BEFORE INDEPENDENT HEARING COMMISSIONERS APPOINTED BY THE TIMARU DISTRICT COUNCIL

UNDER:	the Resource Management Act 1991
IN THE MATTER OF:	Submissions and further submissions in relation to the Proposed Timaru District Plan

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STATEMENT OF EVIDENCE OF IAN FRANCIS MILLNER (HIGHLY PRODUCTIVE LAND) ON BEHALF OF CHRIS & SHARON MCKNIGHT (SUBMITTER NO. 30)

HEARING STREAM G – REZONE REQUEST FOR GROWTH

Dated: 27 June 2025

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1 INTRODUCTION

1.1 My full name is Ian Francis Millner.

1.2 I hold a BSc (Zoology) from Massey University (1992), Post Graduate Diploma (Ecology) from Massey University (1993), and a Post Graduate Diploma (Resource Studies) from Lincoln University (1998). I have professional training in the use of land use capability (**LUC**), professional qualifications in nutrient management (advanced) and soil conservation (advanced) and farm planning (Advanced) gained from Massey University and am an independent certified resource management commissioner (8 years).

1.3 I am a member of the New Zealand Grasslands Association, and an associate member of the NZ Institute forestry.

1.4 I am a Principal Consultant with LandVision Ltd based in Napier. LandVision Ltd is an independent technical agricultural/land and resource management consultancy company with offices in Hawke's Bay, Nelson, Whanganui, and Tauranga. It has a team of multi-skilled staff with extensive experience across farm planning and management, soil and LUC mapping, nutrient budgeting, environmental management, compliance, and policy.

1.5 LandVision Ltd is New Zealand's most experienced private soil/LUC mapping specialist, with over 1 million hectares mapped for various clients, including councils, farmers, and Iwi.

1.6 LandVision Ltd offers technical and strategic advice to clients across New Zealand, serving small farms, large councils, industry groups, Iwi farming trusts, and corporate entities. Its advice ranges from comprehensive farm plans and nutrient budgets, advice on development options and due diligence, to full effects assessments to support resource consent applications and high-resolution soil mapping to support land use change and development

1.7 Landvision Ltd has prepared productivity assessments of Highly Productive Land (**HPL**) in relation to resource consent applications and rezoning proposals across the country and has also provided peer review for HPL

applications to 9 different councils. I have been involved in most of those assessments and peer reviews.

1.8 Prior to my current position I was a Senior Land Management Adviser at Rural Directions Advisory Services, and between 2008 and 2016 I was employed as a Senior Land Management Adviser with Hawke's Bay Regional Council (**HBRC**). While at HBRC, my general responsibilities included providing advice on land management issues including erosion, drought resilience, nutrient management, and farm planning.

1.9 I was directly involved in the development of Plan Change 6 to the Hawke's Bay Regional Resource Management Plan (the Tukituki Catchment Plan) that was considered by a Board of Inquiry between 2013 and 2015. In particular, I co-authored the report which documented the manner in which farm scale nutrient losses in the catchment historically, currently and in future under the Proposed Ruataniwha Water Storage Scheme were established and predicted. Those modelled nutrient losses were a key input to the integrated catchment model constructed by Dr Kit Rutherford of NIWA.

1.10 Before the Board of Inquiry, I gave evidence on an aspect of that report (the process followed for classifying and spatially assigning land use types to the catchment), phosphorus management plan case studies I had undertaken, and on technical aspects of the rules relating to stock exclusion from water bodies and the preparation and timing of farm nutrient budgets.

1.11 I have been involved in various development groups at national level pertaining to the development and use of OVERSEER® (Overseer) including the development of data input standards for Overseer.

1.12 More recently, I have been involved in on farm economic feasibility studies, consenting, due diligence and review for the Ruataniwha Water Storage Scheme, and appeared as an expert witness in the Environment Court (Rotorua and Hastings) and at hearings for regional plans and resource consent applications in Gisborne, Hawke's Bay, Marlborough, Waikato and Masterton for a range of clients.

