



Our reference
F19/13/03-D21/26182

14 March 2024

Farm and Aerodrome Committee and Audit and Risk Committee

Notice is hereby given that the meetings of the Farm and Aerodrome Committee and Audit and Risk Committee meetings will be held in the **Council Chambers, Stratford District Council, 63 Miranda Street, Stratford** on **Tuesday 19 March** beginning at **12noon**.

Timetable for 19 March 2024 as follows:

12 noon	Farm and Aerodrome Committee
1.00pm	Workshop - Risk Appetite
1.45pm	Afternoon Tea
2.00pm	Audit and Risk Committee

Yours faithfully

Sven Hanne
Chief Executive

2024 - Agenda - Farm and Aerodrome - March

19 March 2024 09:00 AM



Agenda Topic	Page
Notice of Meeting	1
Agenda	3
1. Welcome	6
1.1 Opening Karakia	6
1.2 Health and Safety Message	7
2. Apologies	
3. Announcements	
4. Declarations of Members Interest	
5. Attendance Schedule	8
6. Confirmation of Minutes	9
7. Matters Outstanding	15
8. Programme of Works	16
9. Decision Report – Committee Self-Review of Terms of Reference	17
10. Information Report - Farm Annual Business Report 2023	29
11. Information Report – Risk Review	46
12. Quarterly Report – Farm and Aerodrome Business and Financial Report	54
13. Quarterly Report – Health and Safety Update	130
14. Questions	
15. Closing Karakia	133

AGENDA

Farm and Aerodrome Committee



F22/55/05-D23/47286

Date: Tuesday 19 March 2024 at 12noon
Venue: Council Chambers, 63 Miranda Street, Stratford

1. [Welcome](#)

- 1.1 **Opening Karakia**
D21/40748 Page 3
- 1.2 **Health and Safety Message**
D22/17082 Page 4

2. [Apologies](#)

3. [Announcements](#)

4. [Declarations of Member's Interest](#)

Elected members to declare any real or perceived conflicts of interest relating to items on this agenda.

5. [Attendance Schedule](#)

Attendance schedule for Farm & Aerodrome Committee meetings.

6. [Confirmation of Minutes](#)

- 6.1 **Farm and Aerodrome Committee Meeting - 5 December 2023**
D23/48502 Page 6

Recommendation

THAT the minutes of the Farm and Aerodrome Committee Meeting held on Tuesday 5 December be confirmed as a true and accurate record.

/
Moved/Seconded

7. [Matters Outstanding](#)

D20/11504 Page 12

Recommendation

THAT the matters outstanding be received.

/
Moved/Seconded

8. Programme of Works
D20/28552 Page 13

Recommendation

THAT the Programme of Works be received.

/
Moved/Seconded

9. Decision Report - Committee Self-Review of Terms of Reference
D24/8690 Page 14

Recommendations

1. THAT the report be received.
2. THAT the amended Terms of Reference in Appendix 1 to this report be approved and become effective from 1 July 2024, AND the Farm and Aerodrome Committee is renamed the Farm and Investments Committee.

OR

3. THAT the current Farm and Aerodrome Committee Terms of Reference remain in place as per Appendix 2 to this report, with any further amendments as requested by the Committee.

Recommended Reason

It is timely that the Farm and Aerodrome Committee Terms of Reference be reviewed, since the Terms of Reference were established in June 2020.

/
Moved/Seconded

10. Information Report - Farm Annual Business Report 2023
D24/8823 Page 28

Recommendations

1. THAT the report be received.
2. THAT the committee notes that the remaining 2022/2023 surplus reserve amount of approximately \$70,000 has been allocated for rates mitigation in the Long Term Plan.

Recommended Reason

To inform the Committee of the financial actuals for the Farm in the 2022/23 financial year.

/
Moved/Seconded

11. Quarterly Report - Risk Register

D24/7040 Page 43

Recommendation

THAT the report be received.

Recommended Reason

To update the Committee of any changes to the Farm and Aerodrome Risk Registers and advise the Committee of any incidents in relation to the identified risks.

/_____
Moved/Seconded

12. Quarterly Report - Farm and Aerodrome Business and Financial Report

D24/7040 Page 51

Recommendation

1. THAT the report be received.
2. THAT the Committee supports the proposed changes to the stock rate number that was provisionally agreed by the Sharemilker and Council.

Recommended Reason

This report provides a quarterly business and financial update of the Farm and Aerodrome activities. It highlights the milk production from the current season at the farm and reports on the key activities at the Aerodrome. It recommends a revised farm stock number for approval.

/_____
Moved/Seconded

13. Quarterly Report - Health and Safety Update

D24/7039 Page 127

Recommendation

THAT the report be received.

Recommended Reason

To update the Committee on Health and Safety matters from December 2023 and February 2024.

/_____
Moved/Seconded

14. Questions

15. Closing Karakia

D21/40748 Page 56



Our reference
F19/13/03-D21/40748

Karakia

Kia uruuru mai
Ā hauora
Ā haukaha
Ā haumāia
Ki runga, Ki raro
Ki roto, Ki waho
Rire rire hau Paimārire

I draw in (to my being)
The reviving essence
The strengthening essence
The essence of courage
Above, Below
Within, Around
Let there be peace.



Our reference
F19/13/03-D22/17082

Health and Safety Message

In the event of an emergency, unless guided to an alternative route by staff, please exit through the main entrance. Once outside the building please move towards the War Memorial Centre congregating on the lawn area outside the front of the council building.

If there is an earthquake, please drop, cover and hold where possible. Remain indoors until the shaking stops and you are sure it is safe to exit or remain where you are until further instruction is given.

5. Attendance schedule for 2022 Farm and Aerodrome Committee meetings.

Date	19/03/24	18/06/24	08/10/24	03/12/24
Meeting	FA	FA	FA	FA
Neil Volzke				
Steve Beck				
Grant Boyde				
Annette Dudley				
Jono Erwood				
Ellen Hall				
Amanda Harris				
Vaughan Jones				
Min McKay				
John Sandford				
Clive Tongaawhikau				
Mathew Watt				

Key	
FA	Farm and Aerodrome Committee Meeting
✓	Attended
A	Apology/Leave of Absence
AB	Absent
S	Sick
	Non committee member
(AV)	Meeting held, or attended, by Audio Visual Link

MINUTES

Farm and Aerodrome Committee



F22/55/05– D23/48502

Date: Tuesday 5 December 2023 at 12noon
Venue: Council Chambers, 63 Miranda Street, Stratford

Present

Councillor G W Boyde (the Chairman), the District Mayor N C Volzke, Councillors S J Beck and V R Jones, and Committee Members, the Property Officer – Mrs S Flight and the Director – Corporate Services – Mrs T Radich.

In attendance

The Deputy Mayor M McKay, Councillors A M C Dudley, E E Hall and W J Sandford

The Chief Executive – Mr S Hanne, the Director – Corporate Services – Mrs T Radich, the Director – Environmental Services – Mr B Sutherland, the Director – Community Services – Ms K Whareaitu, the HR & Governance Administrator – Mrs C Reynolds, the Projects Engineer – Mr S Taylor, one member of the media (Stratford Press), and one member of the public (*part-meeting*).

1. Welcome

The Chairman welcomed the Mayor, Deputy Mayor, Chief Executive, Councillors, staff and the media.

1.1 Opening Karakia D21/40748 Page 6

The opening karakia was read.

1.2 Health and Safety Message D21/26210 Page 7

The Chairman reiterated the health and safety message and emergency procedures.

2. Apologies

An apology was noted from Councillor Clive Tongaawhikau.

3. Announcements

There were no announcements.

