

Before a Hearings Panel
Appointed by Gore District Council

under: the Resource Management Act 1991

in the matter of: Submissions and further submissions on the Proposed
Gore District Plan

and: Hearing Stream 10: Ecosystems and Indigenous
Biodiversity

Supplementary statement of evidence of Natalie Dianne Hampson
(Economics) on behalf of Gore District Council

Dated: 20 February 2025

STATEMENT OF EVIDENCE OF NATALIE DIANNE HAMPSON ON BEHALF OF GORE DISTRICT COUNCIL

INTRODUCTION

- 1 My full name is Natalie Diane Hampson. I am the Director of Savvy Consulting Limited. My qualifications and experience are set out in my evidence in chief (EIC) for Hearing Stream 10 dated 13th of January.

CODE OF CONDUCT

- 2 Although this is not an Environment Court hearing, I note that in preparing my evidence I have reviewed the Code of Conduct for Expert Witnesses contained in Part 9 of the Environment Court Practice Note 2023. I have complied with it in preparing my evidence. I confirm that the issues addressed in this statement of evidence are within my area of expertise, except where relying on the opinion or evidence of other witnesses. I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed.

SCOPE OF SUPPLEMENTARY EVIDENCE

- 3 This statement responds to the following submitter evidence:
 - 3.1 The joint planning and executive evidence by Ms Thomas and Ms Hunt on behalf of the Southland Province of Federated Farmers of New Zealand dated 7 February 2025.
 - 3.2 Planning evidence by Ms Perkins for Stoney Creek Station dated 7 February 2025.

SOUTHLAND FEDERATED FARMERS

Expertise/Sentiment

- 4 At paragraph 15, Ms Thomas and Ms Hunt state that "Ms Hampson tends to proffer an opinion on community sentiment departing from the mandate of providing an economic analysis". This statement does not specify what aspects of community sentiment they consider I proffered an opinion on that were outside the mandate of economic analysis. Ms Thomas and Ms Hunt are not experts on economic analysis.
- 5 Economic assessment under the framework of the RMA goes beyond classical economics and requires an understanding of the processes through which regulations and policy generate effects. Those effects must be understood in terms of the nature and type of effect (costs and benefits, direct and indirect, tangible and intangible), the general physical locations where they apply (on the ground), and

the sections of society (communities, businesses and organisations) who bear the costs and/or experience the benefits.

- 6 While the Federated Farmers evidence is focussed on the 'sentiment' of farmers, I have been careful to take a balanced view of all landowners in the district. Community values towards indigenous biodiversity I have expressed in my evidence are also based on accepted national and international literature that underpinned the development of the NPS-IB. There is no evidence to suggest that those values do not apply to the Gore community.

Clearance of indigenous vegetation less than 15 years old

- 7 At paragraph 17, Ms Thomas and Ms Hunt consider that my concerns regarding the newly proposed rule permitting clearance of any indigenous vegetation that is less than 15 years old (ECO-R1(1)(n)) goes beyond the assessment of economic efficiency and costs. Further, that I am not qualified to make observations against expert ecological advice on the proposed rule.
- 8 As stated in paragraph 5, consideration of the effects (not limited to economic effects) of proposed rules is a key requirement of economic assessment in an RMA framework. One must first understand the potential outcomes of a rule (including the probability, consequences, scale and significance of those outcomes) when applied in real world situations.
- 9 I have applied that expertise when considering proposed ECO-R1(1)(n), as I have to all of the proposed rule provisions. I have simply set out my assessment¹ of that proposed rule based on the process I apply to my economic evaluation. I have acknowledged Mr Wells's expert opinion on the rule. We bring different expertise to the evaluation of the proposed rule. Mr Heale can weigh up both evaluations at his discretion and according to his expertise.
- 10 In any case, I understand that after further consideration of submitter evidence and advice from Council, that Mr Heale has now recommended that rule be removed. This is discussed further in supplementary evidence of Mr Wells.

New ECO-R2 – Hokonui Hills

- 11 At paragraph 18, Ms Thomas and Ms Hunt state that "the scope of an economic assessment" would not permit me to comment on the development of bespoke provisions for the Hokonui Hills (i.e. new ECO-R2) and at paragraph 19, that I am not qualified to make the suggestion that a CABMP under ECO-R1 could provide an alternative to ECO-R2 against the advice of Mr Wells.

¹ In paragraphs 97 and 98 of my EIC dated 13 January 2025.

