opposed the suggested approach to allocate nitrogen because of its lack of fairness and equity. It was believed this approach will financially impact on some Māori land owners through a significant loss in land value.

Small/lifestyle block owners were particularly concerned and distressed about the impact the draft rules would have on their income and lifestyle, as well as the value of their land. Many landowners commented that by having to reduce stock numbers the land would revert to grass/weeds and they would be forced to use chemicals to manage this. Others stated the approach would be seriously detrimental to the way of life in rural Rotorua, and the wider Rotorua economy, with some small landowners forced to move out of the area.

A number of submitters suggested the single fixed pastoral average was a more appropriate method as it would reduce any inequity and allow land use flexibility for all land owners. There is a clear feeling by the community that landowners should not need consents based on stocking rates rather they should have individual voluntary targets with incentives to improve nitrogen management.

Appendix One – Verbatim examples of feedback from the general public

Response to Question 1: To reach the target significant nitrogen reductions are needed from rural land use. Do you think the proposed consenting process is a reasonable approach to manage nitrogen loss in the Lake Rotorua catchment?

| Verbatim comments |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Yes, but it must be applied consistently and uniformly.</i> |
| <i>In part, but concern that small property landowners are being grouped together with larger farms, so properties around 2-10 hectares are likely to meet hard lifestyle changes and be forced to significantly under stock</i> |
| <i>The process is reasonable and we all support clean lakes. But the timeframe suggested to reduce to 435 tonnes nitrogen limit is imposing extreme financial hardship on rural land users.</i> |
| <i>Yes, something has to be done, but it should differentiate between the high impact users and the lifestyle blockers. If I had 6 acres, 2 horses would not be enough to keep the grass under control, I would need 2 cattle also, or some sheep. This plan does not allow for this. I would have to spray the grass out to kill it... causing other damages.</i> |
| <i>Only if each property is consented on today's NDA with no use of Rule 11 for the landscape has changed all grazing land needs to be taken into account.</i> |
| <i>On the right track maybe, but the levels that are required to be achieved are too high perhaps start out a bit lower see what effect this has on the levels of nitrogen in the lake and go from there. If in a few years if levels are not reached then up the destocking levels a bit more.</i> |
| <i>Too expensive, no long term certainty other than ongoing cost</i> |
| <i>No we don't support the consenting process there are other management methods that can be adopted which will result in trying to achieve the same goal.</i> |
| <i>No. It's too complicated, a nightmare to administer, the landowner pays all costs yet all ratepayers benefit – they should pay too.</i> |
| <i>No, not at this stage. The lake quality is improving better than expected with the changes such as getting rid of gorse and fencing waterways. There are still more improvements that can be made along these lines rather than getting into the complicated and expensive consent process.</i> |
| <i>No – unfair burden on rural landowners, measurement of N loss, not specific or accurate, no allowance for individual management.</i> |
| <i>It is important to manage nitrogen loss for the Rotorua Lakes catchment area as it affects the lake water quality. However I am not happy with the consenting process. I am not happy with the consulting process - The proposed rules adversely impact on my property use. My land is devalued, my use is limited. I am predominantly equine / horses and proper assessment and due diligence process has not occurred for horses - they have been lumped in with dairy without consideration and allowance. It is unacceptable!</i> |
| <i>No – not required if sensible single fixed pastoral average is used</i> |
| <i>Why do we need consents to farm? Why can't we reduce voluntarily and farm according to the rules?</i> |
| <i>No it's a terrible indictment on common sense. We do not use fertiliser, and run stock as our food and weed control. If our stock numbers are dropped, we will then be forced to choose poisonous spray to control weeds – which I consider far worse than animal urine.</i> |
| <i>Cost of resource consents and standard of information required, Can farmers be given a period- 5 years to prove they can reduce nitrogen levels before bringing in resource consent process. Policing and non-compliance of consents.</i> |

Response to Question 2: Do you have any reservations about the proposed consenting process and what it means for landowners?