4. Declarations of Members Interest

The Chairman requested Councillors to declare any real or perceived conflicts of interest relating to items on this agenda. There were no declarations of interest.

5. Attendance Schedule

The attendance schedule for Farm & Aerodrome Committee meetings was attached.

6. Confirmation of Minutes

6.1 Farm and Aerodrome Committee Meeting - 19 September 2023
D23/40080 Page 9

Recommendation

THAT the confirmed minutes of the Farm and Aerodrome Committee Meeting held on Tuesday 19 September 2023 confirmed as a true and accurate record.

JONES/BECK
Carried
F&A/23/28

7. Matters Outstanding

D20/11504 Page 13

Recommendation

THAT the matters outstanding be received.

BOYDE/BECK
Carried
F&A/23/29

8. Programme of Works

D20/28552 Page 14

Recommendation

THAT the Programme of Works be received.

BOYDE/VOLZKE
Carried
F&A/23/30

- It was noted the final Farm Business Report will be presented to the committee in March.

9. Decision Report - 2024/2034 LTP Capital Projects

D23/47251 Page 15

Recommendations

1. THAT the report be received.

JONES/BECK
Carried
F&A/23/31

- ~~2. THAT the Committee considers the proposed projects, capital and operational budget forecasts for the Farm and Aerodrome Activities and recommends, the preferred option to Council for inclusion in the LTP Projections~~

2. THAT the Committee considers the proposed projects, capital and operational budget forecasts for the Farm and Aerodrome Activities and recommends, the preferred option to Council for inclusion in the LTP Projections including any amendments.

BECK/JONES
Carried
F&A/23/32

Recommended Reason

The proposed capital projects will provide many benefits, financial and non- financial.

Points noted in discussion

Lighting upgrade in the Farm house

- It was clarified that this type of expenditure should be day to day maintenance, however there is no budget set for this, therefore the expense has been brought here.
- It was clarified the cost of replacing the light bulbs themselves is high as there are 51 lights in the farm house and because of the types of bulbs they were.
- It was agreed to leave the project as is.

Construction of additional Calving Sheds on Council Farm

- It was clarified the issue of not enough space would be present even if stock numbers were reduced in the future, especially given the new rules around bobby calves and the holding size requirements for calves.
- It was confirmed it would be normal flooring for woodchip rather than concreted.
- The Chairman noted he would like the project to be added to 2024/25 as he believes this is one of the more important projects listed. Councillor Hall also questioned the timing of the project, especially given the likely increase of cost due to inflation.
- Councillor Beck noted he would like to see it pushed back in timing due to current pressures. It was advised some other projects might be removed as the committee goes through the list, which should ease some pressure.
- It was agreed to move to the 2024/25 budget period.

Installation of a Drafting Gate System

- Councillor Jones advised a automatic drafting gate is a nice to have, and something which could be looked at in a \$10 payout scenario. The Chairman agreed and believed changing the pipework should be sufficient for the next few years.
- It was agreed to remove the project.

Cleaning and replacement of subsoil drains

- Councillor Jones questioned how many drains, this will need to be confirmed. Councillor Jones noted he would be shocked if any farm would want to spend \$50,000 on one paddock drain. He advised he would like to see the price re-evaluated.
- The Chairman noted he believed there are 14 novaflo drains which go through 3 paddocks which have been inspected and the point which needs to be dug out has ben identified. He agreed that the

price seems excessive. It was confirmed the paddocks are currently planted in turnips and will then be planted in oats, which leads to the 2025-2026 year period to complete the work required.

- Councillor Beck also agreed the budget seems excessive, however believes the projects is important.
- The District Mayor questioned if this budget was priced under the open space contract, and as this is a farm draining issue, the committee would like to look at a specialised farm drainage company to complete the work. It was noted the open space contractors subcontract the work out to specialised companies.
- It was agreed to keep as is, with the expectation that the whole budget would not be spent.

Race and Culvert upgrades

- It was noted the Roading Manager has been out to the farm and identified the culverts which need to be replaced.
- It was advised there are a few issues which need to be considered when evaluating this project such as the cost of lameness in production, vet costs and Fonterra's Animal Wellness standards.
- It was confirmed there is a budget for maintenance of the race, however this is over and above that.
- It was noted that after approximately five years the project would be completed.
- It was agreed to keep the project as is, with the budget of \$25,000 each year.

Installation of Security Cameras at the Farm and Aerodrome

- The District Mayor noted he does not support this project as cameras only deter people who know they are there, those who do not will still commit the crime. Councillors Beck and Jones agreed with the District Mayor.
- It was confirmed there are security cameras inside the aeroclub clubrooms.
- It was confirmed there have been no identified thefts from the farm or aeroclub.
- Councillor Jones noted he potentially thinks the project should potentially be kept in as it may deter some people.
- The Chairman, the District Mayor and Councillor Beck agreed to remove the project.

Widening Turning Area at Aerodrome fuelling area

- It was confirmed that the area next to the holding tank is grass.
- The Chairman questioned if it is a problem now should it be moved to the 2024/25 year. It was noted the project had been pushed out at another LTP workshop.
- It was advised that if the turning circle is not fit for purpose this may be a case of Council having risk exposure, and Council should consider if an airplane has an incident because of the issue who is responsible.
- It was agreed to bring the project forward to 2024/25 year.

Supply and install runway lights

- Councillor Beck questioned if it is listed as grant funded, does that mean there is no implications for Council. It was advised that if the aeroclub wanted to replace the lights they can pay for it, which is grant funded. If Council wants to install the lights Council would fund the project.
- Councillor Jones questioned if the maintenance of the lights falls on whoever pays for the project. It was noted it would be treated as any other lights such as the netball lights and hockey lights, if they are not maintained they will be removed.
- The Chairman noted he believes the project should be removed, and if the aeroclub wish to proceed with the project at their own cost they can do that.
- It was agreed to remove the project.

Summary of Amendments:

- Lighting upgrade in the Farm house – No Change
- Construction of additional Calving Sheds on Council Farm – Move to 2024/2025
- Installation of a Drafting Gate System - Removed
- Cleaning and replacement of subsoil drains – No Change
- Race and Culvert upgrades – Change 2024/25 to \$25,000 per annum.
- Installation of Security Cameras at the Farm and Aerodrome - Removed
- Widening Turning Area at Aerodrome fuelling area – Move to 2024/2025
- Supply and install runway lights - Removed

One member of the public joined the meeting at 12.47pm.

10. Quarterly Report - Risk Review

D23/46644 Page 33

Recommendation

THAT the report be received.

BOYDE/VOLZKE
Carried
F&A/23/33

11. Quarterly Report - Farm and Aerodrome Business and Financial Report

D23/46898 Page 41

Recommendation

THAT the report be received.

BECK/BOYDE
Carried
F&A/23/34

The Property Officer noted the following points:

- Requested an indication of the appetite from the committee to sell the property on the corner of Stanley and Beaconsfield Road. The final decision will be made by Council, however will be discussed here as the property was used by the farm.

Points noted in discussion:

- The chairman noted the work to maintain the land is more work than the supplement it provides.
- Councillor Beck noted he would not like to sell the land as the land is there for the community. It was noted the decision would go to full Council where that discussion would be had, the decision today is based on if the land was any use to the Council farm.
- It was decided the committee is comfortable with the sale of the land from a farm perspective
- It was noted the budget seems to be incorrect. The Property Officer will update the budget and circulate to committee members.

12. Quarterly Report - Health and Safety Update

D23/46897 Page 53

Recommendation

THAT the report be received.

BOYDE/BECK
Carried
F&A/23/35

13. Questions

- Councillor Jones queried why the committee had not received the minutes from the last quarterly sharemilkers meeting. It was noted the minutes are not yet complete. Going forward all attempts will be made to circulate to the committee prior to any meeting.

