

# **SUBMISSION ON**

# Auckland Council Future Development Strategy

31 July 2023

**To:** Auckland Council

**Name of Submitter:** Horticulture New Zealand

## **Contact for Service:**

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# OVERVIEW

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## Our submission

Horticulture New Zealand (HortNZ) thanks Auckland Council for the opportunity to submit on the Future Development Strategy and welcomes any opportunity to continue to work with Auckland Council and to discuss our submission.

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

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

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

# HortNZ's Role

## Background to HortNZ

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

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

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

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

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



## HortNZ's Resource Management Act 1991 Involvement

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



# Executive Summary

## Our submission covers

- The Future Development Strategy (FDS) has a significant focus and detail on managing urban growth in the centres of Auckland
- HortNZ believes the FDS does not provide enough detail or focus on how the rural production areas, including the SVGA, will be able to be productive given the significant regulatory change facing the rural sector
- HortNZ recommends layering the impending regulatory changes to provide a clearer understanding of the changes that will affect the rural sectors. In addition, we believe these need to be used as a basis for a FDS to consider the rural production areas
- Incorporating a rural perspective into the principles will help provide a platform for how the rural production areas will be better catered for in the FDS.
- HortNZ welcomes the opportunity to work with Auckland Council on developing the FDS in a way that the rural area is considered, and planned for.

# Submission

## 1. Horticulture in Auckland

The Auckland region is an important part of the national food production system. Of significance there is the Specified Vegetable Growing Area (SVGA) of Pukekohe which plays a critical role in the domestic supply of vegetables to support the population of New Zealand<sup>1</sup>.

There is approximately 9400ha of horticultural land in the region, of this 7933ha is in commercial vegetable production. In addition, there is 1378m<sup>2</sup> of indoor greenhouse production<sup>2</sup>. There is a large degree of diversity in crops produced, with horticultural operations producing potatoes, broccoli, lettuce, onions, peas, silverbeet, carrots, cauliflower, cabbage, pumpkin, avocados, berryfruits and kiwifruit.

There is a large amount of cross-boundary interactions with the Waikato Region where many Pukekohe based vegetable growers have some of their operations located.

## 2. National issues and the Auckland productive region's role

### 2.1. Food security

Paris Agreement speaks to a 'fundamental priority of safeguarding food security' and action in a manner that does not threaten food production. Food security is a nationally important issue which needs to be addressed at a strategic level. We have a national food producing system that relies on growing vegetables and fruit in pockets of highly productive land (HPL), with good climate and access to freshwater.

The Auckland region plays a critical role in the national domestic supply of fruit and vegetables. The Pukekohe area in particular is recognised for its productive capacity. The unique soils and climate provide an ideal climate for year-round growing. Māori have had a long history of cultivation, with Pukekohe recognised as a key productive area that supported a robust economy with crops being traded with other communities outside the region<sup>3</sup>. Auckland still maintains a high degree of crop diversity with a climate that is ideal for growing a wide range of horticultural crops<sup>4</sup>.

The price of NZ grown fresh fruit and vegetables has been steadily increasing prior to these weather events<sup>5</sup>. This can be attributed to labour shortages,

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<sup>1</sup> [Map of the Pukekohe Specified Vegetable Growing Area | Ministry for the Environment](#)

<sup>2</sup> [freshfacts-2021.pdf](#)

<sup>3</sup> [Heritage resources: Heritage \(doc.govt.nz\)](#)

<sup>4</sup> [Auckland ClimateWEB.pdf \(niwa.co.nz\)](#)

<sup>5</sup> [Fruit and vegetables drive up annual food prices | Stats NZ](#)

increased costs in compliance, increased costs of horticultural supplies as well as freight and energy costs<sup>6</sup>. The increase of energy costs directly impacts the cost of production in New Zealand of fresh produce. Consumers are price driven, and the consequence of high production costs of New Zealand produce, is that retailers will look to importing produce, or substitutes to meet consumer expectations of price. Importing fresh fruit and vegetables produced in other countries that can otherwise be grown in New Zealand increases carbon leakage due to freight and supports less climate-friendly growing and environmental practices in other countries.

### **2.1.1. WEATHER EVENTS AND THE IMPACT ON DOMESTIC FOOD SUPPLY**

Vulnerabilities in our domestic food supply network have been highlighted during recent weather events with availability of fresh New Zealand grown produce being impacted by the recent rain events<sup>7</sup>, and Cyclone Gabrielle causing damage to key horticultural growing areas such as Pukekohe, Northland, and The East Coast regions of Gisborne and Hawkes Bay<sup>8</sup>.

The timing of these events has also increased the scale of impact, as many seasonal crops were in their harvest period. Considerable investment into growing the crop has been lost, along with the product and flow on impacts to employment, health and safety.