- 12 As discussed above, understanding the way that landowners will engage with and utilise the provisions of a district plan is an important first step in economic analysis within the framework of the RMA. I am tasked with understanding the efficiency of the proposed provisions.² Economists are often required to identify and consider the tangible and intangible costs of regulatory efficiency, allocative efficiency, social and economic equity, as well as plan certainty, consistency and complexity. I consider that the scope of economic assessment is far broader than Ms Thomas and Ms Hunt appreciate.
- 13 In my Evidence in Chief (EIC), I do not question the development of the provisions (or specifically the outcomes that the developed provisions were trying to achieve/enable for the landowners) *per se*. I stated that Mr Wells considers the ecological effects of the new ECO-R2 provisions on indigenous vegetation on those properties to be appropriate. Notwithstanding that, I considered if the same outcomes could be achieved through a CABMP, thus reducing the complexity of the plan. Based on conversations between Mr Heale, Mr Well's and myself on this specific issue, I determined that the outcomes for the landowner could be the same depending on how the process and scope of CABMP's were settled.
- 14 Having established an alternative regulatory pathway for the Hokonui Hill's landowners that would appear to achieve the same outcomes, my evidence in fact focussed on the potential precedent of developing bespoke provisions in the District Plan for other landowners who may want to replicate what was provided for Hokonui Hills, which, at face value, readers of the recommended provisions at the time were likely to perceive as inequitable or lacking justification. I note that Ms Williams raised the very same observation in her evidence for the Director General of Conservation.³ As did Ms Perkins for Stoney Creek Station.⁴
- 15 While Ms Thomas and Ms Hunt "support the concept of creating bespoke provisions for these properties", they also turned their attention to implications for the rest of the district. My evidence does the same. Any risk of a precedent for bespoke provisions for other landowners would create additional administration costs for council (and future plan changes). Conversely, the costs of a CABMP would be much less, and shared by the landowner and the Council with no need to change the plan each time a property completes the necessary ecological assessment. This is an economic cost comparison that is within the scope of economic analysis and which informed my EIC.

² This includes comparing the efficiency of the recommended S42A provisions relative to the notified provisions – i.e., the changes that were subsequently recommended.

³ EIC of Ms Williams, dated 7 February 2025, paragraph 44.

⁴ EIC of Ms Perkins, dated 7 February 2025, paragraph 7.5.

- 16 Ultimately Mr Heale supported retaining ECO-R2 in his S42A report on the basis that it locks in the controls that have been agreed between the Hokonui Hills landowners and ecological experts, but he also considered that if the panel were supportive of a CABMP as a permitted activity under ECO-R1, that this also provides an appropriate pathway to manage effects on indigenous biodiversity in the Hokonui Hills Precinct (particularly if Council were agreeable to resourcing the CABMP process).
- 17 I also note that the hearing process for the ECO chapter has now, through the Stoney Creek Station evidence, provided information that further explains (for the benefit of the Panel, other submitters and the wider public engaged in the district plan review) the uniqueness of the Hokonui Hills properties. The evidence base has now caught up with fact that new ECO-R2 was introduced only at the S42A stage and not in the draft and notification stage. That evidence now satisfies my concerns (raised in my EIC) around readers of the plan not understanding the justification of the bespoke rules. I agree that the bespoke provisions are now justified, and the risk of setting an inefficient precedent effect is therefore diminished.

Transaction costs

- 18 At paragraph 20, Ms Thomas and Ms Hunt state that I have not accounted for the potential cost of cultural assessments as part of transaction (consent) costs attributable to ECO-R1. They refer to their evidence provided in the Sites of Significance to Māori chapter of the PDP (SASM chapter⁵) whereby they provide an example of a cost for a cultural impact assessment “amounting to \$3,000 for one member where no site visit was conducted”⁶ and consents relying on cultural assessments being subject to lengthy processing times.⁷
- 19 My EIC describes the process through which transaction costs may arise in paragraphs 92.1-3. I noted the continuum of costs with NCA consents typically costing more. I pointed out that transaction costs for a proposed activity may not be wholly attributable to the proposed vegetation clearance and land disturbance rules as the proposed development or subdivision may have triggered a consent in other chapters of the PDP. That is also true of any cultural impact assessment costs.
- 20 No rules in the ECO chapter make reference to cultural impact assessments but policies ECO-P7, ECO-P10 and ECO-P11 do make reference to cultural values. While I refer to Mr Heale’s supplementary assessment on the situations when cultural values may need to be considered in a resource consent application under

⁵ Hearing Stream 9a, evidence dated 28 January 2025.

⁶ Ibid, paragraph 67e.

⁷ Ibid, paragraph 67a.

the PDP (inclusive of the ECO chapter), I accept that *if* a cultural impact assessment is required (or perhaps just input from mana whenua is required in a less formal manner) that these are additional to the transaction costs I considered in my EIC.

