

Report/Decision on a resource consent application

Resource Management Act 1991 ("RMA"; "the Act")

(Sections 95A, 104 and 104B,104D)

1. Application details

Application number:	RMA/2025/53189
Applicant:	H & M Grazing Limited
Site Address:	120 Roughan Road, Te Tipua
Legal description:	Section 14-15 Block VIII Lindhurst Hundred (Record of Title SL10B/64)
Zone:	General Rural Zone
Overlays and map notations:	Invercargill to Roxburgh 220kV High Voltage Transmission Line Archaeological Sites: F4622, F4621, F461
Activity status:	Non-complying
Description of application:	Subdivision consent for three rural allotments Land Use consent for the non-compliance with the on-site wastewater requirements. Amalgamation Condition

2. Proposed activity

The proposal is to create a two-allotment subdivision including an amalgamation condition and a land use consent for the non-compliance of the on-site wastewater requirements Lot 1. The proposed Lot 2 will be amalgamated with the residue allotment.

Lot 1

- The area of Lot 1 is 5412m².
- The site contains an existing dwelling.
- There is an existing vehicle accessway to Roughan Road.
- Wastewater disposal field is located outside of the proposed boundaries for Lot 1 and located within proposed Lot 2

Lot 2

- The size of Lot 2 is 161.9778 hectares.
- This allotment contains a number of existing accessory buildings.
- There is an existing vehicle accessway to Roughan Road.

Residue allotment SL10B/64

- This lot is 7.2919 hectares in size
- It is vacant, currently used for farming purposes.

The proposed amalgamation condition is as follows: *Lot 2 and Section 15 Block VII Lindhurst Hundred must be endorsed on the survey plan to be held together, and one record of title must be issued to include both parcels'.*

3. Description of site and existing environment

The application site is located within the General Rural Zone and subjected to the Invercargill to Roxburgh 220kV high voltage transmission line and archaeological sites of F4622, F4621, F46. There is an existing dwelling and a number of accessory buildings located on the property. The land is classed as Highly Productive Land, containing LUC class 3 soils. The site is currently used for farming purposes. The surrounding environment is rural in nature, containing large allotments mostly used for primary purposes.

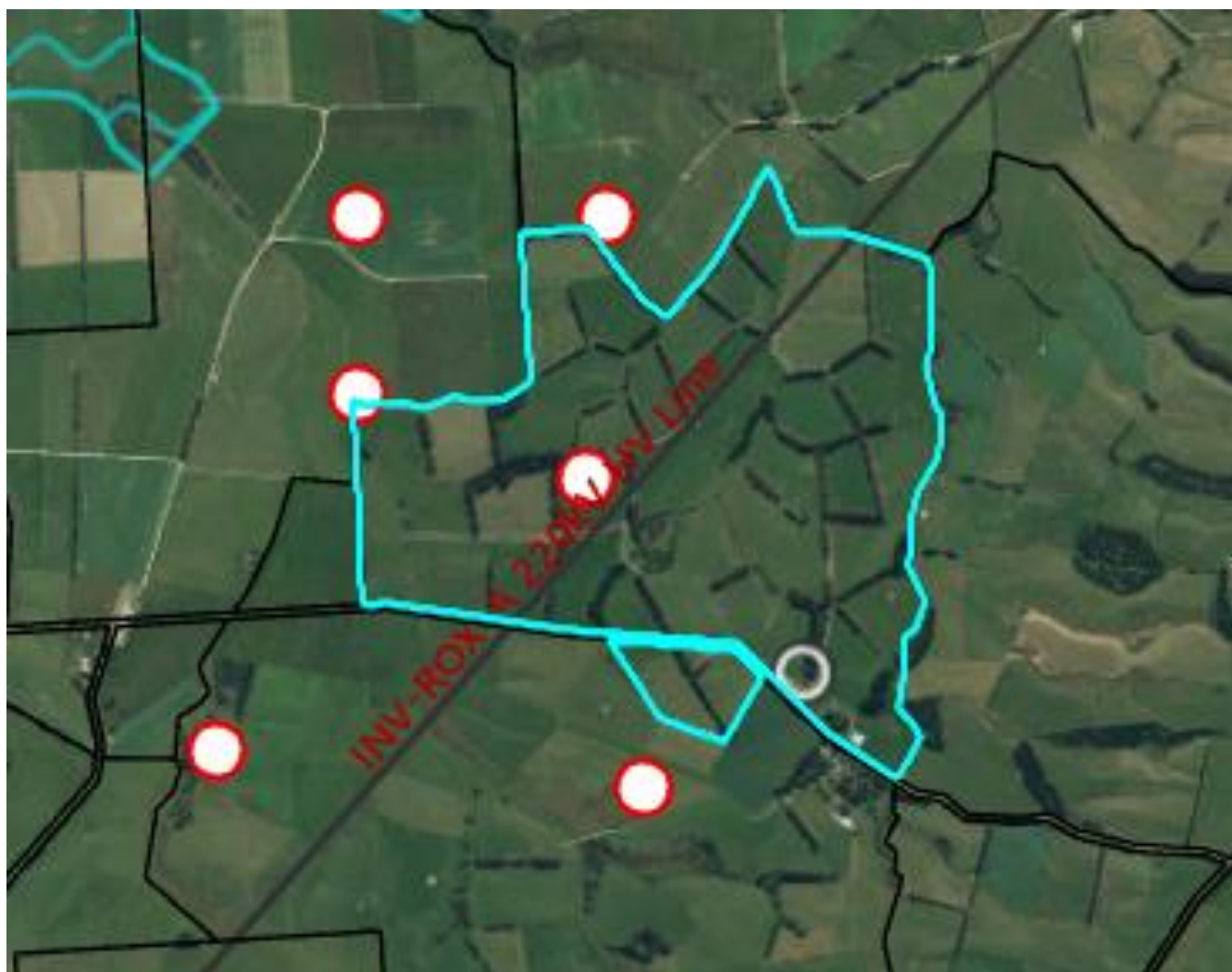


Figure 1: Application site showing archaeological sites and transmission line as per Council's GIS system, dated 3 March 2026

4. Activity status

Southland District Plan ('District Plan')

The proposal requires resource consent for a non-complying activity under the following rules:

Activity status rule	Standard not met	Reason	Matters of control or discretion	Notification clause
SUB-R5 – Non-Complying	Subdivision that creates allotments that include the National Grid Yard.	One of the new allotments created includes the National Grid Yard.	There are no matters of discretion for this activity status.	No

Proposed Plan Change 2 (with Legal effect)

The following rule from Proposed Plan Change 2 (PC2) has legal effect as of 24 April 2025 and is relevant provision for consideration.

Activity status rule	Reason	Matters of control or discretion
Standard no met		
LAN-PS3 – Restricted Discretionary	The wastewater system for proposed Lot 1 is not wholly contained within the proposed allotment boundaries.	Matters of Control: LAN-MAT1: Degree of Compliance LAN-MAT5: On-Site Wastewater Systems LAN-MAT8: Allotments LAN-MAT9: Flood Hazards

Overall activity status

Overall, the application must be assessed as a non-complying activity, being the most restrictive activity status.

5. Written approvals [Sections 95D, 95E(3)(a) and 104(3)(a)(ii)]

No written approvals have been provided with the application.

6. Notification Assessment

Adverse effects on the environment and affected persons [Sections 95A, 95B, 95E(3) and 95D]

When assessing whether adverse effects on the **environment** will be, or are likely to be, more than minor, any effects on the owners and occupiers of the application site and adjacent properties must be disregarded (section 95D(a)). The assessment of **affected persons** under section 95E includes persons on adjacent properties as well as those within the wider environment, including those to whom a statutory acknowledgement is made in accordance with the Act.

As a non-complying activity, assessment of this proposal is unrestricted and all actual and potential effects must be considered. Guidance as to the effects that require consideration is contained in the relevant objectives and policies, and any associated matters of discretion or control.

The objectives and policies in the District Plan set the context for assessing the effects of the application. The relevant objectives and policies can be found within the Subdivision, General Rural Zone, Transport and LAN chapters of the District Plan.

Sections 95D(b) and 95E(2)(a) allow the adverse effects of activities permitted by the District Plan or an NES to be disregarded via the “permitted baseline” principle. In this case the permitted baseline is not considered relevant for a subdivision consent.

Subdivision Design

The proposal creates an allotment that is significantly smaller than the surrounding environment to separate the dwelling from the agricultural unit. Proposed Lot 2 will be large and a similar size to the neighbouring properties. A residue allotment will also be created as part of this proposal which is also significantly smaller than the neighbouring properties. This residue lot is created as LINZ requirements means that a Record of Title cannot include allotments which are split over a road, an amalgamation condition has been included as part of the application to connect the proposed Lot 2 with the residue allotment. Therefore, the adverse effects of the subdivision will be less than minor.

Rural Amenity

The proposed Lot 1 is significantly smaller than the surrounding properties and therefore does not maintain the rural amenity of the area. The nearest 'small' allotment of approximately 1.95 hectares is located 3.4km from the subject site. This allotment is an anomaly within the surrounding environment which is dominantly made up of large agricultural units. The size of Lot 2 is consistent with the neighbouring properties as it is large farming allotment. This allotment maintains the rural character of the surrounding environment. The residue allotment of SL10B/64 of 7.2919 hectares is also considered to be small for the surrounding environment. But as the residue allotment is being amalgamated with Lot 2 and therefore, the size is considered sufficient. Therefore, the adverse effects on the rural amenity will be less than minor.