14. Closing Karakia

D21/40748 Page 56

The closing karakia was read.

The meeting closed at 1.04pm

G W Boyde
Chairman

Confirmed this 19th day of March 2024.

N C Volzke
District Mayor

Farm and Aerodrome Committee Matters Outstanding Index

D20/11504

ITEM OF MATTER	MEETING RAISED	RESPONSIBILITY	CURRENT PROGRESS	EXPECTED RESPONSE

FARM AND AERODROME COMMITTEE - PROGRAMME OF WORKS

Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
Farm Environmental Report	Farm Business Plan/Report	Review Risk Register		
Final Farm Business Report 2021	Draft Results 2022/23	Farm Environmental Report	Draft Budget 2023/24	
Self Review Options				
Budget, Capital Projects and rate mitigation				
Farm Operations - Monthly Report	Farm Operations - Monthly Report	Farm Operations - Monthly Report	Farm Operations - Monthly Report	Farm Operations - Monthly Report
Health and Safety Report	Health and Safety Report	Health and Safety Report	Health and Safety Report	Health and Safety Report

DECISION REPORT



F22/55 – D24/8690

To: Farm and Aerodrome Committee
From: Director - Corporate Services
Date: 19 March 2024
Subject: Committee Self-Review of Terms of Reference

Recommendations

1. THAT the report be received.
2. THAT the amended Terms of Reference in Appendix 1 to this report be approved and become effective from 1 July 2024, AND the Farm and Aerodrome Committee is renamed the Farm and Investments Committee.

OR

3. THAT the current Farm and Aerodrome Committee Terms of Reference remain in place as per Appendix 2 to this report, with any further amendments as requested by the Committee.

Recommended Reason

It is timely that the Farm and Aerodrome Committee Terms of Reference be reviewed, since the Terms of Reference were established in June 2020.

/
Moved/Seconded

1. Purpose of Report

- 1.1 To review the Farm and Aerodrome Committee Terms of Reference and reevaluate the purpose of the Committee and ensure that the scope and responsibilities of the Committee align with the purpose.

2. Executive Summary

- 2.1 The Farm and Aerodrome Committee was established after the 2019 local government election, and the Terms of Reference for the Committee were adopted by Council in July 2020, and the first Committee meeting was held in June 2020. As per the Committee's Terms of Reference, the Committee's purpose is to "provide oversight of the combined activities of the Council dairy farm at Flint Rd, Stratford, and the Stratford Aerodrome on behalf of the Council, and to monitor the implementation of the farm business strategy at a governance level."
- 2.2 At a workshop for the Farm and Aerodrome Committee in December 2020, elected members agreed that the establishment of the Committee had created successful outcomes for both the Farm and Aerodrome and there was strong commitment by members to maintain Committee oversight of the performance of the council farm.
- 2.3 A number of alternative options were presented at the workshop also, including broadening the scope of the Committee to oversee all council investments and remove the Aerodrome from the scope of the Committee altogether, ceasing the Committee and reporting on the Farm and Aerodrome to either the Policy and Services Committee through the Assets monthly report, or to the Executive Committee, and another option was to disestablish the Committee but establish a Farm Advisory group and continuing to advantage of the expertise of elected members to monitor performance of the council farm, but lessening the workload on council officers.

- 2.4 The proposed Terms of Reference in Appendix 1 is largely maintaining the status quo, but reducing the Aerodrome component from the scope of the Committee, and providing for the opportunity for the Committee to monitor the performance of other major council investments from time to time, as and when necessary.

3. Local Government Act 2002 - Section 10

Under section 10 of the Local Government Act 2002, the Council's purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:		Yes – the purpose of this Committee is to at least promote economic wellbeing, but there are also other wellbeing impacts, such as environmental from time to time.	
Social	Economic	Environmental	Cultural
	x	x	

4. Background

- 4.1 The Farm and Aerodrome Committee was established to provide focused oversight of council's largest investment. The Aerodrome was included in the scope of the committee as the aerodrome land borders the farm and there are some synergies between the two activities.
- 4.2 The Committee is able to utilise the expertise of elected members with the likes of Councillor Grant Boyde (current chair of the Committee), Councillor Vaughan Jones, and Councillor Steve Beck who all bring significant farming expertise to the committee.
- 4.3 Since the Committee was established it has been successful in improving transparency of each of the two activities, including:
- Farm and Aerodrome activity operating and capital budgets reviewed and approved separately from other council activities, and at a more detailed level than all other council activities.
 - Establishment of individual risk registers, separate from the council's risk register, to ensure effective risk management, with a particular focus on health and safety and operational risks.
 - Increased performance monitoring by way of quarterly performance progress reports presented to the Committee.
 - Increased oversight by the Committee of decisions that are significant to the Farm and Aerodrome activities.
- 4.4 Additionally, the following has been achieved by the Committee:
- Establishment of a Farm Reserve to allow for council decisions on the allocation of Farm profits, and to enable provision for future rates mitigation.
 - Overseeing the implementation of a new sharemilking contract in 2022.
 - Ensuring environmental compliance requirements are met for the Farm.
 - Annual decision-making process implemented for the repayment of debt. Prior to the Committee being established, no debt repayments had been made and debt for the Farm was at \$2,835,491. Farm debt is currently sitting at \$1,909,228.

- 4.5 At the workshop, the level of governance involvement in operational matters was discussed. The risk of having elected member involvement in executing decisions made at the governance level was that there could be future bias in performance monitoring and future decision making. A clear separation of the duties of the Committee and the role of the Chief Executive and his staff needs to be established for the Farm, to ensure that officers can be held accountable for performance and execution of the independent decisions and direction given by the Committee.
- 4.6 The Committee also discussed reducing the number of meetings a year from four each quarter. There was appetite to adjoin this meeting on to another meeting such as the Audit and Risk Committee meeting. No changes have been proposed; however the Committee may recommend changes.
- 4.7 With the farm being one of council's most significant investments, the continued oversight of its financial performance was considered to be highly important and valuable. The community and elected members are now well informed of the farm and aerodrome operations. However, there is the opportunity to extend the scope of the Committee to monitor the performance of other council investments, specifically investments that exist purely to provide a financial return to council. Currently, the performance of financial investments are reported in the Corporate Services monthly report to the Policy and Services Committee. However, there is no formal process and/or framework for seeking and evaluating new investment opportunities that may generate additional revenue to council.

5. Consultative Process

5.1 Public Consultation - Section 82

Public consultation is not considered necessary as the decision on the Terms of Reference for this Committee is administrative.

5.2 Māori Consultation - Section 81

As above.

6. Risk Analysis

Refer to the Council Risk Register - available on the Council website.

- Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating?
- Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks.
- Is there a legal opinion needed?

- 6.1 Risk 33 – Animal Welfare - IF an animal that has been impounded is injured or dies due to maltreatment, THEN this could result in animal welfare agency scrutiny, possible court and legal costs, and reputational damage.

Risk 59 – CCO and other out-sourced functions - IF Council's non-core activities (farm, aerodrome) or CCO (Percy Thomson Trust) operate in a way that has potential for non-compliance with the law or potential for financial loss THEN there may be legal, financial, environmental and health implications.

Risk 98 – Environmental Degradation and Biodiversity Loss - IF council owned properties, including the farm, suffer due to lack of consideration of climate adaptation and mitigation THEN we may be at risk of creating emissions beyond our ability to offset.

Risk 83 – Aerodrome Unsafe Conditions - IF the Council fails to carry out its legislative responsibilities to ensure aircraft movements are restricted or prohibited in unsafe

conditions/areas of the Aerodrome, THEN lives could be put at risk and property damaged.