- 21 In footnote 50 of my EIC I outlined gross indicative costs of ecological assessments for resource consents which I stated as being the main component of transaction costs under the ECO chapter. At the lowest end of the scale, the cost was \$3,000-\$7,000 for small scale proposals with minor effects on indigenous biodiversity.⁸ In paragraph 101 of my EIC, I identified Council consent application charges ranging from \$1,580 (un-notified) to \$5,000 (notified). While noting that there may be other professional fees or council planner charges, this is an indicative total transaction costs of between \$4,580 to \$12,000.
- 22 Using the example of \$3,000 for a cultural impact assessment identified by the submitter, and in the context of a small scale development proposals, the addition of the cultural impact assessment cost could bring external report costs (i.e. transaction costs) up to \$7,580-\$15,000. This is a 25%-66% increase but is highly sensitive to the \$3,000 cost example provided by Ms Thomas and Ms Hunt being representative.
- 23 I do not have any data that would validate Ms Thomas and Ms Hunt's example cost of \$3,000 (and it is an area where more evidence could be sought).
- 24 In paragraph 106 of my EIC I concluded that requiring a consent under ECO-R1 (as recommended) would not be expected to result in net additional costs to landowners that go beyond those anticipated by the NPS-IB, or that will limit the ability of landowners to provide for their economic wellbeing. Accounting for the addition of a cultural impact assessment (or mana whenua input) would increase transaction costs for small scale developments in the rural zone but not large scale developments in my opinion. The scale of that increase in costs is uncertain.
- 25 Based on the limited information provided by the submitter, I have not changed my conclusion that the current provisions are efficient when considering both costs and benefits, and the anticipated low incidence of resource consents likely to be required over the life of the PDP at a district level attributable to the ECO chapter.

⁸ At the upper end of the ecological assessment cost scale was 70,000-\$150,000 for large scale/complex projects (and upwards to \$1m for significant infrastructure projects). These upper scale costs are not relevant in the context of farming activities described by Ms Thomas and Ms Hunt (and cultural impact assessment are already likely to be included in those consents as a matter of best practice and social licence irrespective of district plan requirements).

Clearance limits

- 26 At paragraph 34, Ms Thomas and Ms Hunt state that “there is little risk that farmers would clear more vegetation than is necessary for clearance” if the clearance thresholds were removed from ECO-R1(1)(a). They go on to state that “it is not in the interests of farmers to clear any more vegetation than is needed”. It is worth noting that indigenous vegetation cover in Gore District has continued to decrease over the life of the ODP. It is clear that a non-regulated approach to indigenous vegetation clearance has not been working for private rural property.
- 27 While proposed rule ECO-R1(1)(a) provides for activities that commonly occur on farms, the rule is not limited to clearance and land disturbance that may be carried out by “farmers”. The rules apply to the owners (or administrators in the case of DOC or a local authority) of rural zoned land.
- 28 This land may be used for a range of purposes not limited to farming (e.g. prospecting for and mining minerals, quarrying, rural industry, industrial activity, commercial activity, education facility, rural commercial recreation activity, equestrian facility).⁹ While I acknowledge that the submitter has not commented on roads, critical infrastructure and network utilities, fencing, walkways, vehicle tracks and water crossings, for example, may be present (and needed) for reasons other than farming. It is important that the rules apply at the broadest sense to be effective, and not just through a farming lens.
- 29 At paragraph 86, Ms Thomas and Ms Hunt highlight that activities like stock control and pest-proof fencing and firebreaks provide positive benefits for indigenous vegetation. I agree. It is their view that if a consent is required for those activities, then farmers will be unlikely to carry them out, with associated opportunity costs for environmental outcomes.
- 30 I note only that the “practical implications of the proposed provisions” (a focus of the submitters EIC in hearing stream 9A)¹⁰ should be considered in conjunction with the probability of those consents being required.¹¹

⁹ All of these activities are permitted in the Rural Zone (with some only permitted outside of SNAs, defaulting to RDA – so still anticipated by the PDP). Based on the final recommended provisions in Hearing Stream 3.

¹⁰ EIC of Ms Thomas and Ms Hunt for Southland Federated Farmers, 28 January 2025, paragraph 19.