1.13 I was engaged by Chris & Sharon McKnight (the **Submitter**) to provide expert assessment and evidence on Highly Productive Land matters in relation to their submission on the Proposed Timaru District Plan (**PDP**)

seeking the rezoning of an area of land at 60 Landsborough Road, Timaru, to Rural Lifestyle. Part of the land sought to be rezoned contains LUC3 class soil.

1.14 I visited the site on Wednesday 18th June 2025 to assess its physical characteristics.

2 CODE OF CONDUCT

2.1 Whilst this is not an Environment Court proceeding, I confirm that I have read the Code of Conduct for Expert Witnesses set out in the Environment Court Practice Note 2023. I have complied with the Code of Conduct in preparing this evidence and will continue to comply with it while giving oral evidence. Except where I state I am relying on the evidence of another person, this written evidence is within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed in this evidence.

3 SCOPE OF EVIDENCE

3.1 I have undertaken an assessment which considers the rezoning sought against the relevant provisions of the National Policy Statement for Highly Productive Land 2022 (**NPS-HPL**), and in particular whether the exemption in clause 3.10 of the NPS-HPL applies to the land sought to be rezoned.

3.2 My evidence is structured as follows:

(a) Summary of the Site and the findings of my HPL Assessment of the land sought to be rezoned;

(b) An assessment of the rezoning proposal under clause 3.10 of the NPS-HPL: Exemption for Highly Productive Land subject to permanent or long-term constraints;

(c) My response to the Section 42A Report;

(d) Comments on the Draft Canterbury Regional Policy Statement's mapping of HPL.

3.3 In preparing this evidence, I have reviewed:

(a) National Policy Statement for Highly Productive Land Guide to Implementation dated March 2023;

(b) The relevant provisions of the PDP, and associated section 32 RMA reports;

(c) The relevant statutory/planning documents including the NPS-HPL, the relevant provisions of the Canterbury Regional Policy Statement 2016 (**CRPS**), and the Draft CRPS[1];

(d) Subdivision Application 101.2022.280 (currently on hold) and the associated Further Information Request;

(e) The Submitter's submission and further submission on the PDP;

(f) The Preliminary Section 42A Report: Hearing G – Rezoning to Accommodate Growth, Preliminary Report – Information to assist in Assessment, authored by Matt Bonis and dated 29 October 2024 (**Preliminary s42A Report**) and the attachments to that Preliminary s42A Report;

(g) The Submitter's Response to the Preliminary Section 42A Report;

(h) The Section 42A Report: Hearing G – Growth, Report on Submissions and Further Submissions authored by Matt Bonis and dated 04 June 2025 (**s42A Report**); and

(i) The technical expert evidence prepared in relation to the Submission on the following matters:

(i) Mr Andrew Rabbidge – Site/development history;

(ii) Mr Chris Greenshields – Landscape; and

(iii) Mr Andrew Ross – Planning.

[1] Noting the Draft CRPS has not been adopted by the Canterbury Regional Council for notification and hence does not represent Council Policy, but has been proactively released for information purposes only.

4 SUMMARY OF THE SITE AND THE FINDINGS OF THE HIGHLY PRODUCTIVE LAND ASSESSMENT

Soils

4.1 The land sought to be rezoned within 60 Landsborough Road, Timaru (the **Site**) is located on the edge of a very large compound LUC unit of 3e 8 + 4e 4. This unit is 6225 ha and effectively covers much of the rural land adjacent to Timaru. A compound unit is where two units occur in close association with each other and are mapped together. The dominant unit is mapped first. In this context, this unit is predominantly class three with class four distributed throughout. Therefore, this unit will have two clear productive capacities the first being that associated with unit 3e 8 and second with unit 4e 4.

4.2 The New Zealand Land Resource Inventory (**NZLRI**) is mapped at regional scale (1:50 000) with the smallest unit being approximately 25 ha. This means there will be at least one observation point per 25 ha. In this case where the unit is 6225 ha, a degree of inaccuracy should be expected. Inaccuracy in regional scale LUC maps could entail inaccurate inventory factors or boundaries (or both). This unit is the largest LUC unit I have encountered and shown below in **Figure 1**.