Adverse Servicing Effects

Wastewater

Proposed Lot 1 contains an existing wastewater system, the septic tank is located within the proposed allotment boundaries, with the effluent field located within proposed Lot 2, an easement is proposed over Lot 2 in favour of Lot 1 to provide for the effluent field.

Proposed Lot 2 contains sufficient space for an efficient on-site wastewater system.

Stormwater

A site and soil report was provided which confirms that Lot 1 discharges stormwater to ground in a satisfactory manner and will not impact the existing wastewater system.

Lot 2 contains sufficient space to dispose of stormwater on-site without causing any adverse effects.

Water Supply

A new roof water collection system will be installed on the dwelling on Lot 1 to create a potable water supply for this allotment.

Lot 2 will continue to collect water from the roof water from the existing woolshed on the allotment.

Electricity/ Telecommunications

An easement is proposed over Lot 2 to provide services for Lot 1 via an overhead electricity from the road. When future development on Lot 2 may occur, there is electricity and telecommunication connection available from Roughan Road.

Vehicle Accessway

There are two existing vehicle accessways onto Roughan Road which will be used for the new allotments.

Transmission Lines

The Invercargill to Roxburgh 220kV high voltage transmission line is located through the property, the proposal does not impact this transmission line and does not introduce any built forms or boundary lines near National Grid Yard. Therefore, the proposal will have a less than minor effect on this transmission line. A consent notice has been placed on Lot 2 to prevent any development occurring within 12 metres of the National Grid support structures or overhead lines.

Request for Information

Further information was requested via the following questions:

1. Please provide the exact dimensions of the existing shed near the boundary of Lot 1 with the recession plane calculation and assessment against the recession plane requirements if relevant.
2. Please confirm if the water supply for Lot 1 will be provided from the dwelling on Lot 1 or the woolshed on Lot 2.
The application states that the water supply for Lot 1 is from the woolshed contained in Lot 2, while the site and soil assessment states that the water supply may be changed to onsite via the existing dwelling on Lot 1.
3. Please confirm how the potable water supply will be secured for the longevity of Lot 1. Any future owner of Lot 2 may remove the woolshed from site.
4. Please clarify if the firefighting supply is the same as the potable water supply for Lot 1.
5. Please clarify that perimeter of the existing disposal field within the easement is clearly defined with at least a 1.5m separation from the boundary of the easement for maintenance.
6. The identified disposal field for Lot 1 does not meet the definition of on-site disposal as per the District Plan, thus, requiring it to be included in the land use activity status.
On-site wastewater disposal system: means a wastewater treatment and disposal system designed to treat and dispose of wastewater from the dwelling or dwellings located on that site.
7. Please provide evidence of sufficient room of replacement for on-site wastewater systems within Lot 1.
8. Please provide a specialist HPL report to discuss how the resulting allotments meet the exemption clauses of the NPS-HPL.

The application originally also applied for a land use consent for a recession plane breach. However, as the agent provided information that determined that a land use consent for the recession plane was not required as the recession plane was found to be compliant.

There was conflicting information in within the Site and Soil Assessment and the Assessment of Environment Effects regarding the potable water source for Lot 1, the agents response confirm that the water supply will be connected from the dwelling on Lot 1, this supply for also be used for firefighting.

Discussion with the agent occurring regarding the wastewater system on Lot 1 with the disposal field on Lot 2. Council and the agent came to the agreement to add a land use consent to the application for the wastewater system breaching the on-site requirement under the LAN chapter.

A specialist report discussing the exemption clause of the NPS-HPL was provided and this information is discussed in the report further below.

Written approval from Te Ae Mārama Inc (TAMI) was requested by Council, however the agent contacted TAMI and received no response. Council and the agent determined the best outcome was to add a consent notice on Lot 2 with the accidental discovery protocol. Thus, is to let any future owners know about the archaeological sites and what to do if they accidentally discover any archaeological material.

Archaeological Sites – Cultural Effects

The property contains one archaeological site on the property, with two other sites located on the boundary of the property. Cultural effects are less than minor due to there not being any direct environmental impact on iwi. The proposal is only moving the boundary lines, with no earthworks or structures proposed. The new boundary lines are well clear of the archaeological sites located on the property. However, a consent notice has been added to Lot 2, to inform any future lot owners of their legal responsibility regarding the archaeological sites.

Statutory Acknowledgements

Council must determine whether the proposed activities are on or adjacent to, or may affect, land that is subject of a statutory acknowledgement under schedule 11, and whether the person to whom the statutory acknowledgement is made is an affected person (s95B(3)). Statutory acknowledgements are listed in Schedule 5.1 of the District Plan.

In this instance, the proposal is not on or adjacent to and will not affect land that is subject to a statutory acknowledgement and will not result in adversely affected persons in this regard.

Conclusion

Overall, I consider that any adverse effects generated on the wider environment will be less than minor. Moreover, I consider that the adverse effects generated on any person would be less than minor.

7. Notification tests [Sections 95A and 95B]

Sections 95A and 95B set out the steps that must be followed to determine whether public notification or limited notification of an application is required.

PUBLIC NOTIFICATION TESTS – Section 95A	
<i>Step 1: Mandatory notification – section 95A(3)</i>	
➤ Has the applicant requested that the application be publicly notified?	No
➤ Is public notification required under s95C (following a request for further information or commissioning of report)?	No
➤ Is the application made jointly with an application to exchange reserve land?	No
<i>Step 2: If not required by Step 1, notification is precluded if any of these apply – section 95A(5)</i>	
➤ Does a rule or NES preclude public notification for all aspects of the application?	No
➤ Is the application a controlled activity?	No
➤ Is the application a boundary activity?	No
<i>Step 3: Notification required in certain circumstances if not precluded by Step 2 – section 95A(8)</i>	
➤ Does a rule or NES require public notification?	No

PUBLIC NOTIFICATION TESTS – Section 95A	
➤ Will the activity have, or is it likely to have, adverse effects on the environment that are more than minor (discussed above)?	No
<i>Step 4: Relevant to all applications that don't already require notification – section 95A(9)</i>	
➤ Do special circumstances exist that warrant the application being publicly notified?	No

In accordance with the provisions of section 95A, the application **must not be publicly notified**.

LIMITED NOTIFICATION TESTS – Section 95B	
<i>Step 1: Certain affected groups/persons must be notified – sections 95B(2) and (3)</i>	
➤ Are there any affected protected customary rights groups or customary marine title groups?	No
➤ If the activity will be on, adjacent to, or might affect land subject to a statutory acknowledgement - is that party an affected person in this regard?	No
<i>Step 2: If not required by Step 1, notification is precluded if any of the following apply – section 95B(6)</i>	
➤ Does a rule or NES preclude limited notification for all aspects of the application?	No
➤ Is this a land use consent application for a controlled activity?	No
<i>Step 3: Notification of other persons if not precluded by Step 2 – sections 95B(7) and (8)</i>	
➤ Are there any affected persons under s95E, i.e. persons on whom the effects are minor or more than minor, and who have not given written approval (discussed above)?	No
<i>Step 4: Relevant to all applications – section 95B(10)</i>	
➤ Do special circumstances exist that warrant notification to any other persons not identified above?	No

In accordance with the provisions of section 95B, the application **must not be limited notified**.

8. Notification recommendation

That, for the reasons outlined above, the application be processed on a **non-notified** basis pursuant to sections 95A and 95B of the Resource Management Act 1991.

Reported and recommended by: Tylar Watson Johnston – Graduate Resource Management Planner
Consents

Date: 2 April 2026

9. Notification decision

That the above recommendation be accepted for the reasons outlined in the report.

I have viewed the application and plans.	Yes
I have read the report and accept the conclusions and recommendation.	Yes
I am not aware of any actual or potential conflicts of interest.	Yes

Decision maker notes

I agree with and adopt the planner's recommendation on notification.

Delegated officer:

Signature: 

Name: Daniel Kinnoch

Position: Duty Commissioner

Date: 12 April 2026

SECTION 104 ASSESSMENT

10. Actual and potential effects on the environment [Section 104(1)(a)]

The adverse effects on the environment are assessed in the preceding section 95 discussion, and that assessment is equally applicable here. The proposal is not in line with the objectives and policies of the District Plan and does not satisfy any clauses under the NPS-HPL.

Overall, I consider that the effects of the proposed activity on the environment will be acceptable, however the proposed activity is deemed not consistent with the applicable statutory requirements.

11. Relevant objectives, policies, rules and other provisions of a Plan or proposed plan [Section 104(1)(b)(vi)]

Regard must be had to the relevant objectives and policies in the District Plan.

Southland District Plan (Operative)

Subdivision

Objectives: SUB-O1, SUB-O2

Policies: SUB-P1, SUB-P2, SUB-P4, SUB-P7, SUB-P16

The proposed activity is deemed inconsistent with the objectives and policies of the Subdivision chapter. The resulting allotments will utilise onsite management systems for potable water and stormwater but are not able to provide onsite wastewater management for proposed Lot 1, with an easement in place over proposed Lot 2.

This subdivision does not impact the archaeological sites as no earthworks or structures are proposed as part of this consent.

The proposed activity is deemed inconsistent with SUB-P4 as the subject site is located in an area outside of which has been identified for compact urban form within the General Rural Zone i.e Rural Settlement areas and is located on high-value soils.

General Rural Zone

Objectives: GRUZ-O1, GRUZ-O2

Policies: GRUZ-P1, GRUZ-P2, GRUZ-P3, GRUZ-P4, GRUZ-P5, GRUZ-P10

The proposal is not consistent with the objectives and policies of the General Rural Zone as residential sized allotments are being introduced into the environment.