| Verbatim comments |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>I feel that there is not enough information for such an important decision and we are rushing thru something that has a significant impact on our community</i> |
| <i>Consenting process ok but does not address wanton and unnecessary use of N fertiliser</i> |
| <i>No certainty, ongoing cost, changing rules and no plan on how this could be managed</i> |
| <i>Reservations relate to the continuing impact of bureaucracy on farming efficiency – the consents work best if infrequent and accompanied by lots of good communication and community good will.</i> |
| <i>The proposed process is unclear and leaves landowners unsure of proposed stocking levels for the future. This will reduce property values and income levels.</i> |
| <i>Yes many. The science behind nutrient loss. It can financially erode peoples assets</i> |
| <i>Yes, too complicated – not enough information e.g. how many animal/type to produce 10kg N per year. What % of animal discharge is lost?</i> |
| <i>I do not think this is a good solution at the suggested stocking rates as it will make grassland management extremely difficult during the high grass growth period especially on small blocks without access to machinery for bailing etc. or for those with land not suitable for harvesting.</i> |
| <i>Great reservations. Massive change involving slaughtering of horses and sheep. Value of property gone down. Do we get compensation</i> |
| <i>Yes, not being able to use our land for the purpose that we bought it for.</i> |
| <i>There are no incentives for the dairy sector to increase individual animal performance while at the same time reducing stock numbers. Their stocking rates are too high as a result of importing supplement on to farm and exporting stock for dairy support.</i> |
| <i>The problem is how farmers farm, over use off the wrong fertilisers. Talk to the farmers and find better ways of farming, i.e. permaculture.</i> |
| <i>I am concerned that until the last few weeks many people were unaware of this and its ramifications for them.</i> |
| <i>Consenting process is fine but the target dates are too far out. Controls and targets should be brought forward by at least 10 years.</i> |
| <i>Breaking land use down by size and sector is necessary and makes sense. Within sectors there needs to be a consistent, straight forward and transparent approach. Having NDA ranges within these groupings or sectors is not going to be consistent, straight forward and will lead to conjecture.</i> |
| <i>Extreme concern. We take a large hit on our investment and potential capital gain (noted in RDC latest valuations losing 12%).</i> |
| <i>Yes. Concerned about whether this is creating two separate classes of owners.</i> |
| <i>Resource Consent sounds cumbersome and expensive for all parties. Let's develop monitoring systems with clear, positive working documents for landowners and regional council. Danger of operating to the "Consent" and missing opportunities to improve reductions.</i> |
| <i>Lots of reservations as it is very prescriptive and not encompassing the needs of land owners or compensating them fairly.</i> |
| <i>1. Rotan model inaccurate 2. Overseer inaccurate 3. No evidence to support BOPRC position 4. No way to police or enforce the rules – most people will not comply when the lake is already at TLI 4.2</i> |
| <i>Overseer being used as a regulatory tool – it's constantly changing, has a +/- 30% margin error and is not specifically calibrated for Rotorua conditions. Until Overseer is a lot more reliable in its calculations it shouldn't be used for determining and regulating resource consents.</i> |
| <i>Expensive: Should be free as it is imposed on us. Cumbersome: Average farmer will find them difficult and time consuming. Process should be based on trust for compliance, with audits done to ensure compliance is being done, and plans are actioned</i> |

Response to Question 3: Do you support including a short term consent (Restricted Discretionary consent) for farmers who do not want to make planned, progressive nitrogen reductions?

| Verbatim comments |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Yes – allow time and planning by them also</i> |
| <i>Yes, especially for dairy farmers and large farms where they rely on the income to survive</i> |
| <i>Suggest a trial period of 5 years without consents for all farmers to reduce their nitrogen discharge.</i> |
| <i>Yes. A short term consent gives the landowner time to make decisions on his future course of action, while continuing to operate the property.</i> |
| <i>Yes, the extra cost to comply on top of our already financially straining capital outlay to acquire a property should be reason enough to show some lenience.</i> |
| <i>Go to a one-hit solution of buying land and changing its use then re-selling it.</i> |
| <i>No, help them alter management practices</i> |
| <i>I don't support anything in this whole proposal – it's an abuse of our rights as land owners.</i> |
| <i>No. Need to look at other options for reducing nitrogen</i> |
| <i>No. Latest reports looking good for lake. Let farms continue doing their thing until reports on lake are not positive.</i> |
| <i>I think farmers should reduce according to the rules but without having consents to farm.</i> |
| <i>No short term consents but the help to implement nitrogen reductions in a more friendly integrated manner working with the land owners/farmers.</i> |
| <i>I believe all farmers are able to plan their stocking rates and nitrogen reductions given the correct information that is appropriate for their properties. I.E. each property can vary as contour stream planted buffer zones, etc.</i> |
| <i>No, I do believe you are on the right track but proportion it out more evenly</i> |
| <i>Prefer 7 year period for farmers to show they can reduce nitrogen use – with checks every 2 years and if not achieving after 3rd check the automatic implementation of consent process</i> |
| <i>No. Farmers and lifestyle block owners need to “bite the bullet” now and accept that N & P amounts must be reduced this is fundamental.</i> |
| <i>Yes I do support a short term consent but for 5 years once and only. Any longer would suggest you are not serious about the health of the lake.</i> |
| <i>Give farmers 5-10 years to reduce NDA rates voluntarily before imposing consents, if they don't meet the desired levels then adopt the consent factor.</i> |
| <i>No prefer all farms initially to have actively managed individualised plans voluntary not enforced compliance.</i> |
| <i>No - the mediated outcome in the Environment Court provided for targets to be met by 2022 and 2032 - it did not provide for managed reductions and the implications these would have on farmers and lifestyle block owners.</i> |
| <i>People should be given an individual assessment based on current nitrogen usage. Give a time limit to see if properties can reduce their output and then incentives can be put in place to see if they can reduce further.</i> |
| <i>We do not need any sort of consent. Lake Rotorua is strongly P limiting which means any N that reaches the lake has no effect. Work with farmers on P – it works better.</i> |
| <i>No. A consequence of focusing solely on Overseer could be that innovative technology/plant species are overlooked because Overseer doesn't cater for them. Decisions will change as science evolves and informs us.</i> |

