

**BEFORE THE INDEPENDENT HEARINGS PANEL**

**FOR THE HAWKE'S BAY REGIONAL COUNCIL**

**IN THE MATTER** of the Resource Management Act 1991 (RMA)

**AND**

**IN THE MATTER** of proposed Plan Change 9 to the Hawke's Bay Regional Council Regional Resource Management Plan, publicly notified under clause 5, Schedule 1 of the RMA

**EVIDENCE OF PARANUI FARMING TRUST**

1. My name is Anthea Yule and I am a trustee for the Paranui Farming Trust. I am authorised to speak on behalf of the Trust. The Paranui Farming Trust leases land from the Yule Family Trust and operates a sheep, beef and forestry business.
2. I grew up on a mixed cropping farm in South Canterbury and moved to Hawkes Bay in 1987. I am 56 years old and have 4 adult children.
3. I have been managing the farming operation since 2004 (16 years). I have a Bachelor of Education and a Teaching Diploma. I was a teacher in a previous life.
4. Located in the Otamauri district, half an hour inland from Hastings, the farm has a combined area of 512ha. The introduction of irrigation on 78ha of land close to the Ngaruroro River 7 years ago intensified the farming system. We breed, finish and trade, and aim to winter between 6000 and 6500 stock units. Sheep make up 65% of the stock units, including a South Suffolk Stud, the remaining being cattle.
5. We made the decision to apply for a resource consent to take water for irrigation. We had been watching land use change on the northern side of the Ngaruroro River for some time and decided we needed to make a move. Water would add resilience and certainty to the business.
6. The topography and elevation required to lift the water to the paddocks to be irrigated provided challenges. Irrigation Services drew up a plan and installed the infrastructure. We began irrigating in December 2014. The development and infrastructure cost \$502,082 (Yule Family Trust accounts).

7. The Paranui Farming Trust has made significant changes to its farming operation due to the investment in irrigation. A bigger tractor, seed drill and spray unit were required to optimise planting times and make the most of the water. This equipment cost \$157,571 (Yule Family Trust Accounts). The total investment needed bank approval and takes years to pay back. The costs are ongoing.
8. As a family business, the development of an irrigated sheep and beef system can take years. This involves an understanding of irrigation rates and timing, the choice of grass and crop varieties that produce the highest yield, and the management of stock on that platform to achieve optimal productivity.
9. There has been considerable investment in the farming system as a result, not just in the irrigation infrastructure. We have morphed from a breeding unit to a finishing unit.
10. And we are still in a development phase.

#### **Current consent**

11. The Paranui Farming Trust holds a current resource consent (WP140510T) to take 25 litres per second from the Otamauri Stream, a tributary of the Ngaruroro River for the irrigation of 78 hectares of crop and pasture. The consent allows 60480 cubic metres of water per month and 285,780 cubic metres within a 12 month period. It is subject to a 5000 litre per second minimum flow in the Ngaruroro at Fernhill.
12. The permit was first granted in 2009 and replaced in 2014 with the current expiry date of 2025.
13. As already noted, the irrigation infrastructure was in place to enable the first year of irrigation to take place half way through the 2013/14 season.

#### **The submission on PC9**

14. We have an interest in all aspects that are covered by Plan Change 9, and as Vice President of the Hawke's Bay branch of Federated Farmers I support the Federated Farmers submission and evidence in this regard.

15. We are obviously very concerned about the impact that the reduced allocation limit for the Ngaruroro River will have on our farming operation into the future so our submission was focused on water quantity specifically as it relates to our farming system.
16. The key points of the submission relate to:
  - a. the continued restriction of higher minimum flow conditions that may have been imposed on existing consents,
  - b. the actual and reasonable definition which is proposed to be used to assess new allocations when current consents expire, and
  - c. the consideration of investment and the development stage of the farming system in determining an actual and reasonable allocation.

**Continued restriction of a higher 'cease take trigger flow'**

17. The first point relates to the continued restriction of the higher minimum flow of 5000 litres per second. This is contained in condition c) of Rule Tank 10.
18. Proposed Rule Tank 10, condition c) stated.

Where the take was previously subject to a condition restricting the take at flows that are higher than the applicable flow specified in Schedule 31, the higher flow will continue to apply.
19. My submission requested an amendment to condition c) and add a new condition as follows:

Condition c) The take is subject to a condition restricting the take at the applicable flow specified in Schedule 31.

New condition - Where the take is for any other purpose other than for irrigation and it was previously subject to a condition restricting the take at flows that are higher than specified in Schedule 31, the higher flow will continue to apply.
20. The proposed changes were for two reasons.
21. The first reason was to address a gap that was identified where the condition as it was written only applies to applications for existing takes where the minimum flow imposed was higher than the minimum flow at the time, and imposes that same

minimum flow. Any applications for existing takes that had a minimum flow of 2400 litres per second are not covered by this condition or any other condition, nor is it addressed in the Matters of Discretion. The HBRC staff submission also addressed this point and recommended the following additional wording (italicized):

Where the take was previously subject to a condition restricting the take at flows that are higher than the applicable flow specified in Schedule 31, the higher flow will continue to apply. *For all other takes, the flows specified in Schedule 31 apply.*