The proposed activity separates the dwelling from the productive farming allotment creating a rural-residential allotment. This is inconsistent with GRUZ-P4 and GRUZ-P5, it does not;

- promote sustainable land use and soil management,
- maintain the life-supporting capacity and productive value of the land resource
- take place on soils not identified as being high value
- maintain allotment size, shape and configuration in which maintains open character

The subject site is not located within or adjacent to a Rural Settlement and therefore is not consistent with GRUZ-P10.

Transport

Objectives: TRAN-O1

Policies: TRAN-P1, TRAN-P3, TRAN-P4

The proposal is able to integrate with the existing roading network by using the current accessways for the new allotments and will not cause any adverse effects for the infrastructure providers.

Proposed Plan Change 2 (PC2)

Regard must also be had to the provisions of PC2, which was notified on 24 October 2024. The stage of PC2 at the time of this assessment is post-decision/appeal. The relevant PC2 rules with legal effect were listed in the 'Activity Status' section above.

The proposal has been assessed against the relevant objectives and policies of PC2, including:

Objectives: LAN-O1, LAN-O2

Policies: LAN-P1, LAN-P3, LAN-P4

The proposal does not create new development that imposes costs onto future generations. The final landforms preserve natural features and fits requirements of development, and no earthworks are proposed. The systems are functional and will not cause adverse environmental effects. The proposal is able to integrate with the existing infrastructure. Except for the wastewater system on Lot 1 as it is not wholly contained within the allotment.

Weighting

Based on PC2 being at the post-decision/appeal stage, moderate to significant weight is given to its provisions.

The proposal is considered inconsistent with the relevant provisions of both the Operative District Plan and Proposed Plan Change 2 (PC2). As the assessment under both frameworks leads to the same conclusion (decline), a detailed weighting analysis under s104(1)(b) is not required in this instance. Appropriate weight has been given to PC2 provisions according to its current stage [post-decision/appeal].

Overall, the proposal is inconsistent with the relevant statutory provisions of the District Plan.

12. Relevant provisions of a National Environmental Standard, National Policy Statement, Regional Plan, Regional Policy Statement or Coastal Policy Statement [Section 104(1)(b)]

National Policy Statement for Highly Productive Land

The National Policy Statement for Highly Productive Land is relevant to this application. The property is classed as Highly Productive Land, as the property contains LUC class 3 soils. The subject site is located within a large uninterrupted area of LUC 3 soils as shown in Figure 2 below.

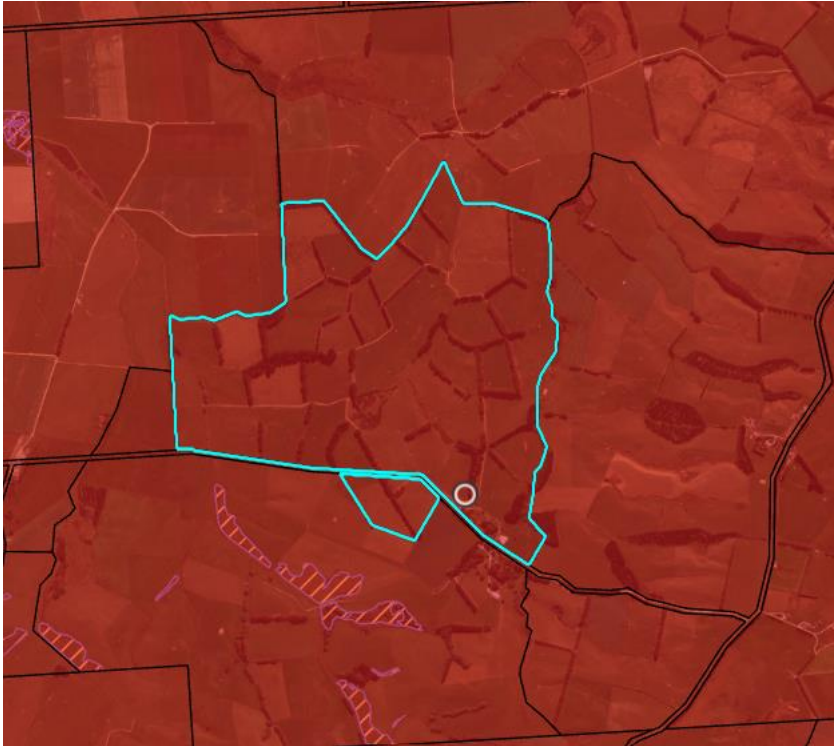


Figure 2: Application site showing LUC class 3 soils, dated 25 Feb 2026.

The application summarises that *‘the proposal is consistent with the outcome sought in the NPS-HPL and will not compromise highly productive land within site’*, identifying that;

- The application avoids actual loss of highly productive land
- Permanent and long-term constraints exist within Lot 1
 - Poorly drained soils
 - Lack of infrastructure
 - Existing built form
 - No new fragmentation
 - No earthworks, vegetation clearance or connection to reticulated services or discharges proposed.

Council policy review deemed the proposed activity is inconsistent with the Objective and Policy 7 of the NPS-HPL.

Objective

Highly productive land is protected for use in land- based primary production, both now and for future generations,

Policy 7

The subdivision of highly productive land is avoided, except as provided in this National Policy Statement.

The applicant discusses Clauses 3.8, 3.10 and 3.11 within their application and further information request, engaging AgIntel to provide specialist information. To support Council is areas outside of Council’s

expertise the provided information has been peer reviewed on behalf of Council by AgFirst, for the economic viability and productive assessments provided.

Clause 3.8

Clause 3.8 Avoiding subdivision of highly productive land

- (1) *Territorial authorities must avoid subdivision of highly productive land unless one of the following applies to the subdivision, and the measures of subclause (2) are applied;*
 - a. *The applicant demonstrates that the proposed lots will retain overall productive capacity of the subject land over the long term*
 - b.
 - c.
- (2) *Territorial authorities must take measures to ensure that any subdivision of highly productive land;*
 - a. *Avoids where possible, or otherwise mitigates, any potential cumulative loss of the availability and productive capacity of highly productive land in their district; and*
 - b. *Avoid if possible, or otherwise mitigates, any actual or potential reverse sensitivity effects on surrounding land-based primary production activities.*

For clarity Productive Capacity is defined in Clause 1.3 of the NPS-HPL as;

In relation to land, means the ability of the land to support land-based primary production over the long term, based on an assessment of:

- a. *Physical characteristics (such as soil type, properties, and versatility); and*
- b. *Legal constraints (such as consent notices, local authority covenants, and easements); and*
- c. *The size and shape of existing and proposed land parcels'*

Applicant Clause 3.8 assessment

- The applicant argues there is not a creation of a new residential lifestyle allotment but rather it formalises and isolates a minor residential curtilage associated with the long-term dwelling. The balance of the site will maintain the ongoing land-based primary production. While the proposal involves subdivision of land identified as highly productive, subdivision does not equate to fragmentation in the context of the NPS-HPL. The proposed subdivision does not introduce any new fragmentation but rather formalises an existing land use with the non-productive existing dwelling and associated curtilage being separated with from the agricultural allotment. The proposal does not enable any additional residential development beyond what is permitted.

A consent notice has proposed that states the following: *"A maximum of three dwellings may be erected on the site, comprising one principal dwelling and two staff dwellings. No additional dwellings are permitted, in order to maintain the productive capacity of the land in accordance with the National Policy Statement for Highly Productive Land (2025, as amended)."* This consent notice limits the number of dwellings on the balance land to ensure there is no additional residential demand that would result in reverse sensitivity effects. The proposed subdivision was assessed against the relevant District Plan provisions as part of the main application, including those that implement the NPS-HPL.

Planner Clause 3.8 Assessment

- Clause 3.8 requires that the proposed lots will retain the overall productive capacity of the site, Council assesses the proposed activity as the following in regards to productive capacity retention;

- 1 residential allotment (5412m²) – with no productive capacity (proposed Lot 1),
- 1 large agricultural allotment (169.8238 hectares) allotment, made up of the Residue of SL10B/64 located on the opposite side of Roughan Road to proposed Lot 2 and the proposed Lot 2. This allotment is able to retain the productive capacity, providing no development such as a dwelling and associated residential curtilage is implemented reducing available functional area.

Therefore, the resultant lots lead to only proposed Lot 2 with the residue allotment retaining the productive capacity with Lot 1 resulting in a reduction of productive capacity. The Ministry for the Environment. 2022 *National Policy Statement for Highly Productive Land: Guide to implementation*.

Wellington: Ministry for the Environment' states that '*It is unlikely that subdivision into rural lifestyle lots would meet the productive capacity test in this clause*', it is deemed that the resulting allotments would be residential lifestyle lots and therefore not be consistent with the direction of Clause 3.8(1)(a).