Figure 1: Map of the LUC unit the Site is located within. Site is represented by black dot (LINZ).

4.3 The NZLRI records this unit as having the physical attribute shown below in Table 1 below:

Table 1

Attribute	Symbol	Description
Rock	Lo	Loess
Slope	C’	Rolling land dissected by steeper gullies and faces
Soil	6a	Timaru Silt Loam, easy rolling phase
Erosion	1Sh Ss	Slight sheet and soil slip
Vegetation	P1 L1 I3	Pasture and cropland, minor gorse

4.4 Site investigation confirms some of the attributes described above, and recorded the existence of a very firm mottled subsoil at 28-30cm depth. This is shown below in **Figure 2**. The soils found on site are consistent with Timaru silt loam rolling phase.

4.5 The presence of a very firm (dense) subsoil is significant within any assessment of productive capacity. Where subsoils are denser than associated topsoil, water will become ‘perched’ on top of this layer and cause topsoils to become waterlogged. This is due to low permeability within the subsoil preventing water moving through the soil. Soils with these attributes are not suitable for many intensive land uses including horticulture, heavy cattle and cash cropping due to wet heavy soils inhibiting root growth and the movement of heavy machinery. Critically, soils with these attributes are also difficult to drain adequately.

4.6 The Land Use capability classification for the South Island records unit 3e 8 as being suitable for cropping, intensive grazing and forestry. Unit 4e 4 is recorded as being suitable for intensive grazing, occasional cropping and forestry.

Figure 2: image of the soil on site. Pale dense subsoil is visible at 28cm depth.

Slope

4.7 The Site is located on the very edge of the unit of 3e 8 at this location. As above, the unit at this location is described in the NZLRI as a mixture of rolling land with stepper incised gullies. The Site is located on the top of an 18–25-degree slope. The Site has approximately 30 meters of flat land before descending onto this slope.

4.8 The LUC survey handbook indicates that slopes between 21-25 degrees are considered moderately steep. This is steeper than recorded in the NZLRI for this site and steeper than what is typically recorded within either class three or four.

4.9 Classes one to four in the NZLRI are considered the arable units. Slope is a significant limitation for cultivation with 20 degrees generally considered the upper limit.

Figure 3: Image of the Site facing south. The blue line is an approximation of the eastern extent of the proposed lots. The slope to the left of this line is class four.

Isolated

4.10 The Site is a small area isolated from all other HPL by non-HPL ground, residential areas (including a new lifestyle subdivision), and watercourses.

4.11 In effect, the Site is the residual area of class three land remaining after the development of an adjacent lifestyle subdivision. The Site itself is narrow and has restricted scale at approximately 2ha of HPL.

4.12 The Timaru District has 88,201ha of HPL within its boundaries. The HPL on this site is 0.002% of this area.

4.13 The Site can be considered the most easterly extent of a narrow finger of HPL of the unit of class three the Site is located on. The narrow finger (shown in **Figure 1** above) of HPL is created by the North and South branches of the Ōtipua Creek isolating the Site. No HPL is found in any direction except to the west, and that land has already been subdivided into lifestyle sections.