The recovery in some areas from these events is likely to be long, and the ongoing supply of fresh fruit and vegetables vulnerable during this recovery. Covered crops as pointed out above, aren't exposed to the same vulnerabilities, so while they require a certain level of carbon in their production, they provide a more secure growing environment which is less likely to be disrupted due to extreme weather events.

## **2.2. Regulatory change**

There is a significant amount of regulatory change affecting the rural community in progress. Some of which Councils have obligations and responsibilities to, and others may be out of a local authority's direct scope, but it is important to be aware of.

While the FDS has provided clarity in terms of a boundary line between urban growth boundaries and rural production activities, it has not captured or reflected the impending regulatory changes and how this will impact on the rural production areas.

HortNZ believes it is necessary to layer all the changes in regulation to get a better understanding of the regulatory and operational landscape growers and the rural community will be working under. The key challenge is how do you ensure primary production is enabled and provided for in the FDS when considering the changing regulatory landscape.

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<sup>6</sup> [Food prices are up, but the cost to grow it has skyrocketed | Stuff.co.nz](#)

<sup>7</sup> [Auckland storm event 9 May 2023 rapid analysis \(knowledgeauckland.org.nz\)](#)

<sup>8</sup> [Cyclone Gabrielle's impact on the New Zealand economy and exports - March 2023 | New Zealand Ministry of Foreign Affairs and Trade \(mfat.govt.nz\)](#)



### **2.2.1. NATIONAL POLICY STATEMENT FOR HIGHLY PRODUCTIVE LAND**

The National Policy Statement for Highly Productive Land (NPS HPL) came into effect October 2022. HortNZ notes that at the rural Advisory Panel meeting 23 June 2023, Auckland Council provided an overview of the NOS HPL, how it is being used in plan change consent decisions and the requirements of Auckland Council.

The NPS HPL is a blunt tool to manage appropriate use of land deemed highly productive (LUC 1, 2 & 3<sup>9</sup>). Primarily through requirement of Councils to map and zone highly productive land, and manage the subdivision, use and development of this land.

The NPS HPL however does pose some questions about certain types of primary production and where to locate these. Intensive primary production activities such as soil-less production of greenhouse crops do not meet the requirements of the NSHPL in its current form. The NPS HPL says these cannot be located on LUC 1, 2 or 3 land, however the guidance say activities such as these must be planned and provided for<sup>1011</sup>.

The complexity for a greenhouse operation is that it requires access to the same markets, transport route and horticultural support services as a traditional soil-based operation.

Growers planning for the future may look to incorporate greater levels of environmental protection into their operation to provide support and protection of crops from weather events. This may be in the form of covered crop protection structures or investment into complete environmentally controlled greenhouse operations<sup>12</sup>. There is likely to be a challenge to the traditional approach to horticulture with growers incorporating greater levels of technology and automation into their operations to support better environmental practice and crop production.

### **2.2.2. NPSFM 2020**

Implementation of the NPSFM 2020 will be addressed through changes to the Auckland Unitary Plan<sup>13</sup>. However these changes will have an impact on water use, access and prioritisation for growers.

Current engagement is happening with some parts of the community. Consultation is an important aspect of the NPSFM process and incorporating community views into planning. However, this also provides a great deal of uncertainty to those in the rural community as until decisions are made and finalised, the future of freshwater access and use is unclear.

### **2.2.3. FRESHWATER FARM PLANS**

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<sup>9</sup> [National Policy Statement for Highly Productive Land | Ministry for the Environment](#)

<sup>10</sup> [National Policy Statement Highly Productive Land Guide to implementation March 2023.pdf \(environment.govt.nz\)](#)

<sup>11</sup> [National Policy Statement Highly Productive Land Guide to implementation March 2023.pdf \(environment.govt.nz\)](#)

<sup>12</sup> [LeaderBrand | Grow Regions](#)

<sup>13</sup> [National Policy Statement for Freshwater Management implementation timeline \(aucklandcouncil.govt.nz\)](#)

Freshwater farm plans are part of the Essential Freshwater package introduced in 2020. This suite of freshwater changes is aimed at addressing water quality and putting the health of waterbodies at the forefront of planning<sup>14</sup>. All horticultural operations of 5ha or more will be required to have a Freshwater Farm Plan in place. Different regions have different roll out dates, with every region in New Zealand having a rollout date before the end of 2025.

Horticulture New Zealand and NZ GAP are working with growers, central government and regulators to help our growers on their Freshwater Farm Plan journey.