- A consent notice is offered to limit the number of dwellings on the resulting allotments to permitted activity status; this provides insufficient mitigation as a future resource consent application under Section 221(3) may be made by future land owners. In the current state, the subject site is contained within one Record of Title (169.8238 hectares) therefore under Permitted activity can have 1 dwelling and 3 additional staff dwellings. The proposed activity will result in two separate titles, in which permitted activity will enable one dwelling per Record of Title and proposed Lot 2 will be permitted to also contain 3 additional staff dwellings. This is an increase in 1 dwelling within the subject site.
- Proposed Lot 1 (5412m²) is located on soils identified as being of high value, the allotment size does not maintain open rural character and is not located within or around existing residential area or Rural Settlement Areas. The agent discusses how the proposed Lot 1 contains existing non-productive capacity due to the residential curtilage. Clause 3.8(1)(a) requires that the overall productive capacity is retained, however, the proposal does not maintain the overall capacity but rather only maintains the productive capacity of the proposed Lot 2.
- The agent states "*Rural lifestyle subdivision is typically characterised by the creation of new residential demand and the inefficient use of highly productive land*", but the proposal results in a residential sized allotment and results in the inefficient use of highly productive land, therefore, the proposal is creating a rural lifestyle allotment with Lot 1. The agent also states that the proposal is "*this is not a new lifestyle block being carved from bare productive land, but the formalisation of a residential curtilage that has been there since the 1980s*". This is still creating a residential sized allotment as the dwelling is currently being used in conjunction with the primary production area and the proposal seeks to separate the proposed Lot 1 to create a allotment size which is more consistent with the residential zone.

Clause 3.10

Clause 3.10 – Exemption for highly productive land subject to permanent or long-term constraints

1. *Territorial authorities may only allow highly productive land to be subdivided, used or developed for activities not otherwise enable under clauses 3.7, 3.8 or 3.9 if satisfied that:*
 - a. *There are permanent or long-term constraints on that 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*
 - 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*

- ii. *avoids the fragmentation of large and geographically cohesive areas of highly productive land; and*
- iii. *avoids if possible, or otherwise mitigates, any potential reverse sensitivity effects on surrounding land-based primary production from the subdivision, use, or development; and*
- 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 application concluded that the subject site had the following physical constraints

- The soils are classed as susceptible to erosion
- The property contains hilly terrain
- Mainly poor drained soils with some imperfectly draining soils
- Unsuitable climatic and cold winters which lead to a short growing season

AgIntel Clause 3.10 Specialist Report

- The property has been run as a sheep grazing and finishing farm for the past 15 years and does not hold a groundwater take consent. Therefore, major investment for the required consents and infrastructure is required for the land to be used for dairy farming. Along with the poorly drained soils, this is unlikely to be economically justified. Horticultural potential is limited due to the short growing season, cold winters and high frost risk. The lot contains sufficient space for effective grazing management, when supported by reliable stock water systems and appropriate fencing. There are no obvious limitation to cut and carry pastoral land use. It was determined that the most suitable and probable land use for the site is drystock grazing with limited dairy support through heifer grazing. A comparative financial performance was done comparing mixed cropping and finishing, dairy support – heifer grazing and drystock (sheep and beef breeding/finishing). The results show that heifer grazing can provide significantly higher return, but it depends on consistent demand from surrounding dairy platform and is vulnerable to wider changes in the dairy sector. When the annual capital cost is deducted, the land is not economically viable in the long term under most land use. This indicates that the land is not commercially viable under its existing configuration, either now or over the next 30 years. The proposal does not result in any significant loss of productive capacity as both lots remain capable of supporting primary production and the only structures anticipated (existing or future dwellings) are expressly recognised under Clause 3.9(2) of the NPS-HPL as not diminishing the availability of HPL. The proposal does not result in any fragmentation as the proposal formalises the current use pattern while also remaining majority if the property in a single productive lot. Retaining the dwelling does not give rise to any additional reverse sensitivity effects. At the regional scale, even if Lot 1 were considered lost, the effect equates to only 0.54 ha (0.0000009% of Southland's HPL resource) and is therefore negligible.

AgFirst Clause 3.10 Peer Review

- The peer review did a review on the financial and planning matters of this clause this was completed by;
 - Guy Micheals – who is NZIPIM Dairy Farm Systems Certified and holds a Diploma in Farm Management, Lincoln University, with over 35 years of hands on farming and rural professional experience and

- Juliet Chambers – who has attained Advanced Sustainable Nutrient Management, Massey university and holds a Bachelor of Law and Arts majoring in Geography, Canterbury University and have over 3 years experience working with the NPS-HPL from preparation of assessment against the policies and peer reviews for Councils.

Financial Matters

It is agreed that a capital cost is required to convert the land to dairy, but this investment is likely to be economically justified. The soil type present in the area would provide challenges for heavy grazing livestock but to an extent the property is already managing heavier animals just not to the same degree as a dairy farm with adult cattle.

Some horticultural options are not viable, due to the southern climate and soil characteristics. There appears to be some suitable contoured land for arable production in the area.

The property is suitable to a range of pastoral options supported by the properties contour climate and soil types. Drystock grazing and limited dairy support are the current choice of farm system implemented for the property and are well suited. Comparison of the mixed cropping, dairy support and drystock was undertaken.

Dairy grazing shows a higher historic return than the other options, farmers would likely use dairy grazing for a part of their business and not the entire farm system. On this property, both dairy support and drystock are utilised together. From a financial perspective the land is economic when you include the cost of capital under a dairy grazing system. The author finds that the property is economically viable for land-based primary production for now and the next 30 years.

A range of permanent constraints have been argued against various land uses, with the most consistent being the heavy soils and climate. It is not considered that these constraints show the property to be economically unviable, with dairy grazing showing a positive return. The application is unlikely to have a long-term impact on the overall productive capacity of Lot 2. The Specialist report showed that all three farm systems are profitable over time and still profitable considering the cost of capital measured against a dairy grazing farm system.

Statutory Considerations

- AgFirst considers that the information provided does not satisfy Clause 3.10. *'The first test is the existence of a permanent or long-term constraint on the land that means that the use of the HPL for land based primary production is not able to be economically viable for at least 30 years. A range of permanent constraints have been argued against various land uses, with the most consistent being the heavy soils and climate. It is not considered that these constraint/s demonstrate that the highest and best land use to be economically unviable, with dairy grazing showing a positive return, therefore if this first test cannot be met, the rest of Clause 3.10 becomes irrelevant'.*

Planner Clause 3.10 Assessment

- In the HPL Assessment provided by AgIntel, talked about the land constraints. These include soil characteristics, soil erosion risk, climate and capital investments. The report has stated that the region has a short growing season, frost risk, waterlogged soil conditions, higher erosion susceptibility and investment in infrastructure are all the specific reasons. These conditions are common for the Southland pastoral land and are not considered permanent or long-term constraints as there are measures that could help mitigate these stated issues. The issues are not

permanent as these issues could be mitigated and there are types of farming that are possible with these identified issues. None of these issues are considered permanent or long-term and therefore the property is not considered to have constraints that make the land economically unviable for at least 30 years. The physical constraints mentioned within the specialist report are not considered to significantly impact the land or result in a negative impact on the productive nature of the soils like the constraints detailed in the *'Policy Statement for Highly Productive Land: Guide to implementation'*. Wellington: Ministry for the Environment'.

- Council accepts the peer review completed by AgFirst, which shows that the land is economically viable over the long-term and there are not any physical constraints on the land that impact the primary production capacity or economic value of the land. Therefore, the proposal does not meet test of Clause 3.10(1)(a).
- The purpose of the NPS-HPL is protect the highly productive soils from inappropriate activities of land use and subdivisions. The capital cost are taken on by the landowner using the land at the given time, however this cost is variable based on what each landowner can afford. However, this does not change the capacity of the land or its reasoning for being highly productive land. Clause 3.10(3) was created to focus on the future potential of HPL and to see if the practicable options considered in Clause 3.10(2) could enable the HPL to remain the current use of land-based primary production. Clause 3.10(3) requires any evaluation under subclause (2) of reasonably practicable options;
 - Must not take into account the potential economic benefit of using the highly productive land for purposes other than land-based primary production; and
 - Must consider the impact that the loss of the highly productive land would have on the landholding in the highly productive land occurs; and
 - 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 following information was provided,

- it has been addressed that there is no economic benefit for using the land for any purpose other than land-based primary production.
- the resulting sizes of the proposed Lots 2 is large enough for the current land-based farming activities.
- the size of the proposed Lot 1 of 5412m² is considered a *'At the regional scale, even if Lot 1 were considered lost, the effect equates to only 0.54 ha (0.0000009% of Southland's HPL resource) and is therefore negligible.'* within the Agri Intel report.

It is agreed that the 5412m² of Lot 1 is a small proportion of the property, however separating the dwelling from farming allotment means that future housing development on Lot 2 could occur. It does create uncertainty around the long-term economic and productive capacity impacted cause by any future housing development.

Agent Clause 3.11 Assessment

- The agent has argued under Clause 3.11 of the NPS-HPL that the existing dwelling and associated residential curtilage is an existing lawful activity under Section 10 of the RMA and has been

removed from primary production for a long time. The subdivision does not alter, extend or increase the activity, but rather formalises it but isolating the established residential activity. Therefore, the proposal does not result in any additional loss of highly productive land or affect the current productive functioning of the balance of the site.

Planner Clause 3.11 Assessment

- This clause is not relevant to the proposal as this clause is not relevant for a subdivision activity but rather is used for the continuation of an existing activity. In this case, the existing activity would be the residential dwelling on the proposed Lot 1. Subdivision the property would not be classed as the existing activity and is actually creating a new activity by splitting the current activity onto a new allotment, therefore the proposal is not able to meet Clause 3.11.

January 2026 Amendment

In January 2026, an amendment to the NPS-HPL was enacted. This brought changes to the legislation regarding the LUC class 3 soils. The NPS-HPL still applies to this proposal as it is creating a rural lifestyle allotment which is not exempt in the recent NPS-HPL LUC class 3 amendment.

Overall Assessment

The application has been assessed as inconsistent with the National Policy Statement for Highly Productive Land (NPS-HPL), which is a relevant national policy statement under section 104(1)(b)(i) of the RMA 1991. The proposal does not align with the Objectives and Policies written within the NPS-HPL or meet the requirements of any exemption Clauses within the NPS-HPL.