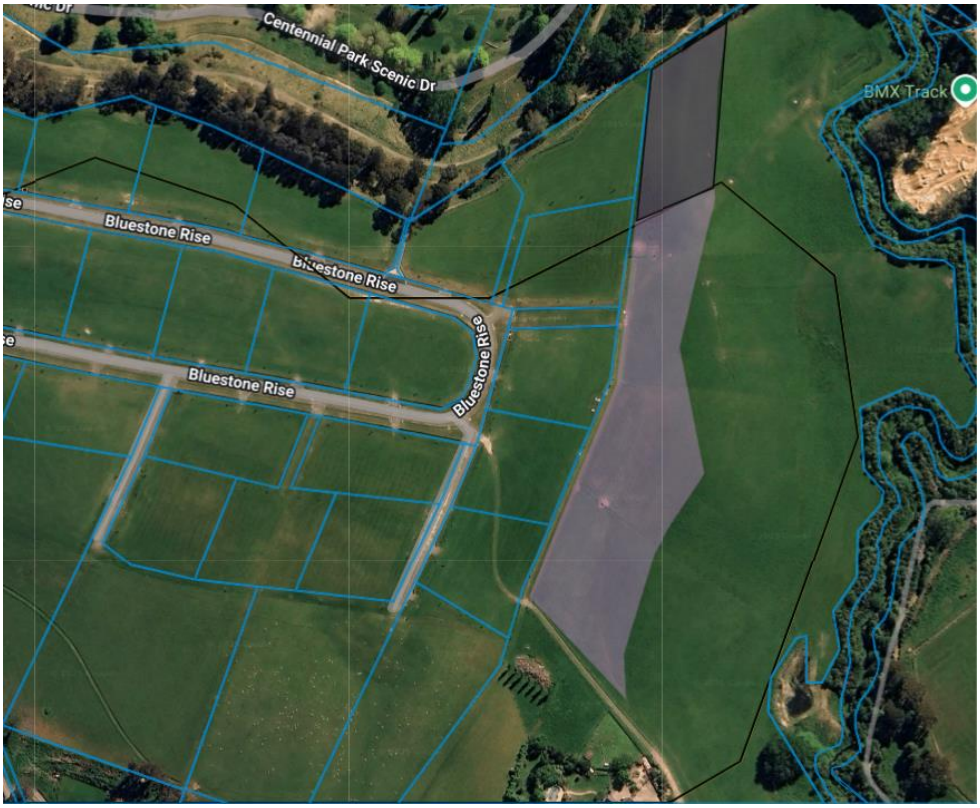


Figure 4: Map of the site (light grey) and the HPL boundary (black line) in this location. Dark grey is the portion of the site that is not HPL. The area between the site and HPL boundary should be considered the class four portion of the compound unit.

Figure 5: Map of the Site obtained from Canterbury Maps demonstrating the LUC-3 soil classification for the site and surrounding areas, including the Brookfield RLZ.

4.14 In summary, the Site is small (approximately 2ha) and isolated from other HPL by existing developments, residential housing and non-HPL land. Soils on Site are limited by the existence of a dense subsoil (pan) at 28-30 cm depth that creates a perched water table which in turn limits the Site's productive potential to grazing with sheep and light cattle. The land immediately to the east of the site and within the HPL boundary should be considered unit 4e 4 within the LUC classification for this Site as it is moderately steep and therefore unsuitable for anything other than grazing with sheep. The LUC unit for this area is a compound unit of 3s 8 and 4e 4.

5 ASSESSMENT OF THE SITE UNDER CLAUSE 3.10 NPS-HPL

(1) Territorial authorities may only allow highly productive land to be subdivided, used, or developed for activities not otherwise enabled under clauses 3.7, 3.8, or 3.9 if satisfied that:

a) there are permanent or long-term constraints on the land that mean the use of the highly productive land for land-based primary production is not able to be economically viable for at least 30 years; and

Inspection of the Site has identified the following constraints to primary production.

1. The subsoils on Site are dense which in turn inhibits drainage of rainfall into subsoil resulting in a perched water table. A perched water table prevents the site from being used for a range of horticultural land uses. Dense subsoils are also very difficult to drain and will remain wet and depleted of oxygen.
2. The land on Site is rolling with slopes around 8 degrees but drops off into steep slopes exceeding 20 degrees. Slope is an obvious limitation to intensive use. 20 degrees is considered the absolute upper bound for mechanical cultivation.
3. The area of HPL within the Site being approximately 2ha lacks scale and is completely isolated from other HPL by a series of permanent obstacles.

The combined effect of these constraints is that the site is only useful for grazing with sheep and light cattle.