22. The proposed new wording addresses that gap.
23. However, my main concern (being the second reason for the submission) was that irrigation consents that were previously subject to higher minimum flows should no longer be treated differently from all other irrigation consents. Neither the S42A report nor the S42A Amendment report appears to have considered this part of the submission.
24. As already noted, the Paranui Farming Trust's current resource consent is subject to a 5000 litre per second minimum flow in the Ngaruroro at Fernhill. It is a relatively small take and from our review of the consents on the Consents Map in the HBRC website, it is the only one whose total irrigation is restricted at the 5000 litre per second minimum flow, that is, when the flow in the Ngaruroro River is less than 5000 litre per second, all taking for irrigation must stop. There are four other consents also subject to a 5000 l/sec minimum flow or higher, but these were takes for storage or augmentation or where one of the take points was from a smaller tributary. In these cases, it might be appropriate for a higher flow to be retained.
25. This plan change has set a new reduced allocation limit for the Ngaruroro River and has also reviewed the minimum flows of the Ngaruroro River and its tributaries and determined to keep them at the same level (refer Policy 43). The higher minimum flows set for some irrigation water permits in the Ngaruroro, to my knowledge, are not referred to in any new policy in proposed Plan Change 9 (other than in relation to the higher flow allocation).
26. The condition is therefore not supported by policy and the Section 32 report (section 8.7) does not address any evaluation or justification for continuing to impose the higher minimum flow.

27. The higher minimum flow was imposed on the consent under planning provisions which allowed for water to be allocated beyond the allocation limit subject to higher minimum flows. Through this PC9 process, the Council has decided not to grandfather the consent allocations so the higher minimum flows should also not be 'grandfathered' as shown by condition c).
28. There are new provisions such as Policy 52 g) and h) which seek to enable flexible approaches to management and rostering as follows:  
*g) enabling and supporting permit holders to develop flexible approaches to management and use of allocatable water within a management zone including through catchment collectives, water user groups, consent or well sharing or global water permits;*  
*h) enabling and supporting the rostering of water use or reducing the rate of takes in order to avoid water use restrictions at minimum or trigger flows.*
29. Having a higher minimum flow would unnecessarily restrict our ability to work with others in the catchment.
30. The imposition of the 5000 litres per second has had a significant impact on the ability to manage effective irrigation on the farm. I have reviewed all the email notifications that I have received from the Council advising that takes must cease and when takes can start, and calculated the number of days that irrigation could not be undertaken. This is shown in the table below.

Year	Total ban days over irrigation season
2014/15	59
2015/16	69
2016/17	29
2017/18	0
2018/19	0
2019/20	103
2020/21	73

31. This also impacts on the value of the water use records on which to base Actual and Reasonable data.
32. All applicants for irrigation only consents should now be treated equally on the merits of the application and I therefore respectfully ask that condition c) for Rule Tank 10 is amended as per my submission.

**Actual and Reasonable Definition and Consideration of factors influencing historical use.**

33. I have read the Section 42A Amendment Report in response to the expert evidence and I am pleased that the staff recommendation has returned to the Annual Maximum in the 10 year period prior to May 2020 in the definition of Actual and Reasonable.
34. I also note that the 2012/13 and 2019/20 seasons are considered to be around the target drought that the security or reliability of supply is based on. The implication is that water use records for these years should be representative of actual and reasonable need for the targeted reliability of supply.
35. In terms of the water use data that we have available, there are a number of factors which contribute to the data not being a good basis on which to determine our new allocation.
36. Firstly, we did not start irrigating until the latter half of the 2013/14 season and so missed the 2012-13 dry season.
37. Secondly, during the 2019/20 season, there were 103 days where no water could be taken due to the minimum flow restrictions. Other seasons were similarly affected by minimum flow bans as shown above.
38. Thirdly, while still having bans, the intervening years were not as dry so less irrigation was required.
39. There are therefore many valid reasons why the water use records in our case, and possibly other farmers as well, should not be relied on.
40. The definition of Actual and Reasonable refers to 'accurate' water meter data being available. In our case I would suggest that the water meter data that we have is not robust enough to demonstrate a realistic actual use and therefore would not be 'accurate'.
41. I would like certainty that these types of factors will be considered by Council staff as valid reasons for not considering the data to be accurate.

42. The other part of the submission is to amend point 1 of Matters for Discretion by adding the following points to be taken into account when considering what is actual and reasonable:

Separate d into d. and e.

d. crop rotation

e. development phase of the business operation

Add f. level of existing investment made

g. actual and farming system is reasonable use post 2 May 2020 where the business operation is still in a development phase

h. impact of any reduction of water allocation on the overall business operation.

43. These are matters that should be taken into account when assessing reasonable water need.

44. For business operations that are still in the development phase, records of water use post 2 May 2020 should also be considered. While there may be a belief that irrigators might take water when they don't need it to ensure higher water use records based on the use it or lose it philosophy, irrigators should be able to demonstrate the actual need given crops irrigated and climatic conditions.

45. Thank you for your time and I am happy to answer any questions.

Anthea Yule

Trustee for the Paranui Farming Trust

**PARANUI FARMING TRUST SUBMISSION - PHOTOS**

**Photo A – looking North-west, one of the paddocks within the 78ha**



**Photo B – Looking north, QEII (gully)**



**Photo C – looking west, QEII (gully), Otamauri Stream in mid distance. Whanawhana Valley beyond**



**Photo D – looking south, Knauf dairy farm in the distance**