Response to Question 4: Do you support the suggested approach to allocate nitrogen to land use?

| Verbatim comments |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Yes, but on what criteria, historical usage or scientific!</i> |
| <i>OK but ignores fertiliser control</i> |
| <i>Yes – because it’s really the only reasonable way to control N inputs</i> |
| <i>yes I think it does need to be shared equally so everyone is supporting each other</i> |
| <i>No I do not support the allocation of NDA based on years (2001-2004) it should be based on area of land use in each sector. Then total NDA by total area used. For that purpose per ha and then every ha has to be reduced to 35 or less by 2032.</i> |
| <i>How can this work when very few of these properties were benchmarked with “Rule 11”. You also need to take into consideration land retired pre “Rule 11”</i> |
| <i>The fairest approach would be to use the single fixed pastoral average. This would mean low N discharges would not be subsidising the high N dischargers. Such a scheme would put a market price on N and N trading/offsetting could occur to achieve the catchment objective.</i> |
| <i>If nitrogen is the problem I think that with education, improved management and improved scientific research and new products I think nitrogen losses can be brought down without requiring expensive consents.</i> |
| <i>No 2-40ha should have the same discharge as over 40ha drystock. Cost to purchase livestock per ha is higher in general and should have the ability to generate some income to cover higher rates.</i> |
| <i>No. Land use is too broad a tool. Different farmers in the same sector manage their land differently – one size does not fit all.</i> |
| <i>No. Under the suggested approach the historical worst offenders are allowed to stay the worst offenders</i> |
| <i>Farmers who have a low benchmark of 2001-04 because of undeveloped property are penalised for work done in last 10 years to improve their property</i> |
| <i>No do not support. I support the alternative options of single fixed pastoral average and natural capital. This is a far fairer approach. Focus needs to be on those farming activities which affect nitrogen load. Also there needs to be consideration of farming income loss.</i> |
| <i>No not supported – NDA’s should be calculated by property and should not be an average. I also do not support any other approach other than the single fixed pastoral average and the natural capital approach. I do not support the fixed sector averages at all. Also farmers’ costs and income need to be considered.</i> |
| <i>The allocation should be on land use capability (natural capital). I strongly disagree with sector averaging and grand parenting. People who have made very little effort to change their systems over recent years will be riding the coat tails of those that have. Effectively you are transferring value to the highest nutrients discharging group at the expense of those that have previously been good guardians of the land. Sector averaging disadvantages certain areas of the drystock sector significantly. There is a huge farming variation within drystock that hasn’t been allowed for that could well provide some answer to the issues faced by the catchment.</i> |
| <i>Yes - sector averaging gives some account of investment and the livelihood generated from the land. However the targets are still extremely low.</i> |
| <i>We do support this if it is fair on the land owners and there is compensation</i> |
| <i>Everything seems to revolve around stocking rates but what about fertiliser application rates.</i> |
| <i>No. The proposed allocation methods will require significant change to our farm system. The changes we have made collectively to date as per Perrin Aqs presentation to StAG (October) must convey that we are intelligent people and know that by changing the way we farm in some areas, this has had a positive effect on the lake. Why do we need to be dictated to achieve results. It has happened without allocation so why not leave it like that.</i> |
| <i>No. The 'approach' is unrealistic and unfair to land owners.</i> |