The current land value of this site (Timaru DC property search) is $33 208 ha. To assess the viability of this Site I have assessed the potential earnings from sheep and beef against a representative cost of capital. As below

Land value Ha	$33 208
Cost of capital assessed as 40% debt loading at 5% long term interest cost.	$664 ha

(not including the cost of capital for equity)	
10-year average EBIT from Beef and Lambs economic survey for Marl-Cant finishing breeding systems.	$420 ha
Net result (deficit)	(244) ha

The net result of the best use of this land is a loss of $244 ha. In reality, the loss will be larger as the Beef and Lamb economic data is based on a survey of farms with an average area of 400-500 ha. With the area of LUC3 soil within this Site being 2 ha, the proportion of fixed cost will be larger on a per ha basis. In my view this Site cannot sustain a cost of capital or provide wages of management and is reliant on off farm income.

I note the rates obligation for this site is $163/ha.

In my opinion Timaru District Council can be satisfied that there are permanent and long-term constraints on the subject land that prevent that land from being economically viable for at least 30 years.

(b) the subdivision, use, or development:

(i) avoids any significant loss (either individually or cumulatively) of productive capacity of highly productive land in the district; and

While nominally the proposed development of this site represents the loss of 2 ha of HPL this equates to 0.002% of the HPL in the Timaru district and as such is less than minor. As noted above, the HPL involved in this proposal has very low value in a primary productivity context.

(ii) avoids the fragmentation of large and geographically cohesive areas of highly productive land; and

As the Site is completely isolated from other HPL the use of this land for uses other than rural production purposes does not fragment any other HPL.

(iii) avoids if possible, or otherwise mitigates, any potential reverse sensitivity effects on surrounding land-

As the proposed use is already consented and is establishing in the area the potential for reverse sensitivity is limited to that already experienced or consented. Conversely, the use of this Site for intensive rural productive land use would potentially introduce reverse sensitivity effects due to its narrow nature and its proximity to existing and

future dwellings. An example of this might be the use of silage on site creating odour issues for neighbours.	
(c) the environmental, social, cultural and economic benefits of the subdivision, use, or development outweigh the long-term environmental, social, cultural and economic costs associated with the loss of highly productive land for land-based primary production, taking into account both tangible and intangible values.	
The current and any future economic productive rural land uses have been shown to be non-viable. Having reviewed the evidence of Mr Rabbidge, Mr Greenshields and Mr Ross, it appears that the environmental, social, and economic benefits of development and use of this site for lifestyle purposes will outweigh any costs associated with the loss of HPL for land based primary production. In addition, in my opinion, the removal of 2ha of farmland on the edge of a terrace above the Ōtipua Stream will improve environmental outcomes for this stream as there will be less diffuse soil disturbance and therefore lower nutrient and sediment loss and lower potential for faecal coliforms from stock to make their way towards the stream. As I understand it, stormwater will be managed so as not to affect outcomes in the stream. If the residual (rural zoned) land area is retired and planted out as a consequence of this development, the potential effect on instream values would be significantly reduced.	
(2) In order to satisfy a territorial authority as required by subclause (1)(a), an applicant must demonstrate that the permanent or long-term constraints on economic viability cannot be addressed through any reasonably practicable options that would retain the productive capacity of the highly productive land, by evaluating options such as (without limitation):	
(a) alternate forms of land-based primary production:	As assessed above the highest and best use for this Site is grazing sheep and light cattle due to the soil related constraint of a perched water table. These soils (putting climate aside) are not suitable for a wide range of more intensive horticultural uses.
(b) improved land-management strategies:	On this Site there are two major soil related constraints. The minor constraint is a lack of irrigation. Due to the typical dry summer experienced in this area, if irrigation were to be available, this would provide some additional options for the use of the land during summer months. However, the viability of irrigation on this site is very unclear due to significant uncertainty of irrigation water

	availability and the viability on the capital spend of developing irrigation on such a small site. Viability of irrigation is also dependant of the ability to intensively use the Site in winter conditions. The ability to use the Site in winter conditions relies on soil conditions suitable for crop in question. The major constraint is the existence of dense subsoils that prevent soil drainage. The obvious management strategy for this is the installation of artificial drainage. However, drainage of dense subsoil is very difficult and usually only partially successful due to soil moisture not being able to move through the soil to drainage outlets and the tight nature of subsoil prevented oxygen from entering the soil profile.
(c) alternative production strategies:	As above – the highest and best use is grazing.
(d) water efficiency or storage methods:	N/A
(e) reallocation or transfer of water and nutrient allocations:	N/A
(f) boundary adjustments (including amalgamations):	As the Site is completely isolated from other HPL (and is constrained in general) there are no viable opportunities to amalgamate via boundary adjustments. This is especially so as the Site has been shown to have significant constraints and is not viable as an economic unit.
(g) lease arrangements.	As above.