Risk 85 – Failure of a Financial Investment - IF a Council financial investment fails or devalues significantly, Council's assets reduce, resulting in lower revenues in future and potentially higher rates increases.

7. Decision Making Process - Section 79

7.1 Direction

	Explain
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	There is no direct link to the LTP. The report is recommending a shift in governance focus.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	The report is recommending a reduced focus on the Aerodrome, and an increased focus on council investments as a whole, but mainly the council farm.

7.2 Data

- | |
|--|
| <ul style="list-style-type: none"> • Do we have complete data, and relevant statistics, on the proposal(s)? • Do we have reasonably reliable data on the proposals? • What assumptions have had to be built in? |
|--|

The option to adjust the scope of the current Farm and Aerodrome Committee, and change to the Farm and Investments Committee, will allow council resources to be better used, from a cost benefit perspective, in maintaining and increasing revenue sources for council. While maintaining a significant focus on the farm investment, the Committee may evaluate proposals for new investments, and set targets and monitor performance of existing financial investments. However, there may not be sufficient investments within council at present to justify the widening of the scope of this Committee.

The status quo option of maintaining the Committee as it is, would allow council to continue to reap the benefits of the existing Farm and Aerodrome Committee, but continue to place additional requirements of staff that could be better reported and monitored by the Policy and Services Committee, particularly with regard to the Aerodrome. However, the Committee could meet less frequently, the Aerodrome could be removed from the scope of the Committee, or the report content could be clarified and refined.

7.3 Significance

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	No	
Is it:	No	
• considered a strategic asset; or	No	
• above the financial thresholds in the Significance Policy; or	No	
• impacting on a CCO stakeholding; or	No	
• a change in level of service; or	No	Unlikely to significantly impact the level of service of the Aerodrome or Farm with the proposed changes.
• creating a high level of controversy; or	No	Any change to the Committee and the formal reporting content could create controversy in

		certain sectors of the community, however it is unlikely to affect any sector of the community directly.
• possible that it could have a high impact on the community?	No	

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		x

7.4 **Options**

An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.

1. What options are available?
2. For **each** option:
 - explain what the costs and benefits of each option are in terms of the present and future needs of the district;
 - outline if there are any sustainability issues; and
 - explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions?
3. After completing these, consider which option you wish to recommend to Council, and explain:
 - how this option is the most cost effective option for households and businesses;
 - if there are any trade-offs; and
 - what interdependencies exist.

Option One:

Approve the amended Terms of Reference for the renamed Farm and Investments Committee.

Option Two:

Maintain status quo Terms of Reference for the Farm and Aerodrome Committee, but potentially amending for any of the following:

- Removing Aerodrome from the scope of the Committee.
- Reducing the frequency of the meetings.
- Reclarifying the purpose of the Committee and consequently the content of reporting to the Committee.

7.5 **Financial**

- | |
|---|
| <ul style="list-style-type: none"> • Is there an impact on funding and debt levels? • Will work be undertaken within the current budget? • What budget has expenditure come from? • How will the proposal be funded? eg. rates, reserves, grants etc. |
|---|

There is no direct financial impact from either Option One or Two.

7.6 **Prioritisation & Trade-off**

- | |
|---|
| <p>Have you taken into consideration the:</p> <ul style="list-style-type: none"> • Council's capacity to deliver; • contractor's capacity to deliver; and • consequence of deferral? |
|---|

Reducing the scope or frequency of the meetings would allow for reallocation of resources to other productive areas. Currently the agenda preparation takes three days minimum of staff time, but often more when there are decision reports to be prepared. There is also the pre-agenda meeting and actual Committee meeting of up to an hour each, with the latter involving all senior management.

Broadening the scope of the Committee to include other significant financial investments will create additional work for staff, but has the potential to provide new benefits as a result of performance monitoring and improved decision making around investing for rates mitigation.

7.7 **Legal Issues**

- | |
|--|
| <ul style="list-style-type: none">• Is there a legal opinion needed?• Are there legal issues? |
|--|

N/A

7.8 **Policy Issues - Section 80**

- | |
|---|
| <ul style="list-style-type: none">• Are there any policy issues?• Does your recommendation conflict with Council Policies? |
|---|

N/A

Appendix 1 – Proposed Amended Terms of Reference for the Farm and Investments Committee
Appendix 2 – Current Farm and Aerodrome Committee Terms of Reference



Tiffany Radich
Director – Corporate Services



[Approved by]
Sven Hanne
Chief Executive

Date 12 March 2024

STRATFORD DISTRICT COUNCIL

FARM AND INVESTMENTS COMMITTEE - TERMS OF REFERENCE

PURPOSE

The purpose of the Farm and Investments Committee is to monitor performance of the Council dairy farm at Flint Rd, Stratford, and to monitor the implementation of the farm business strategy at a governance level. The farm is council's single largest investment, however council has other significant financial investments that may be monitored by this Committee.

The Committee will ensure the following objectives are fulfilled:

1. To operate the farm as a separate, economic, business unit.
2. The profits from the farm to be returned to Council to provide a 'dividend' to Council, offset debt, or be reinvested in the farm as set by Council during the Annual or Long Term Plan process.
3. To set performance targets for other significant financial investments that exist to provide a financial return to council.

The Committee is to assist the Council in achieving its responsibility to the district ratepayers to ensure the farm is profitable and provides a sustainable return.

SCOPE AND RESPONSIBILITIES

The Farm and Investments Committee is responsible for reporting to the Council on progress, annual results, and making recommendations to the Council of the following activities:

- Risk Management;
- Performance Management
- Strategy Development; and
- Other Significant Matters

Risk Management

- Monitoring the management of Farm risks including legislative, health and safety, financial, and environmental risks.
- Discuss incidents, and evaluate risk management controls.
- Assess the risks of other significant investments at least annually.
- Evaluate the risks of any potential new financial investments.

Performance Management

- Monitor financial performance against budget for the farm.
- Initiate the development of budgets and KPI’s annually with assistance from Council finance staff, as requested, and report on these regularly at Committee meetings.
- Report on the performance of other significant financial investments at least annually.

Strategy Development

- Review the Farm objectives in line with the changing environment and make recommendations to Council as required.
- Review the business model regularly to ensure objectives are able to be achieved.

Other Significant Matters

- Consider specific matters of significance e.g. sale or purchase of land, or change in use of land.
- Advise on significant capital proposals.
- Review and approve any new significant financial investments.

The scope of the Committee does not extend to operational matters. Operational matters include, but are not limited to, developing work programmes, procurement and approval of invoices, administration, physical works on the farm, and general day to day running of the Farm.

MEETINGS

The Committee shall meet once quarterly during normal working hours at a time that suits all Committee members. The Council standing orders shall apply to the Committee meetings.

All agendas, minutes and reports of the Committee will be filed electronically in Content Manager within one month of the meeting date. They will also be made publically available on the Council’s website and available directly to all elected members via Diligent.

Representatives from the Farm will be invited to attend all meetings e.g. share-milkers, consultants.

MEMBERSHIP

Membership of the Committee shall be comprised of the following:

Member	No.	Voting Rights
Current Elected Member - Chairman	1	Y
Current Elected Member	3	Y

AUTHORITY

The Committee will have the delegated responsibility to fulfil the responsibilities of the Committee, as per the Council's Delegations Policy. This includes the ability to request any information from Council officers that is necessary to enable it to perform its functions and duties and fulfil its responsibilities.

The Committee has the authority to ensure all Council decisions in relation to the Farm are being implemented. The Committee does not have any delegated authority to act on behalf of the Council, or to make decisions that conflict with a decision made by the Council.

REMUNERATION

Committee members will be remunerated according to the remuneration set by the Remuneration Authority.