¹¹ In RMA terms, risk of consenting being required (and the costs that flow from that) are a combination of consequence and probability. As stated in my EIC the adverse consequences for landowners (transaction and potential compliance costs) are not considered to likely to impinge the feasibility of carrying out most activities on rural land (as a marginal increase on project costs)

- 31 Creating new firebreaks certainly requires vegetation to be cleared and the recommended provisions require a Restricted Discretionary Activity (RDA) consent. As stated in my EIC,¹² the potential economic benefits of having firebreaks are likely to far outweigh the costs of a RDA consent for a landowner over the long-term, and I do not consider that a farmer would opt out of creating new firebreaks (particularly when mandated by FENZ) to avoid transaction and potential compliance costs.
- 32 I query how common it is in farming practice for new stock control fences and pest control fences to be established in areas of indigenous vegetation (where clearance would be required) compared to being on the edge of indigenous vegetation where improved pasture stops, and no vegetation clearance is required? I have not seen evidence that addresses the reality of this, only the potential for it.
- 33 I maintain my view that the burden of potential resource consents over the life of the PDP attributable to the proposed ECO-R1 provisions is likely to be low in practice and not of a scale that will materially adversely affect the economic wellbeing of rural landowners in Gore District.
- 34 A minor point of clarification. The "Economic Report Recommendations" column in Table 1 of Ms Thomas and Ms Hunt's evidence uses the words "no greater in width than the currently or previously cleared area" with regard to fences, critical infrastructure other than roads, dams and network utilities. This wording has been taken from Table 4 of the S42A report (page 117). I note that that wording was from an older version of my evidence. The words "currently or" are not included in my Table 5 of my EIC.
- 35 Firebreaks. It appears, in paragraph 95, that Ms Thomas and Ms Hunt's interpretation is that only 1.5m of indigenous vegetation can be cleared to maintain, repair, replace or upgrade an existing firebreak. Mr Heale responds to this matter in his supplementary evidence, confirming that the rule enables a further 1.5m of clearance on either side of existing firebreak, which itself has (or had originally before any revegetation) a specific functional width.
- 36 I consider that the recommended threshold provides ample access and clearance potential to ensure that existing firebreaks are maintained such that landowners can continue to provide for their economic wellbeing.
- 37 Waterway crossings. The Submitter disagrees with a 1m clearance threshold either side of an existing waterway crossing and maintains that no threshold is required. Ms Thomas and Ms Hunt use an example vegetation that is growing more than 1m from the side of

¹² Evidence of N. Hampson, 13 January 2025, paragraph 159 and similarly from 162.

an existing crossing but is still overhanging/impinging on use of the crossing. In the context of that example, I consider that rules would allow for the overhanging foliage to be trimmed back to 1m of either side of the waterway crossing, even if the 'trunk' of the plant is beyond 1m.

- 38 Further, the clearance provisions of ECO-R1 should be read as a bundle. There are other permitted clearance activities that can be applied in conjunction with the 1m threshold to help deal with most potential situations (for example, if the vegetation is not a forest specimen, and the landowner has not utilised all of the 50sqm of permitted clearance in a five year period or, if the vegetation is causing a risk to human safety). I maintain that the proposed provisions enable landowners to provide for their existing activities and therefore economic wellbeing.
- 39 Vehicle and farm tracks. At paragraph 101, Ms Thomas and Ms Hunt do not support 1m of clearance either side of an existing vehicle track, maintaining that no threshold should be applied for the maintenance, repair, replacement or upgrade of existing vehicle and farm tracks. They provide an example of a "new farm track". I note that a new farm track that is within an IVA or SIVA/SNA would require a discretionary or non-complying consent under proposed ECO-R1 and no clearance thresholds are specified.
- 40 In any case, for the maintenance etc of existing tracks, clearance "in some places" that may extend beyond 1m can also be managed through other permitted clearance activities included in ECO-R1, including the 50sqm/5 year activity and maintenance of improved pasture activity. As a bundle, the permitted activities are enabling, and I do not consider that they will give rise to resource consents for the maintenance etc of existing tracks.
- 41 Fences. The submitter recommends no threshold for indigenous vegetation clearance for the maintenance, repair, replacement and upgrade of existing fencing, thus negating a RDA consent when clearance does not meet the permitted standard. The S42A recommends clearance that is "no greater than existing width" for existing fences. I agree with the submitters that this is wording ambiguous. I supported a "no greater in width than previously cleared" in Table 5 of my evidence (or a no threshold option).
- 42 I consider that my wording aligns with Ms Thomas and Ms Hunts example in paragraph 104 where they state: "when the fences were built *initially*, a greater width than existing width would have been cleared to erect the fence" (my emphasis). The intention behind my suggested wording was to enable the previous, or original/initial clearance area to be retained as this both matched the access requirements of vehicles used to build the fence initially (which will be similar to the vehicles used to maintain, repair, replace or upgrade that same fence) and because it would result in no-net loss of vegetation cover over the long-term.