(**3) Any evaluation under subclause (2) of reasonably practicable options:** **(a) must not take into account the potential economic benefit of using the highly productive land for purposes other than land-based primary production; and** **(b) must consider the impact that the loss of the highly productive land would have on the landholding in which the highly productive land occurs; and**
A) The analysis above only considers the lands suitability for land based primary productivity. The Site's suitability for land-based primary productivity is limited by a lack of financial viability due to long term constraints. B) The analysis is based on the extent of HPL for the Site. As the HPL on Site is not economic, the effect of its loss on the residual land will be negligible.
(c) must consider the future productive potential of land-based primary production on the highly productive land, not limited by its past or present uses.
The future productive potential of the land has been assessed based on its physical characteristics and not past or present use.

6 RESPONSE TO SECTION 42A REPORT

6.1 The s42A report notes that the relevant aspects of the NPS-HPL were not addressed in the submission.

6.2 The s42A report correctly identifies the pathway through which an application for rural lifestyle rezoning should assessed i.e., clauses 3.7 and 3.10 of the NPS-HPL.

6.3 As set out above, in my opinion the subject land has permanent and long-term constraints that prevent the Site from being economically viable over the long term. My assessment of this Site is that it meets clause 3.10 of the NPS-HPL. Consequently, the proposal to change zoning of this site from rural to rural lifestyle does align with the objective and policies 4 and 6 of the NPS-HPL.

6.4 These constraints cannot be addressed through any reasonably practicable options that would retain the productive capacity of the LUC3 land within the Site.

7 DRAFT CANTERBURY REGIONAL POLICY STATEMENT

7.1 The Canterbury Regional Council (**ECan**) has recently released its draft CRPS, including a map of the HPL in the Canterbury region. As shown in **Attachment A** to my evidence, that map does not identify the Site as containing HPL.

7.2 The copy of the draft Regional Policy Statement released by ECan has not been adopted by the Council for notification and does not represent Council policy. It has been proactively released for information purposes only. However, the fact that the draft does not identify any HPL with the Site accords with my conclusions in relation to the permanent and long term constraints on that land in regard to its use for land-based primary production.

8 CONCLUSION

8.1 My assessment of this Site has addressed its productive capacity in order to understand any constraints that prevent the Site from being economically viable. In terms of clause 3.10(1)(a) of the NPS-HPL, the permanent and long term constraints found include.

(a) A subsoil pan that impedes subsoil drainage resulting in a perched water table that is very difficult to drain. These soils are not suitable for horticulture and are best used for grazing sheep and light cattle. Heavy cattle will damage weak topsoil when moist.

(b) A lack of scale. The Site is 2.5ha of which only 2ha is HPL. This creates a cost structure where fixed costs become an unscalable burden on farm financial performance.

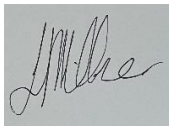
(c) Isolation. The Site is completely isolated from other areas of HPL which in turn prevents any viable amalgamation or lease opportunity in order to achieve economies of scale.

8.2 I have compared the Site's profitability against Beef & Lamb NZ economic survey data and found that the Site is not economically viable for rural productive purposes.

8.3 In terms of clause 3.10(2) of the NPS-HPL, the constraints which exist cannot be addressed through any reasonably practicable options that would retain the productive capacity of the LUC3 land within the Site.