REVIEW OF THE COMMITTEE

The Committee shall undertake a self-review of its objectives and responsibilities at least once every three years to ensure it remains relevant and effective. Any changes to the objectives and responsibilities recommended by the Committee must be approved by the Council before coming into effect.

In addition, the membership of the Committee shall be reviewed at least once every three years.

RELATED DOCUMENTS

- Stratford District Council Long Term Plan 2024-34
- Property Asset Management Plan 2024-34
- Annual Farm Business Reports
- Stratford District Council Annual Plans / Reports
- Farm Committee minutes

STRATFORD DISTRICT COUNCIL

FARM AND AERODROME COMMITTEE - TERMS OF REFERENCE

PURPOSE

The purpose of the Farm and Aerodrome Committee is to provide oversight of the combined activities of the Council dairy farm at Flint Rd, Stratford, and the Stratford Aerodrome on behalf of the Council, and to monitor the implementation of the farm business strategy at a governance level.

The Committee will ensure the following objectives are fulfilled in relation to the Council owned farm and aerodrome:

1. To operate the farm as a separate, economic, business unit.
2. To physically support the aerodrome by way of providing a buffer zone between it, and surrounding, existing or potential, properties, and
3. The profits from the farm to be returned to Council to provide a 'dividend' to Council, offset debt, or be reinvested in the farm as set by Council during the Annual or Long Term Plan process.
4. To ensure the Aerodrome activity is contributing to the Council's Community Outcomes in a cost-effective manner.

The Committee is to assist the Council in achieving its responsibility to the district ratepayers to ensure the farm is profitable, and that both activities operate sustainably.

The Committee will also be tasked with ensuring that the Council's contribution towards the operating costs of the Stratford Aerodrome is providing value for money for ratepayers and the community.

SCOPE AND RESPONSIBILITIES

The Farm and Aerodrome Committee is responsible for reporting to the Council on progress, annual results, and making recommendations to the Council of the following activities:

- Risk Management;
- Performance Management
- Strategy Development; and
- Other Significant Matters

Risk Management

- Managing and monitoring the Farm and Aerodrome risks including legislative, health and safety, financial, and environmental risks.
- Discuss incidents, and evaluate risk management controls.
- Give recommendation to the CEO on fixing the milk price under Fonterra’s fixed milk price programme.

Performance Management

- Monitor financial performance against budget.
- Initiate the development of budgets and KPI’s annually with assistance from Council finance staff, as requested, and report on these regularly at Committee meetings.

Strategy Development

- Review the Farm and Aerodrome objectives in line with the changing environment and make recommendations to Council as required.
- Review the business model regularly to ensure objectives are able to be achieved.

Other Significant Matters

- Consider specific matters of significance e.g. sale or purchase of land, or change in use of land.
- Advise on significant capital proposals.

The scope of the Committee does not extend to operational matters. Operational matters include, but are not limited to, developing work programmes, procurement and approval of invoices, administration, physical works on the farm, and general day to day running of the Farm and Aerodrome.

MEETINGS

The Committee shall meet once quarterly during normal working hours at a time that suits all Committee members. The Council standing orders shall apply to the Committee meetings.

All agendas, minutes and reports of the Committee will be filed electronically in Content Manager within one month of the meeting date. They will also be made publically available on the Council’s website and available directly to all elected members via Diligent.

Representatives from the Farm and Aerodrome will be invited to attend all meetings.

MEMBERSHIP

Membership of the Committee shall be comprised of the following:

Member	No.	Voting Rights
Current Elected Member - Chairman	1	Y
Current Elected Member	2	Y
Council Officers	2	N

AUTHORITY

The Committee will have the delegated responsibility to fulfil the responsibilities of the Committee, as per the Council’s Delegations Policy. This includes the ability to request any information from Council officers that is necessary to enable it to perform its functions and duties and fulfil its responsibilities.

The Committee has the authority to ensure all Council decisions in relation to the Farm and Aerodrome are being implemented. The Committee does not have any delegated authority to act on behalf of the Council, or to make decisions that conflict with a decision made by the Council.

REMUNERATION

Committee members will be remunerated according to the remuneration set by the Remuneration Authority.

REVIEW OF THE COMMITTEE

The Committee shall undertake a self-review of its objectives and responsibilities at least once every three years. Any changes to the objectives and responsibilities recommended by the Committee must be approved by the Council before coming into effect.

These Terms of Reference shall be reviewed by the Council at least every three years, or earlier, to ensure the Farm and Aerodrome Committee remains relevant and effective.

In addition, the membership of the Committee shall be reviewed at least once every three years.

RELATED DOCUMENTS

- Stratford District Council Long Term Plan 2018-28
- Property Asset Management Plan 2018-28
- Annual Farm Business Reports
- Stratford District Council Annual Plans / Reports
- Farm Committee minutes
- Aerodrome Strategic Development Plan 2011

INFORMATION REPORT



F22/55 – D24/8823

To: Farm and Aerodrome Committee
 From: Property Officer
 Date: 19 March 2023
 Subject: Farm Annual Business Report 2023

Recommendations

1. THAT the report be received.
2. THAT the committee notes that the remaining 2022/2023 surplus reserve amount of approximately \$70,000 has been allocated for rates mitigation in the Long Term Plan.

Recommended Reason

To inform the Committee of the financial actuals for the Farm in the 2022/23 financial year.

/_____
 Moved/Seconded

1. Purpose of Report

To present the Committee with the year end results for the Council farm for 2022/23 financial year.

2. Executive Summary

- 2.1 The Draft Farm Annual Business Report 2023 was presented to the Committee in June 2023.
- 2.2 The Committee approved to allocate \$69,882 towards debt reduction with any remaining profit made in the 2022/23 financial year, after the removal of the \$50,000 rates mitigation portion, to go into the reserve.

3. Local Government Act 2002

Under section 10 of the Local Government Act 2002, the Council's purpose is to "enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future"

Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:

Yes

Social	Economic	Environmental	Cultural
	✓		

4. Background

- 4.1 In 2020, the Farm and Aerodrome Committee was established to provide governance and oversight of the combined activities of the Council owned Dairy Farm and the Stratford Aerodrome. This report is presented to the Committee to enable it to fulfil its responsibilities under the Farm and Aerodrome Committee Terms of Reference.
- 4.2 As part of the LTP 2021-31, a Farm Reserve was established so that profits earned above the rates contribution during the year could potentially be set aside in a reserve, to be put towards rates in the following or later years or be assigned for specific farm-related expenditure.
- 4.3 In June 2023, Council Officers presented the draft Farm Business Report for 2023. Council debt had increased by \$14,001 to \$1,965,100 during the 2022/23 year. The Committee was asked to decide how much of the remaining \$169,882 net profit could be allocated to debt repayments. With interest rates increasing, it was recommended that a debt repayment continued to be made annually at a level that ensure debt was not higher than the previous year.
- 4.4 Council Officers informed the Committee that the 2022/2023 financial year hadn't been closed off and all invoices hadn't been accounted for, which meant the expenditure and net profit would change. Expenditure would go up and available net profit would reduce.
- 4.5 The Committee decided to allocate \$69,882 towards debt reduction with any remaining profit made in the 2022/23 financial year, after the removal of the \$50,000 rates mitigation portion, to go into the reserve.

5. Information Summary

- 5.1 Refer to the Farm Business Report in Appendix 1

6. Strategic Alignment

6.1 **Direction**

This report is consistent with the relevant sections of the 2021-2031 Long Term Plan.

6.2 **Annual Plan and Long-Term Plan**

Not Applicable

6.3 **District Plan**

Not Applicable

6.4 **Legal Implications**

Not Applicable

6.5 **Policy Implications**

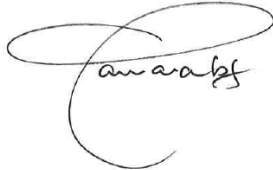
No policy implications
There are no legal issues to consider.