Response to Question 5: Do you think an average 30% reduction for the dairy sector and an average 20% reduction for the drystock sector is reasonable?

| Verbatim comments |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Probably ok given the higher rates of N discharges from dairy farms</i> |
| <i>Partially. It may come to a "right to farm" issue, and land around the lake may ultimately have to be forested or revert to ragwort to meet the new criteria by 2032</i> |
| <i>Reasonable but the premise is wrong</i> |
| <i>Only where it is proven nitrogen is leaching into the lake, I would say the ratio of 30% - 20% is reasonable.</i> |
| <i>Possibly - but More logic, science and considered long term strategy needs to be applied, whilst minimising on-going costs and administration structures</i> |
| <i>Generally yes but again not for lifestyle blocks and pony clubs etc.</i> |
| <i>No, all units will be economic resulting in significant falls inland value, The viability of the District economy will suffer and Rotorua will fall further behind.</i> |
| <i>Rule 11 is no longer realistic and use of overseer programme as the programme has been updated so many times/versions that the original benchmark figure doesn't mean a thing</i> |
| <i>30% is achievable for dairy, difficult, but would still have an economic unit. 20% for the majority of drystock farms would render their properties uneconomic.</i> |
| <i>No I think that the levels for the reduction of nitrogen should be calculated on an individual basis. You have the technology and this is the fairest way to do it.</i> |
| <i>I think this is too much, on the models that I have seen for my property and those of friends, it will cause us to significantly under stock our properties. What will we do with all the grass in spring if our fields are not suited to hay?</i> |
| <i>Farmers should bear the majority of restrictions as they are responsible for the majority of the problem</i> |
| <i>20% will have a huge impact on drystock farms compared to 30% on a dairy. Drystock have much less nutrients flowing through the system and it is much harder to find reductions</i> |
| <i>We will have to put down half of our horses and all of our sheep which are pets</i> |
| <i>No. It seems that the rural and farming community has to pay for this problem.</i> |
| <i>No. The single fixed pastoral average is the only fair way forward.</i> |
| <i>No. I think a 20% reduction for dairy and a 10% reduction for drystock should be actioned for 20 years and revisited after that period.</i> |
| <i>No. It is very radical and will affect land prices dramatically</i> |
| <i>In principle this sounds reasonable as dairy does leach more nitrogen than drystock, however dairy also have more tools available to make bigger reductions than drystock, so in fact the relative size of the reductions become very important, so perhaps it should be 30% dairy and 10% drystock. Ideally, it should be a case-by-case basis because of the variability mentioned in 1.</i> |
| <i>Yes on the bigger properties "40 hectares and over" but may be too much for smaller properties to achieve.</i> |
| <i>Not reasonable. Effect of reducing stock numbers to attain this will cripple farmers and flow on to Rotorua economy would be enormous.</i> |
| <i>No – it will affect people's livelihoods, not just farmers, but recreation users (horses) like myself</i> |
| <i>Ridiculous. Some conscientious people are already at low levels. Why would you ask them to reduce the same as people working at very high levels? Also some people are taking greater care of their land using better fertilisers and methods of caring for stock and soil and so can probably not reduce further by your percentages.</i> |
| <i>Sorry, but I find a totally random figure (haven't seen the science to support this) to be quite unhelpful for the small block owners. We chose to plant hundreds of trees when we purchased the property (about 15 years ago) and have always applied minimum fertiliser - just enough to keep soil quality up and grow enough grass for our livestock. This apparently will mean nothing; neither will our decision to lower our stock numbers significantly (about 5 years ago).</i> |
| <i>A 20-30% reduction is a huge loss for any sector.</i> |

Response to Question 6: Would you prefer an alternative method to be used to allocate nitrogen to the rural sector?