National Policy Statement for Natural Hazards

The National Policy Statement for Natural Hazards was introduced on the 15th of January 2026. The property contains earthquake and liquefaction risk. With the earthquake risk, any future buildings would be built up to the Building Code, which includes the requirement for buildings to be built to a satisfactory level to deal with earthquake risk. Therefore, the risk matrix for the earthquake risk would be low for this proposal.

Regarding the liquefaction risk, the majority of the property contains a negligible consequences level and therefore low risk. A very small section of the property is classified as a medium risk, however due to the small part of the property with this risk and the subdivision that will not increase or impact the natural hazard risk. Therefore, does not result in any environmental effects that are more than minor for this application and level of natural hazard risk can be addressed through the building consent process.

The District Plan gives effect to all other relevant higher order documents referred to in s104(1)(b), including the Regional Policy Statement. As such, there is no need to specifically address them in this report.

13. Matters for subdivisions and land use [Section 106 and Section 106A]

In terms of s106 and s106A of the RMA, the proposal is not considered to give rise to a significant risk from natural hazards, and sufficient provision has been made for legal and physical access to the proposed allotments. Accordingly, council is able to grant this subdivision and land use consent subject to the conditions below.

14. Part 2 of the Resource Management Act [Section 104(1)]

The District Plan does not contain provisions which give effect to the National Policy Statement for Highly Productive Land and therefore, an assessment regarding Part 2 is required.

Section 5

Section 5 speaks about protecting the natural and physical resources for future generations, safeguarding the life-capacity of water, air, soil and ecosystem, and avoiding or mitigating adverse environmental effects. The proposal does not result in the safeguarding of the soils as the subdivision is splitting off a small allotment from a much large allotment which does not sustain the natural and physical resources for future generations as it results in the loss of the productive nature of the proposed Lot 1.

Section 6

The proposal is not impacting the environment, there are no physical structures proposed, nor any earthworks occurring. There is no indigenous vegetation in the area therefore, the amenity of the environment will be maintained and no adverse effects resulting from the proposal are caused. There is archaeological sites on the property and in the area, however, the proposal will not impact them and an accidental discovery consent notice has been added onto Lot 2.

Section 7

Decision-makers must have regard to specific factors listed in this section, such as, efficient resource use, amenity, climate change impacts and kaitiakitanga (guardianship). The proposal does not result in efficient resource use as the highly productive land will not be used in the most efficient nature as part of the property is being split from the productive allotment, this results in reduced natural and physical resources for this property.

Section 8

The principles from the Treaty of Waitangi (Te Tiriti o Waitangi) have been taken into account and the proposal does not raise any issues or concerns regarding these principles.

Therefore, the proposal is no considered to be consistent with the purpose and principles of the RMA as per Part 2. Sections 5 and 7 help to support the current recommendation to decline the proposal.

As for the reasons stated in the NPS-HPL argument above, the proposal is inconsistent with the objectives and policies of the NPS-HPL and does not fit under any of the clauses of the NPS-HPL. Therefore, the recommendation of the report would be to decline this application.

15. Section 104(3)(d) notification consideration

Section 104(3)(d) states that consent must not be granted if an application should have been notified and was not. No matters have arisen in the assessment of this application which would indicate that the application ought to have been notified. However, due to the inconsistent with the NPS-HPL, the likely recommendation is to decline this application.

16. Non-complying activity threshold tests [Section 104D(1)]

The application satisfies one of the tests under Section 104D(1). The proposal complies with the gateway test as the adverse effects on the environment will be no more than minor. The application does not meet the objectives and policies of the District Plan, however the proposal only needs to satisfy one test under Section 104D(1), thus, the proposal complies with the gateway test.

17. Section 104 Recommendation

That, for the above reasons, the application **be declined** pursuant to Sections 104, 104B, 106, and Part 2 of the Resource Management Act 1991.

Under sections 108 and 108AA and 220 of the RMA, if granted, it is recommended that the consents are subjected to the following conditions:

General conditions

These conditions apply to all resource consents.

Activity in accordance with application

1. The three-allotment subdivision activity and on-site wastewater non-compliance must be undertaken in general accordance with the application lodged with Southland District Council (Council) on 14/08/2025, and all information submitted with the application as held on Council's resource consent file referenced RMA/2025/53189 and listed below, except as modified by the conditions of this consent.

Report title and reference	Author	Rev	Dated
Resource Consent Application	Definition Surveying LTD Southland		13 August 2025

Plan title and reference	Author	Rev	Dated
Scheme Plan – Drawing No V200	Definition Surveying LTD Southland	B	19/03/2026

Scheme Plan – Drawing No V201	Definition Surveying LTD Southland	B	19/03/2026
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Other Reports	Author	Rev	Dated
Highly Productive Land Assessment 120 Roughan Road, Southland	Agri Intel		September 2025
Specialist Input Memo	AgFirst Southland & AgFirst Manawatu- Whanganui		27/11/25

Advice note:

Retention of Consent Documentation:

An electronic or hard-copy version of this resource consent should be kept on site at all times during the activity authorised by this resource consent. The consent holder is to ensure all workers and contractors on site are familiar with the conditions of consent.

Variations to the Proposal:

Should it become apparent that a component of the granted consent cannot be implemented as originally proposed (e.g., due to unforeseen site constraints, engineering requirements, or compliance with standards and bylaws), changes to the proposal may be necessary. In such cases, the consent holder must assess whether the changes fall within the scope of "in general accordance" as defined in this consent. If the changes exceed this scope, a formal variation to the consent under Section 127 of the Resource Management Act 1991 or a new resource consent may be required.

Meaning of "In General Accordance":

For this specific application, "in general accordance" means that minor alterations to the proposal are allowed, provided they:

- 1. Do not result in any additional or materially different adverse environmental effects compared to those assessed in the original application.***
- 2. Comply with all other conditions of this consent.***
- 3. Do not contravene any relevant provisions of the District Plan, nor increase the degree to which the activity fails to comply with any rule or provision in the District Plan.***

Examples of Acceptable Minor Adjustments Include:

- ***For Land Use Consents:***
 - *Minor changes to the location or design of structures (e.g., shifting a building footprint within the site by up to [specify distance, e.g., 5 meters]) as long as setback and height requirements are met.*
 - *Alterations to landscaping plans that do not reduce the overall landscaping area or change plant species to ones that are not permitted.*
 - *Adjustments to building materials or colours, provided they remain consistent with the character of the area and any design guidelines.*
- ***For Subdivision Consents:***
 - *Minor adjustments to lot boundaries that do not create additional lots or result in non-compliance with lot size requirements.*

- *Changes to the alignment of accessways or services and their respective right of way and/or easements, provided they meet relevant standards and do not affect neighbouring properties.*
- *Alterations to staging or sequencing of subdivision works that do not impact the overall development outcome or environmental effects.*

- **Limitations:**

- *Any changes beyond these parameters are not likely to be considered to be "in general accordance" and may require a formal variation under Section 127 of the RMA or a new resource consent.*
- *The consent holder is responsible for ensuring that any proposed changes are evaluated against the conditions of this consent and the definition of "in general accordance." If there is any doubt, please contact the Council. Note that time spent reviewing any request for a determination will be charged in accordance with the current Fees & Charges Schedule on the Council website.*

2. Under section 125 of the Resource Management Act 1991, these consents lapse five years after the date they are granted unless:
 - a. The consents are given effect to. In relation to the subdivision consent, this requires that a survey plan is submitted to Council for approval under section 223 of the Resource Management Act 1991 before the lapse date, and that plan is deposited within three years of the date of approval of the survey plan in accordance with section 224(h) of the Resource Management Act 1991; or
 - b. An application under section 125 of the Resource Management Act 1991 is made to the Council before the consents lapse to extend the period after which the consents lapse and the Council grants an extension.

Section 223 Conditions

Prior to sealing of the survey plan pursuant to section 223 of the Resource Management Act 1991, the following conditions must be complied with:

3. The consent holder must submit a survey plan to Council in general accordance with the approved resource consent subdivision scheme plan(s) titled 'Scheme Plan', prepared by Definition Surveying LTD Southland, dated 05/08/2025. The survey plan must show all lots to vest in Council (including roads, parks and land in lieu of reserves), all easements, any amalgamation conditions, any amalgamation covenants, and any areas subject to other covenants required by this subdivision consent.
4. All necessary easements, easements in gross for utility services, access, drainage and overland flow paths, must be shown on the cadastral dataset in a Memorandum of Easements. The costs for the preparation and registration must be met by the consent holder.
5. Pursuant to section 220(1)(b)(ii) of the Resource Management Act 1991,
 - a. *'Lot 2 and Section 15 Block VII Lindhurst Hundred must be endorsed on the survey plan to be held together, and one record of title must be issued to include both parcels'.* (See Land Information New Zealand CSN: 1979649)

Section 224 Conditions

General

6. The application for a certificate under section 224(c) of the Resource Management Act 1991 must be accompanied by certification from a suitably qualified and experienced professional(s) that all the conditions of subdivision consent Reference [RMA/2025/53189] have been complied with, and identify all those conditions that have not been complied with and are subject to the following:
 - a. a consent notice to be issued in relation to any conditions of this consent to which section 221 applies.
7. At the time of 224c Application, a As-built drainage plan that clearly shows the location of effluent disposal field is completely contained within the easement and has sufficient room to provide access for maintenance, shall be provided to the Manager of Consents that confirms the services on the allotments.
8. The consent holder must provide underground telecommunications connections to the boundary of Lots 1 and 2. The consent holder must provide written confirmation to Council's Manager Resource Consent Processing from an authorised telecommunications provider confirming that telecommunications have been connected to the boundary of Lots 1 and 2.
9. The consent holder must provide electricity to the boundary of Lots 1 and 2. The consent holder must provide written confirmation to Council's Manager Resource Consent Processing from an authorised Electricity Distributor confirming that electricity has been connected to the boundary of Lots 1 and 2.
10. The consent holder must provide an on-site potable water supply contained wholly within the boundary of Lot 1. The consent holder must provide written confirmation to Council's Manager Resource Consent Processing confirming this work has been completed.