Appendices:

- 1. Farm Business Report 2023



Sara Flight
Property Officer



Victoria Araba
Director Assets

[Approved by]
Sven Hanne
Chief Executive

Date March 2024

APPENDIX 1



**FARM ANNUAL BUSINESS
REPORT - 2023**



TE KAUNIHERA A ROHE O
WHAKAAHURANGI
STRATFORD
DISTRICT COUNCIL

Contents

1. Executive Summary	6
2. Summary from Sharemilkers.....	7
3. Local Government Purpose	8
4. Summary of the Farm.....	9
5. Financial Performance	10
6. Financial Budget 2023/24.....	11
7. Annual Financial Report 2022/23 – Farm	12
8. Annual Financial Report 2023/24 - Farm	13
9. Farm Debt	14
10. Farm Reserves.....	14
11. Future Outlook for Dairy Farming and the Council Farm	15

1. Executive Summary

In 2020, the Farm and Aerodrome (Council) Committee was established to provide governance and oversight of the combined activities of the Council owned Dairy Farm and the Stratford Aerodrome. This report is presented to the Committee to enable it to fulfil its responsibilities under the *Farm and Aerodrome Committee Terms of Reference*.

The Stratford District Council Farm Business Report 2023 provides an overview of the Farm Activity, a report on the financial results for 2022/23 and presents the budget for 2023/24.

The year end results for the year ended 30 June 2023 have **Net Profit at \$156,503** up on budgeted Net Profit of \$77,893. This is largely due to budget assumptions around revenue, specifically milk price forecast. Milk solid production was lower than budget at 142,660 kgMS compared to a budgeted figure of 150,000 kgMS, and the final milk price received of \$8.96 per kgMS, is \$2.71 higher than what was originally budgeted (\$6.25).

Farm debt, without loan repayments, increased by \$15,800, due to another year of investment in farm infrastructure, which included an upgrade to the water lines and troughs and riparian planting.

As part of the LTP 2021-31, a Farm Reserve was established so that profits earned above the rates contribution during the year could potentially be set aside in a reserve to be used to reduce rates in the following or later years, or be assigned for specific farm related expenditure.

The farm reserve balance was \$96,925, as at 30 June 2021, and was used in full as rates mitigation in the 2022/23 financial year, on top of the \$50,000 already set aside as a minimum, to ease the rates burden for the community.

Of the profit made in 2021/22 of \$240,041, \$171,567 went towards repaying debt (which had increased by the same amount during the year due to loan funded capital expenditure), and \$68,512 went into the farm reserve.

In March 2023 the Farm and Aerodrome Committee approved for the transfer of the Farm reserve \$68,512 to be used for rates mitigation in 2023/24 as well as the anticipated one-off dividend payment from Fonterra for the sale of the Chile asset being \$79,359.

In June 2023 the Farm and Aerodrome Committee approved to allocate \$69,882 towards debt reduction with any remaining profit made in the 2022/23 financial year, after the removal of the \$50,000 rates mitigation portion, to go into the reserves. After allocating \$50,000 of net profit to rates mitigation, there is **\$36,621** available to allocate.

Goals and Objectives of the Farm and Aerodrome Committee

1. To operate the farm as a separate, economic, business unit.
2. To physically support the aerodrome by way of providing a buffer zone between it, and surrounding, existing or potential, properties, and
3. The profits from the farm to be used to provide a 'dividend' to Council to offset rates by at least \$50,000 per year, and either reduce debt, or be transferred to the Farm reserve which may be used to offset rates, with any withdrawals from the fund to be determined at the setting of the Annual Plan or Long-Term Plan for the following year.
4. To ensure the Aerodrome activity is contributing to the Council's Community Outcomes in a cost-effective manner.

2. Summary from Sharemilkers

Fernharp Trust Partnership – Dairy Season 1 June 2022 to 31 May 2023

A tougher season on farm this year when comparing to previous years. Rising costs estimated at 20% and lack of grazing meant we made a couple of different decisions on farm.

2023 season was the first time we did not winter any stock off, normal practice has been 100 cows/R2's off farm for 6 weeks over the winter. We also kept all calves at home until the first week of May 2023.

We had rain but dare we say it "too much" at times, this resulted in grass growth but without the quality, it also resulted in environmental mastitis and lame feet issues. We consistently had a mob of 30 being treated meaning that milk was not going in the vat. Stock on farm and the mastitis meant a lower production than budgeted.

We have continued the work on farm Riparian Planting, the water system upgrade to the Campbell block, culvert at the back of the farm was replaced after been damaged. Interior painting of the cowshed was some minor jobs in the house on 202 Flint Road.

Staffing the farm has been a lot easier now that borders are open, we have been very lucky to have had excellent staff for the 2023 which we appreciate and couldn't operate without.

Thanks again to all those involved in our business, and we look forward to a better 2024 season.

Thanks, Aaron & Fiona

3. Local Government Purpose

The farm is considered to be an economic investment that was purchased for the purposes of providing a financial contribution to ease the burden of rates on the community.

Social – The farm does not directly benefit social well-being in any fundamental way.

Economic – The farm contributes to the economic well-being of the district by providing rates mitigation for ratepayers. It is not in direct competition with other businesses in the district and therefore does not diminish economic activity. It provides some employment opportunities and contributes to the district economy through procurement of goods and services.

Environmental – Dairy farming is generally not viewed as an environmentally friendly activity. However, the Council has an Environmental Plan and is directly involved in riparian planting, freshwater plans, and complies with environmental regulations. Council has increased its investment in this area, as industry stakeholders demand better farming practices.

Cultural – The farm does not directly benefit cultural well-being in any fundamental way.

4. Summary of the Farm

Address: 202 Flint Road East, Stratford
Farm Area 158ha, 132 ha effective
Topography – flat
Soil type: Volcanic

Farm and Aerodrome Committee Members x3

Grant Boyde (Chair), Vaughan Jones, Steve Beck

Council Staff Committee Members x2

Council Farm Liaison – Property Officer
Accountant – Finance Officer

Share-milkers

Fernharp Trust Partnership: Aaron Riddick and Fiona Hogan-Riddick
Share-milking agreement is in effect until 31 May 2027
Consultant: Jono Buchly

Fonterra Shares

Council owns 158,716 Fonterra shares – valued at \$3.02 as at 7 June 2023, total value \$479,322

Infrastructure

Cow Shed:

Herringbone 36 aside, automatic cup removers, and automatic teat sprayer (owned by sharemilker).
In-shed feeding system (72 batch feeders), with 23 tonne polyethylene silo
Milk room, office, toilet, and pump room.
16,000 L vat (owned by Fonterra)

Yard:

Main yard (400 capacity) – recently extended and upgraded, new entrance.
Dungbuster
Bobby calf shed with loading ramp.
An additional loading ramp next to the main yard
Lockable shed for bikes and tools
2 x 4 bay hay sheds
Silage / maize pit
Storage Container and Concrete Pad

3 x Water tank: 20,000

Irrigation – travelling irrigator – 20ha

Old cowshed, loading race and vet race.

Two bay shed / calf rearing.

Lockable shed – Fertiliser spreader storage

2 x one bay hay barns

Sheep shearing shed.

Two metal pits

Worker's Cottage and Farmhouse

4-bedroom house, car port and small shed

1 self-contained cabin

3-bedroom house – relocated from Pembroke Rd

Double garage

Three bay shed

Operational

375 Friesian-Cross Cows (owned by the sharemilker)

System 3 Feeding – 10-20% of total feed is imported to extend lactation and increase production

5. Financial Performance

Financial Results 2022/23

Net Profit for the year \$156,503

Total Revenue is up against budget by \$149,339, at \$637,929.