| Verbatim comments |
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| <i>Blanket reduction to kilograms per hectare</i> |
| <i>Purchase the land required to meet the reduction targets and place restrictions on land use on the title and then resell. If you need more reduction, buy more land, if you don't sell back the rights to discharge.</i> |
| <i>More retention ponds, more monitoring of individual farms</i> |
| <i>Should be done on a property by property basis not across the board</i> |
| <i>Consider size of property more - small blocks i.e. 2-10 ha to be treated separately to next size up e.g. 11-20 ha etc.</i> |
| <i>Make farmers more accountable and reduce their nitrogen levels</i> |
| <i>yes Lifestyle i.e. equine should have different level allocations</i> |
| <i>Single fixed pastoral average</i> |
| <i>Yes, an option of a fixed pastoral average for all lifestyle non-commercial/dairy farming blocks to be 18kg/ha. No resource consent but annual FNP For all types of commercial farming above 18kg must have resource consent and NDA annual reduction audited programs etc.</i> |
| <i>Yes – All types of farming need to be looked at not all lumped into one</i> |
| <i>I think there should have been 3-4 alternative methods so we could make a decision on what is the best for everyone. At the moment we have no alternative to consider. Typical in these processes.</i> |
| <i>Single fixed pastoral average is the fairest</i> |
| <i>Other forms of fertiliser (seaweed based) should be taken into consideration</i> |
| <i>Yes Land use capability (Natural Capital) This is a far fairer system in my view.</i> |
| <i>No – can't think of anything better</i> |
| <i>No alternative needed so long as it is backed by science.</i> |
| <i>I would prefer an alternative approach to allocate nitrogen. The best method for allocating nitrogen is to use the natural capital method as adopted by Horizon's One Plan. This is the fairest method. Failing that a single fixed pastoral average should be used. I have just attended a beef and Lamb Land and Environmental Planning day; the main focus was to match land use capability with land use. That is, the natural capital alternative</i> |
| <i>Include adjustments for land less prone to leaching in the NDA calculation. Type of land should be a factor in setting NDA.</i> |
| <i>There are too many unknowns with the science – errors with Overseer. The data is so variable as to origins of the nutrients and age of the water. The "One size fits all" approach may be flawed because every farm is a different ecosystem. A "Best Industry Practice" approach looking at individual farms may achieve results more effectively with less stress. Educate farmers rather than regulate or "police" them. Voluntary always works better than regulatory. Farmers may be able to reduce nutrients and increase profits by upskilling themselves and improving farm systems.</i> |
| <i>Yes, every other option needs to be identified and investigated for suitability.</i> |
| <i>Education at the front end of any change is good, we haven't heard anyone yet express concern for current or future effects to waterways such as the Puarenga. All we've heard is panic around property devaluation. Our view is that by being proactive around improving your environment is to add value to a property.</i> |
| <i>How about the Council removing gorse on land in catchment area or reducing bird numbers on the lake.</i> |
| <i>No. There should be no allocation for the rural sector.</i> |

Response to Question 7: Is there anything else that should be recognised in setting individual Nitrogen Discharge Allowances (NDA)?

| Verbatim comments |
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| <i>Yes, this land that was voluntarily retired before 2001 should be recognised, and able to be off set against the whole NDA discharge allows so it stays retired.</i> |
| <i>Yes it should. A blanket scheme never ever works without the ability for it to adjust to individual circumstances</i> |
| <i>Yes retired land before 2001 should be taken into account</i> |
| <i>The amount of land already in trees or retired should be taken into account. Future retiring should be rewarded</i> |
| <i>Anything that has been done to reduce ND should be taken into account. We have retired land and destocked yet you want us to apply for resource consent.</i> |
| <i>Yes, definitely individual circumstances should be considered</i> |
| <i>NDA should be based on total land area. That's what we pay rates on.</i> |
| <i>All aspect of farm management should be taken into account.</i> |
| <i>Yes. The NDA should be specific to a farm and not applied as an average. Farmers currently with good farming practice and lower nitrogen loss should not have to bear a burden for farmers with large nitrogen losses.</i> |
| <i>Yes - Also if a property has natural wetlands then it might have lower N inputs to surface waters</i> |
| <i>Yes, most definitely. But by a consulted process, not expensive resource consent. They have made enough contributions already. For example, retired lands, forestry establishment, creation of wetlands and ponds. Reductions of fertiliser applications and resulting stock number reductions.</i> |
| <i>I have never tested my property so what am I too benchmark against?</i> |
| <i>Yes, that would recognise acceptance and commitment by the landowner. However, each property needs to be considered on its merits at the time when the NDA is set.</i> |
| <i>Yes I have already arranged with my land occupier to reduce our nutrient discharge voluntarily and for many years we have run systems to reduce runoff and nutrient loss.</i> |
| <i>Yes, they have already reduced the nitrogen discharge should get a credit for it not an additional penalty.</i> |
| <i>Individual circumstances should be considered.</i> |
| <i>If you decide to embark on this sort of rules based system please recognise the lowest emitters/nitrogen dischargers and use a flat rate of 18 kg/ha so those that have introduced practices over many years at their expense can be recognised for this.</i> |
| <i>The issue of grandfathering is really important. Both prior to and since Rule 11 many properties have made substantial improvements in their land management practices and therefore are contributing less N to the lake. That is why it is important to consider the individual property and not set a "rule" which will never be equitable and may have unforeseen consequences for individual land owners. What matters is how much N is being lost and entering the property - it is a science question not an allocation issue. If the process is consultative and based on the available science then all practices which decrease N loss should be recognised as they all contribute to the target of nutrient reduction and improved water quality. Let's work towards what really matters!</i> |
| <i>How are you going to assess each and every individual NDA? Are you going to visit each and every property? If all we have to do is plant some native trees and shrubs as you are suggesting in your example, what else can we do to reduce our nitrogen? Are we just going to be left with long grass creating a fire hazard and a breeding ground for rodents.</i> |
| <i>Agree environmental work done on pastoral land prior to 2001 should be acknowledged. These farmers voluntarily took out production land for the greater good of the community and should not be penalised when allocation done on effective land, whilst those who have done nothing get a higher NDA.</i> |
| <i>No, everyone should be environmentally aware and doing their part. There should be no need to have a rules based system</i> |