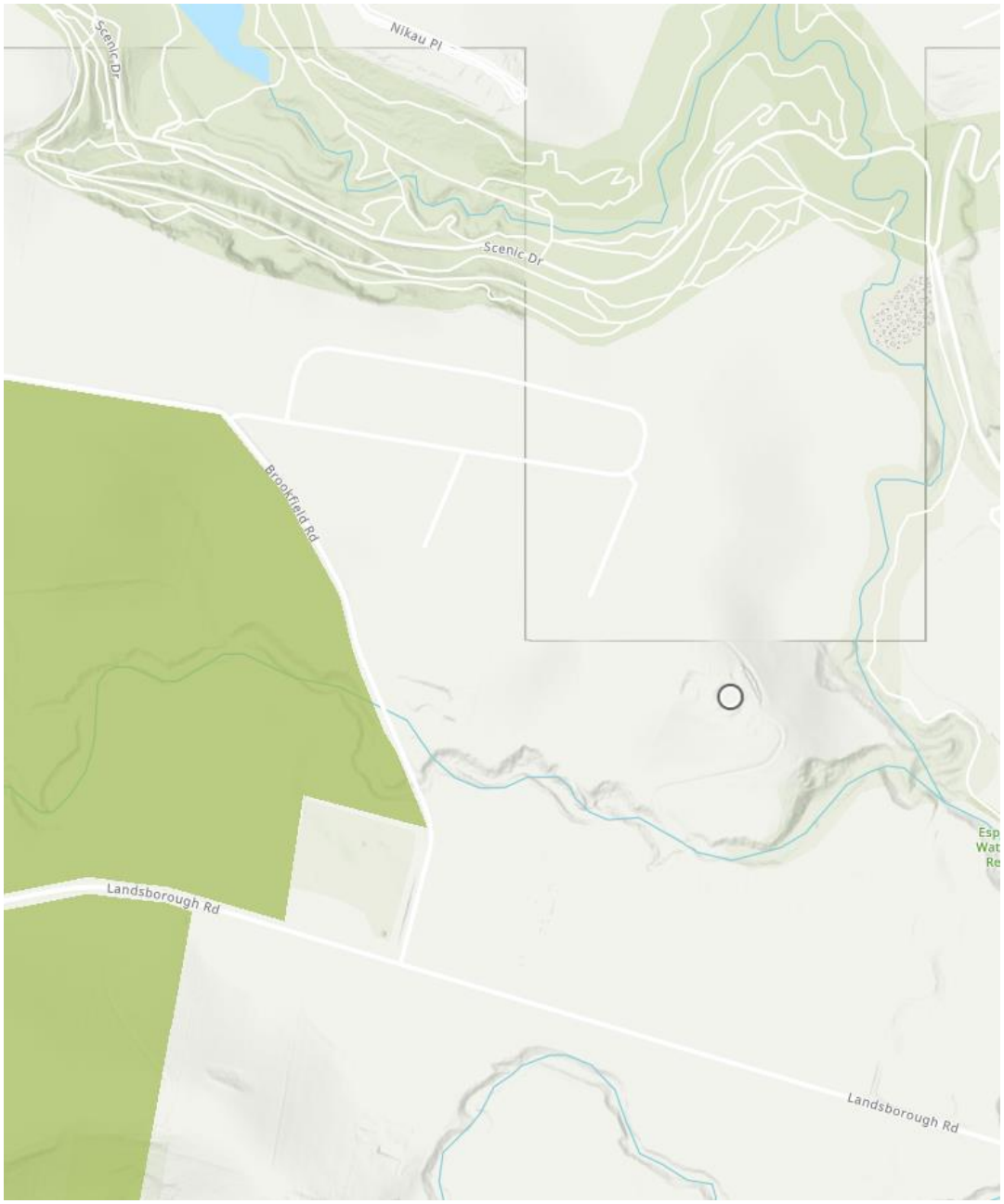
8.4 Therefore, in my opinion Timaru District Council can be satisfied that the rezoning sought by the Submitters is not precluded by the NPS-HPL.

Ian Millner



27 June 2025

ATTACHMENT A - DRAFT CANTERBURY REGIONAL POLICY STATEMENT MAP OF HIGHLY PRODUCTIVE LAND



Highly Productive Land shown in green shading to the west of Brookfield Road.