Milk supply revenue came above budget by \$148,213 at \$616,963. This was a direct result of the final forecast milk price being higher than the original milk price expectations of \$6.25 per KgMS. The milk price received by the Council farm equated to \$8.96 per kgMS (note the revenue is split 50/50 between the Council and the Sharemilker).

This season a total of 142,659.9 kgMS has been produced, which is lower than the target 150,000 kgMS. Weather had a big impact, grass growth was there but no substance in grass, higher number of environmental mastitis and lame cows. With the increased cost of "off Farm" grazing, calves were kept on the farm. This put pressure on the grass which resulted in a reduced milk production total for the season.

The final milk price forecast for the season is between \$8.10 and \$8.30, with a midpoint of \$8.20, but the final average milk price received by Council is \$8.96, this is calculated on total cash in and opening and closing accruals, in order to finalise the accounts for audit, with any adjustments to be brought into the following year, with the final milk price announcement not being until late-October. During the year, Council fixed 68,604 kgMS (45.93%) at an average price of \$9.80.

The Council budgeted for a dividend of 25 cents per share, with only wet shares being split 50/50 with the Sharemilker. The dividend for the year was 50 cents per share.

Expenditure was up against budget by \$70,730 at \$481,427.

Farm working expenses were over budget by \$40,011 at \$303,955 for the financial year, with the most notable variance being spend on sustenance (food for cows), at \$96,381 against a budget of \$75,000. Sustenance was much higher than budgeted. More tonnage was bought in due to reduced pasture growth rates. To maintain production, extra feed was purchased. Fertiliser cost was higher than budget at \$80,853.

Indirect expenses are slightly over budget by \$30,719, at \$177,472 with the main variance being interest due to the increased interest rates, and overheads for the Property Management.

Interest has been calculated at \$57,197 and is based on a loan repayment in the year of \$14,001 – equivalent to the amount of new borrowings.

Summary of other measures:

- The value of the Fonterra shares held at the start of the financial year (1 July 2022) was \$460,276, at \$2.90 per share. As at 7 June 2023, the shares are worth \$3.02 each, with a total value for Council of \$479,322.
- In this financial year, the number of cows milked was 375. Production decreased to 142,659.9 kgMS, and down on the previous year record of 154,394.1 kgMS.
- Actual total expenditure per kgMS produced was \$3.21 (2022: \$2.86).
- In calf Heifers were all on the farm since 1 May 2022, previous season they were located on the run off for winter grazing, which has put pressure on the farm
- Cows were culled earlier this year to reduce pressure on the farm during winter

6. Financial Budget 2023/24

Budgeted Net Profit for the year has been set at \$258,046

High level assumptions include milk price (\$8.00 per kgMS) number of cows (375), effective hectares for farming (132), and interest rate (3.45%).

Total revenue for the farm for 2023/24 is budgeted at \$718,807

The milk price assumption of \$8.00 is based on forecast assumptions at the time the LTP 2021-31 was prepared. As at June 2023, the milk price forecast for the year is in a range of \$7.25 to \$8.75 per kgMS. Milk production for the year is expected to be no less than 150,000 kgMS at this stage.

A dividend has been budgeted for in the 2023/24 year of 30 cents per Fonterra share, with half of the dividend from wet shares to be paid to the sharemilker. The current dividend forecast for the year is in a range of 20 to 40 cents per share.

A one of dividend payment of \$79,359 from Fonterra at 50 cents per share was received in October 2023. Fonterra has sold their Chilean Soprole business and are committed to targeting a significant capital return to the shareholders which would not be split at the agreed percentage with the Sharemilkers.

Total expenditure for the farm is budgeted at \$460,761 in 2023/24.

Farm working expenses are higher than the previous year budget by \$50,064 due to an increase in sustenance and fertiliser costs. Grazing has increased for the year as the previous leases expired, and the new lease contract with New Zealand Grazing incurs a higher grazing rate.

The Council overhead allocation has reduced to \$30,740 from \$57,246.

Interest expense is budgeted at \$68,629 (Actual 2022/23: \$57,191 due to the increase in interest rates).

The depreciation expense is budgeted at \$47,042 for the 2023/24 year, up on last years budget of \$43,200 due to the increased value of assets that will require future replacement.

The budgeted net profit could potentially allow for a loan repayment of \$208,046, after allocating \$50,000 to rates mitigation.

Budgeted total expenditure is \$2.99 per kg of milk solid produced (2022/23 budget: \$2.64).

7. Annual Financial Report 2022/23 – Farm

	ACTUAL	BUDGET		BUDGET
	2022/23	2022/23	Variance	2023/24
Farm Investment				
Milk Production (KgMs)	142,660	150,000	-7,340	154,000
Council Farm Final Milk Price	8.96	6	3	8
Council's Share of Milk Revenue*	639,067	468,750	170,317	616,000
Less adjustments / timing	- 22,104		-22,104	
	616,963			
Dividend	20,966	19,840	1,126	103,166
Special Dividend				
Total Income	637,929	488,590	171,443	719,166
Fencing	2,208	3,075	867	3,500
R&M Major Works	11,000	11,000	0	35,000
Repairs & Maintenance	29,577	25,625	-3,952	25,000
Consultants	617	513	-104	513
Off-Farm Grazing	32,662	48,000	15,338	48,000
Pasture Management	13,281	5,342	-7,939	10,000
Fertiliser	80,853	71,750	-9,103	75,000
Insurance	8,719	8,768	49	10,027
Lease	6,500	6,500	0	6,500
Licences & Permits	307	748	441	765
Rates (Services Only)	1,045	960	-85	1,045
Subscriptions & Publications	4,752	2,563	-2,189	3,000
Sustenance	96,381	75,000	-21,381	91,000
Weed Control	7,796	4,100	-3,696	5,000
Water Consumption	8,256		-8,256	
Health and Safety Compliance	-	0		0
	303,955	263,944	-40,011	314,350
Interest	57,191	46,307	-10,884	68,629
Depreciation	48,045	43,200	-4,845	47,042
Corporate Services	25,529	22,308	-3,221	12,171
Assets Director	6,309	6,003	-306	6,219
Property Asset Manager	40,399	28,935	-11,464	12,350
	177,472	146,753	-30,719	146,411
Total Expenditure	481,427	410,697	-70,730	460,761
Net Profit	156,503	77,893	100,713	258,405

8. Annual Financial Report 2023/24 - Farm

Capital expenditure in 2022/23 of \$14,001 is within budget

- **Capital Expenditure Budget 2023/24**

The budget for 2023/24 for capital expenditure is set at \$16,300, to include riparian planting, and to complete an upgrade to the water lines and trough. The water lines upgrade is required due to the ageing infrastructure, and will benefit the Share-milker by enabling more efficient water usage.

Capital Expenditure Actual Vs Budget 2022/2023				
	ACTUAL	BUDGET	Variance	Budget
	2022/23	2022/23	2022/23	2023/24
<i>Increase in Service Level</i>				
Riparian Planting	1,825.41	3,500.00	1,674.59	3,700.00
Water Lines and Trough Upgrades	12,175.14	12,300.00	124.86	12,600.00
				-
Total Service Level Increase	\$ 14,000.55	\$ 15,800.00	\$ 1,799.45	\$ 16,300.00

9. Farm Debt

The final debt balance will be determined by the following formula:

Opening Farm Debt balance 1 July 2022	1,965,100
Plus new borrowings (loan funded capital expenditure)	14,001
Less loan repayments (allocated from net profit)	69,882
Closing Farm Debt balance 30 June 2023	\$1,909,219

In 2023/24, it is forecast that the loan balance will increase by a further \$16,300 due to loan funded capital expenditure.