General feedback/other comments

Verbatim comments

It would appear to be not a very good model at all. You need something a lot better. Like actual measurements for the areas you are bench marking, on the titles concerned. Different Fert programmes enhance the outcomes by a margin.

There is no mention trading or offsetting of nitrogen as a tool to meet the nitrogen reduction objective.

From what I have read of the draft rules, they will potentially have a devastating effect on the value of many lifestyle blocks, some who will literally be unable to graze any animals! This will have a detrimental impact on property prices also.

I don't agree with nitrogen trading. The concept that you can continue polluting the lakes if you pay enough money is wrong.

This is a positive and continuing process from the Te Arawa Group but would be enhanced by addressing the other principal causes of N runoff that is unnecessary and uncontrolled use of N fertiliser.

This needs to be made aware to the greater community not just the rural/lifestyle sector as it will have an effect on them..i.e..land values will drop significantly and this will have a flow effect to our business community.

You need to separate the land size better, a 20 acre lifestyle block is not the same as a dairy farm or beef farm that gets fertilised every year. Small blockers hardly ever fertilise, and only have few stock.

Work in partnership with landowners to protect and preserve the land and our waterways in the best possible way so everyone benefits. Our children and mokopuna should benefit from this too

I will have to get rid of my sheep under these new rules to keep an extra pony. These are only used to weed eat and without them I will have to spray chemicals which will end up in the lake. Not great logic

It should be based on land use capability instead of what it carried in 2001/04.

Whilst I agree with having some controls I don't believe in a rule which maintains the current nitrogen losses (proportionately) for certain types of farming. If the nitrogen problem is being created by dairy then dairy farmers need to address the issue and reduce nitrogen loss – not other farmers who have practiced responsibly. Having said that no rule should be introduced without consideration of income loss.

I am very concerned about land values and the effects this will have on landowners.

Keep it simple. Minimise compliance costs, demonstrate fairness and give fair credit to landowners who have made voluntary contributions while others have flogged the land.

I think that EBOP should consider breaking the catchment into sub-catchments (per stream) each having their own catchment plan so that each area takes ownership of their own patch. This would bring about ownership by participation such as what has been experienced in catchments such as Lake Rerewhakaaitu.

The cost of clawing back nutrient losses in the catchment to the proposed level is more than can be sustained by the Rotorua community. The cost of clawing back nutrient losses in the catchment to the proposed level is more than can be sustained by individual property owners.

The community is not interested in Overseer and nutrient plans. The community needs simple rules against simple metrics that they can understand and measure for themselves.

Prefer an active reward system with advisory and voluntary approach.

I don't support the rules in their current form, as I believe there is a more economically sustainable way of achieving the council's desired result. Rural landholders have already agreed to cap activities under Rule 11, and any further reduction should be financially compensated for.

They seems quite extreme given small blocks are not large contributors to the problem. Need education to show owners how land can be managed to minimise nitrogen discharges.

If I cannot carry the same stock numbers will I be allowed to use my land for subdivision instead?

Given the lake is meeting its current TLI level I think this process should be slowed down until more robust data has been collected and then work together with landowners to ensure best practice management procedures are in place on people's properties. Recognition of landowner's voluntary retirement of land should be recognised when assessing a property as it would appear to go against the integrity of the process and be hypocritical. Poor data will result in poor decisions.