Consent Notices

11. Pursuant to section 221 of the Resource Management Act 1991, the following condition(s) must be registered as a consent notice on the record(s) of title for Lot 2, to ensure they are complied with on a continuing basis:
 - a. No development or works can be undertaken within 12 metres in any direction from the outer edge of a National Grid support structure or on the area located 12 metres on either side of the centreline of an overhead National Grid line.
 - b. A maximum of three dwellings may be erected on the land subject to this consent notice, comprising one principal dwelling and two staff dwellings. No additional dwellings beyond those three are permitted. This cap was established as part of subdivision consent RMA/2025/53189 to ensure that the combined dwelling yield across proposed Lot 1 and the land subject to this consent notice does not exceed the pre-subdivision permitted activity entitlement of four dwellings (one principal dwelling and three staff dwellings) for the parent title. This limit applies to all land subject to this consent notice regardless of any subsequent boundary adjustment, subdivision, or change to the record of title. Any application to vary or cancel this consent notice under section 221(3) of the Resource Management Act 1991 must have regard to the National Policy Statement for Highly Productive Land (2025, as amended) and the productive capacity assessment underpinning the original subdivision consent.

- c. In the event of accidental discovery of archaeological material, the consent holder must immediately:
- a. Cease earthmoving operations in the affected area and mark off the affected area; and
 - b. Advise Council and Environment Southland of the disturbance; and
 - c. Advise Heritage New Zealand Pouhere Taonga of the disturbance; and
 - d. Advise Te Ao Marama Incorporated (acting as representatives of Te Rūnanga o Waihōpai, Te Rūnanga o Awarua, Te Rūnanga o Oraka Aparima and Te Rūnanga o Hokonui) of the disturbance.

If the archaeological material is determined to be Kōiwi Tangata (human bones) by Heritage New Zealand Pouhere Taonga, the consent holder must immediately advise the New Zealand Police of the disturbance.

Work may recommence if Heritage New Zealand Pouhere Taonga and Te Ao Marama Incorporated provide a statement in writing to Council and Environment Southland that appropriate action has been undertaken in relation to the archaeological material discovered.

Advice note: *The provisions of the Heritage New Zealand Pouhere Taonga Act 2014 confirm that any site with evidence of human occupation or activity prior to 1900 is considered an archaeological site. Many of these sites have not been formally identified through survey. The modification, damage or destruction of any known or unknown archaeological site by a landowner or contractor without an archaeological authority from Heritage New Zealand is a criminal offence under this Act. Please note this Consent is not an Archaeological Authority. It is recommended that the consent holder contact Heritage New Zealand's archaeologists for more information.*

12. Pursuant to section 221 of the Resource Management Act 1991, the following condition(s) must be registered as a consent notice on the record(s) of title for Lots 2 and the Residue allotment SL10B/64, to ensure they are complied with on a continuing basis:

- d. At the time of construction of any development on the lot, the lot owner must ensure that the firefighting requirements of the New Zealand Fire Service Firefighting Water Supplies Code of Practice SNZ PAS 4509:2008, including access to tanks and their ongoing maintenance, are complied with.
- e. At the time of application for a building consent that includes a stormwater discharge on the lot, the lot owner must provide a design prepared by a suitably qualified and experienced person for on-site stormwater management. The design must be in accordance with the Southland District Council and Invercargill City Council Subdivision, Land Use, and Development Code of Practice 2023 and the Southland District Council Stormwater Drainage Bylaw 2017.
- f. At the time of construction of any dwelling on the lot, the lot owner must install an on-site wastewater treatment and disposal system in accordance with AS/NZS 1547:2012 On-site Domestic Wastewater Management.

Advice notes:

- 1. Any reference to number of days within this decision refers to working days as defined in s2 of the RMA.

2. It is the consent holder's responsibility to comply with any conditions imposed on the resource consent prior to and during (as applicable) exercising the resource consent.
3. For the purpose of compliance with the conditions of consent, "the council" refers to the council's monitoring officer unless otherwise specified. Please email compliance@southlanddc.govt.nz to identify your allocated officer.
4. For more information on the resource consent process with Southland District Council see the council's website: <http://www.southlanddc.govt.nz/>. General information on resource consents, including making an application to vary or cancel consent conditions can be found on the Ministry for the Environment's website: www.mfe.govt.nz.
5. If you disagree with any of the above conditions, and/or disagree with the additional charges relating to the processing of the application(s), you have a right of objection pursuant to sections 357A and/or 357B of the Resource Management Act 1991. Any objection must be made in writing to the council within 15 working days of your receipt of this decision (for s357A) or receipt of the council invoice (for s357B).
6. The consent holder must pay to Council all required administration charges fixed by the Council pursuant to section 36 of the Resource Management Act 1991 in relation to the administration, monitoring and inspections relating to this consent.
7. Southland District Council and Invercargill City Council Subdivision, Land Use, and Development Code of Practice 2023 can be found on Council's [website](#) or is available from Council's service centres.
8. This resource consent has been processed under the Resource Management Act 1991 and relates to **district planning matters only**. The consent holder is responsible for obtaining all other necessary consents, permits, and licences, including land use consents under the Resource Management Act 1991, and those under the Building Act 2004, and the Heritage New Zealand Pouhere Taonga Act 2014. This consent does not remove the need to comply with all other applicable Acts (including the Property Law Act 2007 and the Health and Safety at Work Act 2015), regulations, relevant Bylaws, and rules of law. This consent does not constitute building consent approval. Please check whether a building consent is required under the Building Act 2004.
9. Future construction or built development on the lot(s) will need to comply with the Building Act 2004 or its successor. Building work must comply with the building code to the extent required by the Building Act 2004 whether or not a building consent is required in respect of that building work.
10. The consent holder is advised of their obligations under section 114 of the Building Act 2004 which requires the owner to give written notice to Council's Building Department of any subdivision of land which may affect buildings on the site. It is the consent holder's responsibility to ensure that the subdivision does not result in any non-compliances with the building regulations. The consent holder is also advised of their obligations under the Building Act 2004 to obtain the necessary consents for conducting plumbing and sanitary drainage work.

Reported and recommended by: Tylar Watson Johnston – Graduate Resource Management Planner
Consents

Date: 14 April 2026

18. Section 104 Decision

I do not accept the planner's recommendation to decline. For the reasons set out below, the application is granted pursuant to sections 104, 104B, and 104D of the Resource Management Act 1991, subject to the conditions in this report.

I have viewed the application and plans. Yes

I have read the report. I accept the planner's assessment of effects but do not accept the recommendation to decline, for the reasons below. Yes

I am not aware of any actual or potential conflicts of interest. Yes

Decision maker notes

I have considered the planner's report, the application material, the AgIntel specialist assessment, the AgFirst peer review, and all other material on the consent file. I respectfully depart from the planner's recommendation to decline. I accept the planner's assessment that the adverse effects on the environment are no more than minor, that the section 104D(1)(a) gateway is passed, and that the localised effects of the proposal are acceptable. It is the NPS-HPL assessment where I reach a different conclusion, for the following reasons.

Threshold issue: Clause 3.5(7)(b)(iii) and "rural lifestyle"

The NPS-HPL was amended effective 15 January 2026. Under the transitional definition in Clause 3.5(7)(b)(iii), LUC 3 land is excluded from the definition of highly productive land where it is subject to a resource consent application "for any activity other than rural lifestyle" lodged at or after the commencement date. This application was lodged on 14 August 2025, after the NPS-HPL commencement date of 17 October 2022. The site is entirely LUC 3e-47 land. The critical question is therefore whether this proposal is properly characterised as "rural lifestyle."

The term "rural lifestyle" is not defined in the NPS-HPL, the RMA, or the operative Southland District Plan. The Southland District Plan does not contain a Rural Lifestyle Zone. The MfE implementation guide uses the term but does not define it, and is non-statutory guidance that predates the January 2026 amendment. I must therefore reason from first principles.

The planner's report describes the resulting allotments as "residential lifestyle lots." However, that label is a conclusion, not a reason. It would be circular to say "this is rural lifestyle because it creates a small lot around a dwelling" and then use that characterisation to engage the NPS-HPL. The characterisation under Clause 3.5(7)(b)(iii) must be answered as a prior question before the NPS-HPL analysis, not by reference to the NPS-HPL's own tests.

Drawing on the NPS-HPL's purpose, the National Planning Standards zone description, and the Regulatory Impact Statement for the 2025 amendment, I consider there is a meaningful distinction between (a) a farmer subdividing lifestyle lots off productive land — the mischief the NPS-HPL targets — and (b) a farmer separating an existing homestead curtilage established in the 1980s from a 170-hectare farming unit that will continue in primary production. The first creates new lifestyle opportunities on bare productive land. The second formalises an existing land use pattern without converting any additional productive land to residential use. I find, on balance, that this proposal is not "for" rural lifestyle within the meaning of Clause 3.5(7)(b)(iii). The dominant purpose is the separation of a legacy residential curtilage

from an ongoing productive farming unit, not the creation of a new rural lifestyle opportunity. The proposal retains 95.4% of the site as a productive lot.