- 43 I accept that there may be circumstances¹³ where the previous or original cleared area along the fence line is unknown or cannot be determined if revegetation has been substantial and undisturbed because of very infrequent fence maintenance or inspection. Similarly, farm machinery changes and current machinery may be wider than the machinery used to originally establish the fence through indigenous vegetation. In such situations (which are likely to be the exception and not the norm), the bundle of permitted clearance activities may assist. Only if the application of all available permitted clearance options is exhausted, would a RDA consent apply.
- 44 As stated in my EIC, only 115 general tenure (private) properties in the district contain an area of IVA or SIVA. Of all the existing fences on those 115 properties, I do not know how many of those fences (or their length) exists within areas of indigenous vegetation. Nor has Ms Thomas and Ms Hunt provided any evidence on the scale of this particular issue.
- 45 I estimate that the number (or length) of fences located within indigenous vegetation would be relatively low (as a share of total fencing). Of that low estimate, the instances where clearance could not be achieved as a permitted activity under the combined proposed provisions of ECO-R1 would be an even smaller proportion. The likelihood of a RDA consent being triggered on those 115 properties for existing fence maintenance etc reasons would be very low in my opinion.
- 46 On the basis that that indigenous vegetation needing to be cleared along those existing fence lines may be a SIVA/SNA,¹⁴ I no longer support 'no threshold' for maintenance etc of existing fences. A RDA consent (in the limited situations where it might be triggered), would at least provide an opportunity for adverse effects on that SIVA/SNA to be managed or mitigated/offset. I support a qualified clearance threshold for existing fences that is tied to previous or original land use practice from an economic perspective and consider that the intent of that wording in ECO-R1(1)(a) could be further clarified. Further refinement of the approach used could however be discussed with submitter input at the hearing.
- 47 Dams. Ms Thomas and Ms Hunt provide useful evidence on why indigenous vegetation may be planted around a dam, and the need for dam (and drain) maintenance. The S42A recommended a clearance threshold "no greater than existing width" and my recommendation in my EIC was (as above) "no greater in width than previously cleared". The evidence provided further confirms my

¹³ As set out in paragraph 146 of my EIC.

¹⁴ 77 private properties in the General Rural Zone contain an area of SIVA (out of 115 properties that contain either SIVA or IVA).

view that the notified clearance threshold of 1m would have had adverse economic effects.

- 48 Ms Thomas and Ms Hunt have not included information on how frequently dams need to be maintained (to the extent that vegetation around the dam may need to be cleared for that purpose). I also do not have information on this. However, if the dam is relatively new, it may not have had any previous vegetation clearance. However, if the dam has been maintained already, it is possible that clearance of 'what had been cleared in the past' would make sense as a rule and provide for those maintenance activities unhindered (and without requiring a consent).
- 49 As with the above discussion, there are other permitted clearance activities in ECO-R1 that may assist landowners with maintaining, repairing, replacing and upgrading dams. This includes the ability to clear up to 50sqm/5 years of non-forest indigenous vegetation. However, and reflecting on the submitter's evidence, an ability to clear vegetation that was deliberately planted around a dam could be better provided for.
- 50 Overall, I consider that the wording of the qualified clearance threshold for dams included in the S42A report could be improved, and that ECO-R1(k)(ii) could be amended to provide for the sort of functions planting around a dam achieves. I defer to Mr Heale on how that wording might be included in that rule. With these changes, I consider that the concerns raised by the submitter would be addressed, and that the provisions would be effective in enabling landowners to maintain etc dams without triggering a consent in most (if not all) potential situations.

STONE CREEK STATION

- 51 At paragraph 7.12 Ms Perkins clarifies that in paragraph 118 of my EIC "Ms Hampson has noted the differences between ECO-R1 and proposed ECO-R2, and states in sub-paras (5) and (7) that clearance for new tracks or other essential farm activities is permitted in Area C/D. This is not correct. In those high value areas only a very limited amount of clearance is permitted for fencing purposes."
- 52 I agree this was an error and paragraphs 118.5 and 118.7 of my EIC should be disregarded.
- 53 At paragraph 8.2, Ms Perkins states that "Ms Hampson argues ... that the Hokonui Hills area does not warrant any specific difference in approach compared to other areas or properties within the district". As discussed in response to the Federated Farmers submission (my paragraph 16 above), I now accept from the evidence provided that the bespoke provisions in new ECO-R2 have been justified.

Dated 20 February 2025

A handwritten signature in blue ink, appearing to read 'M. Manj', is positioned above a horizontal line.