### 3. Draft Future Development Strategy

The Future Development Strategy (FDS) provides some useful references to horticulture, food production and food supply, however it does not go nearly far enough to capture the importance of the Pukekohe Specified Vegetable Growing Area, transition to a low-emissions economy and the many layers of regulatory and legislative change that will impact growers and the rural community in the coming years. Some of these changes will be the responsibility of Auckland Council to implement, and some are outside of the Council's scope. All of the changes, however, will have an impact on the rural production areas of the region and on this basis need to be considered as part of any future development strategy.

There is a significant focus on land fragmentation and reverse sensitivity issues, which are obviously important, but what about the other factors that ensure rural production can continue and develop? HortNZ would like to see a more well-developed rural section that identifies the pressures and accurately captures the future frameworks that will influence rural production capability and capacity.

HortNZ is also concerned with some aspects of the Auckland Rural Productivity Review which is likely to inform plans such as the FDS, which in turn, will inform other plans and strategies. First and foremost, the timeframe captured by the review is over the height of the Covid-19 Pandemic<sup>15</sup>. This was an incredibly unique time period, filled with constant pivots, changes and adaptations that all sectors had to work to. Horticultural production was no different, and arguably had more complex conditions to work under with many horticultural operations having activities located inside and outside the Auckland/Waikato boundary. This makes it a difficult time period to use for long-term assumptions about productivity. Furthermore, HortNZ would like to see more information about

#### 3.1. Principles

The Future Development Strategy does state in Principle 1(a) that *'growth in rural areas will be minimal to retain the rural environment and rural productivity.'*<sup>16</sup>

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<sup>14</sup> [Freshwater farm plans | Ministry for the Environment](#)

<sup>15</sup> The Auckland rural Productivity Review Report covers a time period of 2018 - 2022

<sup>16</sup> [8d43ab428c3c2ddc7de9bb7b87b70880\\_FDS\\_Final\\_Consultation\\_Draft.pdf\(amazonaws.com\)](#)



However, it does not adequately provide a plan for the rural areas of the region, outside of establishing a boundary where urban growth will be contained to.

#### Principle 2 - Climate change adaptation

There is an opportunity to incorporate in this principle better recognition and understanding of how climate change will impact rural production and what changes may need to be considered to ensure the rural sector can respond to the challenges of climate change.

Further urban growth may not be appropriate in some areas with greater climate change related risk, however other activities, such as horticultural production could occur instead.

#### Principle 3 - Infrastructure investment

While we note that at a regional scale, the cost of developing infrastructure in existing urban areas is more cost effective, rural communities by nature are spread out. Usually rural centres are smaller satellites that support a population that is dispersed over a wider area. It is important to find balance between making economic and fiscally responsible choices with ratepayer money, and ensuring rural communities are adequately supported with infrastructure. This includes provision of ongoing maintenance of any infrastructure developed.

Community facilities such as libraries, fulfil an important social function in rural communities where isolation can be a challenge.

HortNZ would like to have better understanding about what infrastructure and support services are being developed or provided for to support the expansion in urban development that has occurred in recent years.

#### Principle 4 - Protect and restore the natural environment

Manawhenua make special partners when working towards protection and restoration of the natural environment. Their unique relationship with the whenua can help inform approaches to the natural environment.

The natural environment is important for supporting our populations so balancing development, production and the health and well-being of the natural environment is best approach in collaboration with mana whenua, industry and communities.

Principle 5(c) speaks to enabling enough housing and business capacity to meet future needs, it is also relevant to ensure rural production is enabled and provided for in 5(c)

#### Growth scenarios

HortNZ advocates for growth scenarios that avoid development in or adjoining rural production areas and ultimately support rural areas to be productive.

HortNZ is mindful that reverse sensitivity is a key issue for growers who are operating at the rural - urban interface. Intensification on the boundary often leads to increased complaints from the urban population about rural operations. Further to this, the type of development occurring at the edge of zone boundaries matters. Urban development and development of activities to support a growing

urban population on the fringes of urban centres will have an impact on the rural area. Use of setbacks, approaches to reverse sensitivity

It is an opportunity for Auckland Council to outline how urban growth will be managed at the rural/urban interface and how rural production activities will be prioritised to ensure these areas are able to continue to be productive.

#### Part 4: Spatial response

While we understand having established centres such as Pukekohe and Warkworth as 'anchors' in the rural nodes, these areas are the central hubs supporting rural production areas. Community facilities such as libraries often hold an important social functions in rural areas, arguably more so than in urban centres.

HortNZ is mindful that the recent urban development that has occurred in rural areas, such as Warkworth and Pukekohe, has been to provide housing for the growing Auckland population, rather than for housing to support the rural centres. We anticipate this will lead to more reverse sensitivity issues as we have seen in other areas of New Zealand. The FDS provides an opportunity to ensure the rural production areas in the Auckland region are able to continue being productive with the increased growth in housing development.