If this finding is correct, Clause 3.5(7)(b)(iii) applies, the land is not treated as HPL under the transitional definition, and the NPS-HPL is not engaged. I acknowledge, however, that this characterisation is genuinely uncertain and that reasonable minds may differ. I therefore proceed with a full NPS-HPL assessment in the alternative.

Development capacity of the resulting allotments

Before turning to Clause 3.8, it is necessary to establish the factual baseline regarding dwelling entitlements, as this directly informs whether the productive capacity of the land is maintained post-subdivision. The planner's report states that the offered consent notice limiting dwellings on Lot 2 "provides insufficient mitigation as a future resource consent application under Section 221(3) may be made by future land owners." It is necessary to examine what the consent notice actually does before being able to accept that this is "insufficient mitigation."

Under the operative District Plan Rule GRUZ-R1, the existing single title (169.82 hectares, in the 151–300 hectare bracket) permits one principal dwelling and three staff dwellings, being four dwellings total. Post-subdivision, without any consent notice, the dwelling entitlements would be: Lot 1 — one principal dwelling (1); Lot 2 (161.98 hectares, still in the 151–300 hectare bracket) — one principal dwelling plus three staff dwellings (4); and the residue lot (7.29 hectares) — one principal dwelling (1). That gives a total of six dwellings, a net increase of two over the pre-subdivision position.

The offered consent notice limits Lot 2 to a maximum of three dwellings (one principal and two staff). This reduces the Lot 2 entitlement from four to three — that is, one fewer than the District Plan would otherwise permit on Lot 2 post-subdivision.

Critically, the consent notice and the amalgamation condition operate together. The amalgamation requires the residue lot to be held in the same record of title as Lot 2, so the residue lot's separate dwelling entitlement is subsumed into the combined title and the Lot 2 consent notice applies across that combined title. The practical result is: Lot 1 — one dwelling; combined Lot 2 and residue (with consent notice) — three dwellings; four dwellings in total. That is the same number of dwellings that can be established as a permitted activity across all of the land pre-subdivision. Neither mechanism achieves this outcome alone — it is the combination that holds the permitted-activity yield at the status quo.

I note that the composition of those four dwellings does change. Pre-subdivision, the entitlement is one principal dwelling plus three staff dwellings, all on one title. Post-subdivision, it is two principal dwellings (one on Lot 1, one on the combined Lot 2) plus two staff dwellings on Lot 2. I have considered whether this qualitative shift — from one principal dwelling to two, and from three staff dwelling entitlements to two — amounts to a reduction in productive capacity of the land.

It does not, and the reason is that "productive capacity" under Clause 3.8(1)(a) is a quality of the land, not a function of dwelling labels. The productive capacity of soil is determined by what the land can sustain in primary production — not by whether a dwelling on it is classified as "principal" or "staff." A dwelling is a dwelling; its physical footprint and its relationship to the surrounding farming operation are the same or similar. Pre-subdivision, the farming land could accommodate up to three additional dwellings (the three unbuilt staff dwelling entitlements). Post-subdivision with the consent notice, the farming land on Lot 2 can still accommodate up to three additional dwellings (one principal and two staff). The maximum development footprint on the productive land is unchanged.

I acknowledge that a principal dwelling entitlement on Lot 2 is, in practical terms, more likely to be exercised than the third staff dwelling entitlement it effectively replaces. None of the three staff dwelling entitlements on the current title have been exercised; the farm has been operated by the owners from the existing farmhouse without dedicated worker housing. However, even if the Lot 2 principal dwelling is built, it sits on a 169-hectare pastoral lot. At that scale and in that zone, a principal dwelling is functionally a farmhouse — it serves the farming operation, not a standalone residential purpose. The land's ability to sustain primary production is not diminished by the presence of one dwelling on a lot of that size, whether it is called “principal” or “staff.”

As to the planner's concern that future owners may apply under section 221(3) to cancel or vary the consent notice, that possibility is inherent in the RMA and applies equally to every consent notice imposed under section 221. It is not a reason to dismiss the mechanism. The same logic would undermine the National Grid setback and accidental discovery consent notices that are proposed. Any future application to vary or cancel the consent notice would itself need to be assessed on its merits, including against the NPS-HPL if relevant.

Clause 3.8 — assessed in the alternative

Even if the NPS-HPL is fully engaged, I am satisfied that Clause 3.8(1)(a) is met. The word “overall” in Clause 3.8(1)(a) directs attention to the aggregate productive capacity across all lots, not to each lot individually. Council's own peer reviewer, AgFirst, found that the subdivision is “unlikely to have a long-term impact on the overall productive capacity of the balance land” and that the property is “economically viable for land-based primary production for now and the next 30 years.” Lot 2 at 161.98 hectares retains full productive capacity for pastoral farming, confirmed by AgFirst's own evidence. The loss of 5,412m² from a 169.82-hectare property to formalise an existing dwelling curtilage that has not been in primary production for decades does not, in my assessment, materially diminish the overall productive capacity of the subject land.

I note that a potential gap in the application as originally lodged was the treatment of the residue allotment south of Roughan Road (7.2919 hectares). That allotment, if left as a separate title unconnected to the main farming unit, would be too small for independent pastoral farming and would raise legitimate concerns about fragmentation and productive capacity. However, the applicant has now proposed an amalgamation condition requiring Lot 2 and Section 15 Block VII Lindhurst Hundred to be held together in one record of title. This condition is reflected in the conditions of this consent. With that mechanism in place, the combined farming unit is approximately 169.27 hectares — effectively the same productive land area as the current single title, minus only the 5,412m² dwelling curtilage. This adequately addresses the residue lot issue and the requirements of Clause 3.8(2)(a) regarding cumulative loss of productive capacity.

As to reverse sensitivity under Clause 3.8(2)(b), the subdivision does not change the physical relationship between the existing dwelling and surrounding farming activity. The dwelling on Lot 1 has been present since the 1980s and is located within the existing farm infrastructure cluster — farm sheds, yards, and internal roading. I acknowledge that no reverse sensitivity conflict has arisen to date in part because the dwelling and the farming operation have been in common ownership. However, a change of ownership does not alter the physical environment. The dwelling's proximity to farming infrastructure is plainly apparent to any prospective purchaser of Lot 1, and anyone acquiring a 5,412m² lot surrounded by a working pastoral farm on a rural road in Te Tipua does so with eyes open. The risk of future complaint is not, in my assessment, sufficient to constitute a reverse sensitivity effect that would restrict the productive use of the surrounding land. The subdivision formalises the existing arrangement on paper; it does not

introduce a new sensitive activity into the rural environment that was not already present. The amalgamation condition prevents a new standalone residential lot being created on the residue, and the consent notice limits future residential intensification on Lot 2. I am satisfied that Clause 3.8(2)(b) is met.

Clauses 3.10 and 3.11

I agree with the planner that Clause 3.10 is not satisfied. I prefer the AgFirst evidence that the land is economically viable for primary production over 30 years. The constraints cited by AgIntel are characteristics of Southland pastoral land generally, not permanent constraints rendering the land unviable. I also agree that Clause 3.11 is a plan-making directive and not a direct consent pathway for subdivision. However, these findings do not affect the outcome because Clause 3.8(1)(a) is satisfied.

District Plan provisions

The planner's report suggests that the proposal is inconsistent with the GRUZ objectives and policies, but that adverse effects are less than minor across all categories. The tension arises from the introduction of Lot 1 as a small allotment, but that must be assessed in context: it formalises an existing dwelling and curtilage, Lot 2 is a genuine large-scale farming allotment consistent with the rural zone, and the transport and servicing aspects of the District Plan are met.

I have specifically considered GRUZ-P3 (reverse sensitivity) and GRUZ-P5 (rural-residential locations). GRUZ-P3 seeks to avoid, remedy, or mitigate reverse sensitivity effects. I have addressed this in the context of Clause 3.8(2)(b) above: the dwelling is already present within the farm infrastructure cluster, the physical relationship does not change, and the subdivision does not introduce a new sensitive activity that was not already there. I am satisfied that the proposal does not give rise to reverse sensitivity effects that would result in undue restrictions on farming activities on Lot 2 or adjoining properties. GRUZ-P5 identifies locations where rural-residential activity may be appropriate, including where soils are not high-value, where consolidation can be achieved within or around existing residential areas or Rural Settlement Areas, and where allotment size maintains open character. I accept that Lot 1 does not satisfy all limbs of GRUZ-P5 — the soils are LUC 3 and the site is not within a Rural Settlement Area. However, GRUZ-P5 is a policy guiding assessment, not a rule creating a prohibition. The proposal is not for speculative rural-residential development on bare productive land; it is the separation of a long-established dwelling curtilage from a farming operation that will continue.

On balance, I find the proposal is not contrary to the objectives and policies of the District Plan, although it is not perfectly aligned with all of them. PC2 deals with engineering and infrastructure standards and does not give effect to the NPS-HPL. The wastewater non-compliance under LAN-PS3 is manageable through the proposed easement and conditions.

Part 2

The District Plan does not contain provisions giving effect to the NPS-HPL, and accordingly a Part 2 assessment is required. Section 5 promotes sustainable management, which includes enabling people to provide for their social, economic, and cultural wellbeing while sustaining the potential of natural and physical resources to meet the reasonably foreseeable needs of future generations. The productive capacity of the LUC 3 soils is a finite characteristic to which section 7(g) requires particular regard. The proposal, subject to the conditions imposed (amalgamation, consent notices, easements), retains the productive capacity of the land while enabling the applicant to provide for their wellbeing by formalising a long-standing residential arrangement. I find Part 2 supports the grant of consent.

Conclusion

Drawing together: the section 104D(1)(a) effects gateway is passed; on my preferred interpretation of Clause 3.5(7)(b)(iii), the NPS-HPL is not engaged; even if the NPS-HPL is fully engaged, Clause 3.8(1)(a) is satisfied through the amalgamation condition, consent notice limiting future dwellings, and the retention of the productive unit at scale; the District Plan assessment, properly analysed, does not preclude consent; and Part 2 supports the grant. The application is granted subject to the final conditions in this report.

Delegated officer:

Signature:



Name: Daniel Kinnoch

Position: Duty Commissioner

Date: 23 April 2026

Appendix A: Stamped approved plans

Appendix A – Stamped Approved plan



SECTION 72 BLOCK I LINDHURST HUN
SL10A/740

SECTION 12 BLOCK VIII LINDHURST HUN
SL10A/722

SECTION 19 BLOCK VIII LINDHURST HUN
SL9C/769

LOT 2
161.9778ha

SECTION 14 BLOCK VIII LINDHURST HUN
SL10B/64

SECTION 30 BLOCK VIII LINDHURST HUN
SL10A/684

ROUGHAN ROAD

SECTION 15 BLOCK VIII LINDHURST HUN
SL10B/64

SEE SHEET V201

LOT 1

SECTION 16 BLOCK VIII LINDHURST HUN
SL9C/769

AMALGAMATION CONDITION

Subject to s220(1)(b)(iii)

THAT LOT 2 HEREON AND SECTION 15 BLOCK VIII LINDHURST HUNDRED BE HELD IN THE
SAME RECORD OF TITLE. SEE LINZ #.

NOTES:

1. THE PURPOSE OF THIS SCHEME PLAN IS TO SUPPORT A RESOURCE CONSENT APPLICATION ONLY.
2. IF APPLICABLE THIS PLAN SHOULD BE READ IN CONJUNCTION WITH SUPPORTING ARCHITECTURAL AND ENGINEERING PLANS/INFORMATION.
3. PROPOSED BOUNDARIES, DIMENSIONS AND AREAS ARE SUBJECT TO LAND TRANSFER SURVEY.
4. UNDERLYING BOUNDARIES ON THIS PLAN HAVE BEEN ADOPTED FROM THE MOST RELEVANT UNDERLYING PLANS.
5. NOT ALL LEGAL INSTRUMENTS, OR OTHER INTERESTS PERTAINING TO THIS SITE ARE NECESSARILY SHOWN ON THIS PLAN.
6. AERIAL IMAGERY HAS BEEN SOURCED FROM THE LINZ DATA SERVICE.
7. THE COPYRIGHT AND INTELLECTUAL PROPERTY RIGHTS FOR THE INFORMATION SHOWN ON THIS PLAN REMAIN THE PROPERTY OF DEFINITION SURVEYING LTD.



Resource Consent Approval

No.: RMA/2025/53189

Date: 28/04/2026

Note: This endorsement only applies to the Resource Management Act 1991 and does not mean approval under the Building Act or any other legislation.

LEGEND

- PROPERTY BOUNDARY
- EASEMENT BOUNDARY
- ABUTTING BOUNDARIES
- BUILDING

B	AMALGAMATION PROPOSED	JD	19/03/2026
A	ISSUED FOR INFORMATION	JD	11/08/2025

REV:	DESCRIPTION:	BY:	DATE:
STATUS:	FOR RC		



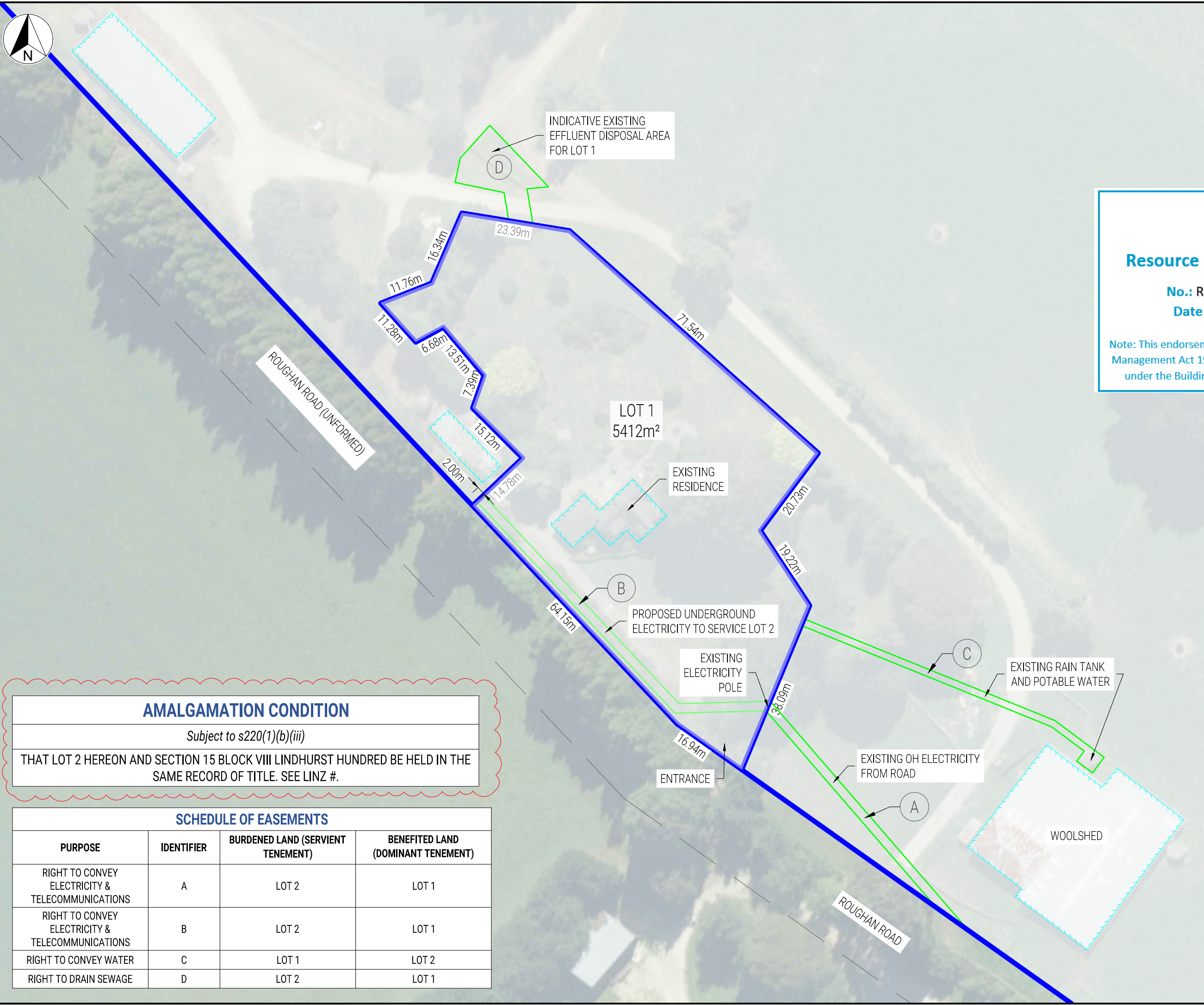
CLIENT:
H & M GRAZING LIMITED
HARLEY BONNAR

SURVEYOR:
DEFINITION SURVEYING LTD
SOUTHLAND

SITE:
120 ROUGHAN ROAD
TE TIPUA
MATAURA

TITLE:
SCHEME PLAN

SCALE AT A3: 1:6000	DATE: 05/08/2025	DRAWN: SS	CHECKED: JD
PROJECT NO: S250016.00	DRAWING NO: V200	REVISION: B	



NOTES:

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PROPERTY BOUNDARY	
EASEMENT BOUNDARY	
ABUTTING BOUNDARIES	
BUILDING	

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REV:	DESCRIPTION:	BY:	DATE:
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CLIENT:
H & M GRAZING LIMITED
HARLEY BONNAR

SURVEYOR:
DEFINITION SURVEYING LTD
SOUTHLAND

SITE:
120 ROUGHAN ROAD

TITLE:
SCHEME PLAN

SCALE AT A3: 1:750	DATE: 05/08/2025	DRAWN: SS	CHECKED: JD
PROJECT NO: S250016.00	DRAWING NO: V201	REVISION:	B

AMALGAMATION CONDITION

Subject to s220(1)(b)(iii)

THAT LOT 2 HEREON AND SECTION 15 BLOCK VIII LINDHURST HUNDRED BE HELD IN THE SAME RECORD OF TITLE. SEE LINZ #.

SCHEDULE OF EASEMENTS

PURPOSE	IDENTIFIER	BURDENED LAND (SERVIENT TENEMENT)	BENEFITED LAND (DOMINANT TENEMENT)
RIGHT TO CONVEY ELECTRICITY & TELECOMMUNICATIONS	A	LOT 2	LOT 1
RIGHT TO CONVEY ELECTRICITY & TELECOMMUNICATIONS	B	LOT 2	LOT 1
RIGHT TO CONVEY WATER	C	LOT 1	LOT 2
RIGHT TO DRAIN SEWAGE	D	LOT 2	LOT 1