The actual interest rate will be calculated on the Council's weighted average cost of debt – as at December 2022 this was 2.90%, and expected to be 3.45% in December 2023.

10. Farm Reserves

The Farm Reserve funds may be used to fund additional rates mitigation, or for new investment in Council farm infrastructure, or for any other purpose as decided by the Farm and Aerodrome Committee and in accordance with the objectives of the Farm.

The Farm Reserve currently has a balance of \$68,512 which will be used in full for rates mitigation in 2023/24.

Of the net profit for the year of \$156,503, \$50,000 has been allocated to rates mitigation and 69,882 to loan repayments. This leaves **\$36,621** to allocate to the farm reserve.

11. Future Outlook for Dairy Farming and the Council Farm

Summary

The Council Farm is primarily held as an economic investment to assist in rates mitigation for the district's ratepayers.

The forecast for 2023/24 is similar at between \$7.25 to \$8.75, with a midpoint of \$8.00 per kgMS. This is slightly less than previous years estimate, but if milk production can be maintained at current expenditure levels, it will result in another profitable season next year.

Capital Restructuring

In December 2021, Fonterra shareholders voted in favour of a new capital structure to replace the current Trading Among Farmers (TAF) capital structure, which has been in place since 2012. The key elements of Fonterra's intended capital restructure are:

- A reduction in the minimum shareholding requirement from 1 share for 1 kilogram of milksolids (kgMS) supplied (1:1) to 1 share for every ~3 kgMS supplied (1:3).
- An increase in the maximum shareholding, from 2 shares for every 1 kgMS supplied (2:1) to 4 shares for every 1 kgMS supplied (4:1).
- Operating a restricted farmers-only market for future share trading, with a lower (10 rather than 20 percent) cap on the size of the unit Fund.

The proposed capital restructure will lower the cost of entry for farmers wishing to join the co-operative and supply milk to Fonterra, thus enabling Fonterra to retain and attract milk supply in the face of forecast plateauing or declining milk production in New Zealand. This in turn will enable Fonterra to make efficient use of sunk investment in processing facilities, remain a large-scale, New Zealand farmer-owned co-operative, and to allocate capital to investments in innovation and sustainability.

The reduced minimum shareholding requirement could also enable farmers to free up some capital, which farmers could use to repay on-farm debt or invest in on-farm innovation, including to advance environmental and/or climate change mitigations.

Sharemilkers contract

On 31 May 2022, the Fernharp Partnership Trust (Aaron and Fiona Riddick) signed up for a further five years with the Council farm. The Federated Farmers Heard Owing share-milking agreement was used this time, rather than a bespoke contract. The agreement was used due to the standard clauses that are widely used in New Zealand for a share-milking type arrangement, and the agreement also refers to a new Farm Policy to clarify procedures and expectations around the operation of the farm that are not sufficiently covered by the Share-milking Agreement. Notable changes to the contract include:

- Addition of financial/budget management section – giving the share-milkers the authority to spend Council's share of direct operational expenditure, where the spend is within the approved budget. With an additional requirement that Council (or Committee) approval be given for any budget variance that exceeds 10%.
- Water Mains Renewal section – Council will now reimburse the share-milker for a share of the water consumption cost, at 25% for 2023/24 to reflect the current condition of the water pipe infrastructure on the property.
- Addition of a clause to allow for market rates to be paid to the sharemilker for reimbursement of materials and labour for any agreed capital expenditure.
- Council will now be responsible, as per the normal industry standard, for 50% of costs associated with feed produced on-farm (not just for a half share of bought-in feed).

Sustainable Dairying

From 1 June 2021, up to 10 cents of each farm's milk payment is now determined by the farm's sustainability credentials and milk quality. The amount and targets will be set annually by the Fonterra Board.

The 10 cent Co-operative Difference payment is made up of:

- 7 cents per kgMS for achievement under the Environment, Co-op & Prosperity, Animals, and People & Community focus areas.

Once these have been achieved;

- 3 cents per kgMS for milk that meets the 'Excellence' standard under the Milk Quality framework.

In the 2022/23 season, the Council farm achieved the 7 cents co-operative difference payment.

Refer to the Co-operative Difference Payment Achievement Summary for 2022/23 season attached to this report.



Long Term Planning

In order to be effective in its governance responsibilities, the Farm and Aerodrome Committee must have a good understanding and knowledge of:

1. Why the Council owns and operates a Dairy Farm (covered in section under heading "Local Government Purpose" in this report).
2. Whether the purpose is being fulfilled effectively, and to what extent.
3. What the risks are for the Council and whether these risks can be effectively mitigated.
4. The state of current infrastructure, asset condition, and future capital replacement requirements.

The analysis prepared below gives a summary of the strengths, weaknesses, opportunities and threats in relation to the farm business.

SWOT Analysis of the Council Dairy Farm Business

<p>STRENGTHS</p> <ul style="list-style-type: none"> - Contributes to the economic well-being of our district. - Consistent surpluses. - The farm provides a buffer zone for Aerodrome noise and accessibility. - Relationship between share-milkers and Aerodrome operators is conducive to the continued operation of the farm and Aerodrome side by side. 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> - High risk exposure to weather conditions leading to uncertainty in production/profits. - Fluctuations in milk price leading to uncertainty in production/profits. - Maintenance, Capital Replacement costs, and council staff involvement make the farm more resource intensive than an alternative cash investment. - Further capital investment in the farm will be required, particularly in relation to new advanced technology and replacement of plant and equipment. - Vulnerability to increasingly stricter compliance requirements relating to staffing, health and safety, nutrient management.
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> - Innovative solutions and investment in technology to enable more productive use of the farm. - Potential opportunities for different land uses to provide a higher return on investment (dependent on soil and weather vulnerability of crops). - Land is a finite resource, where the value <u>generally</u> increases. Retention of land allows for potential high-value investment opportunities in the future. - Potential to gain revenue certainty by fixing up to 50% of milk price for next season. 	<p>THREATS</p> <ul style="list-style-type: none"> - Change in Govt legislation could affect Council liability and have an impact on compliance costs. Eg. Environmental management may become more expensive with greenhouse gas emissions and water quality being key govt concerns. - Change in Fonterra's regulations eg PKE usage could affect production/profits. - Animal Welfare risks high in the dairy sector (not direct responsibility but can affect Council reputation). - Storm damage could create unplanned, unbudgeted costs. - Major Volcano eruption would likely destroy use of the land for farming in the medium to long-term. - Exposure to biosecurity risks eg Mycoplasma Bovis.

Table 5: Analysis of Farm Business' Strengths, Weaknesses, Opportunities and Threats

INFORMATION REPORT



F22/55/04-D24/7040

To: Farm and Aerodrome Committee
From: Property Officer
Date: 19 March 2024
Subject: Risk Review

Recommendation

THAT the report be received.

Recommended Reason
 To update the Committee of any changes to the Farm and Aerodrome Risk Registers and advise the Committee of any incidents in relation to the identified risks.

/_____
 Moved/Seconded

1. Purpose of Report

The purpose of this report is to present any changes made to the Farm and Aerodrome Risk Registers in **Appendices 1 & 2**. It is to inform the Committee of any incidents and/or changes in relation to identified risks, since the last Farm and Aerodrome Committee meeting held in December 2023.

2. Executive Summary

2.1. While the Senior Leadership Team (SLT) discusses changes to the Corporate Risk Register weekly, the review of the Farm and Aerodrome Risk Registers are undertaken at the Quarterly Sharemilkers and Aerodrome user group meetings to ensure that all risks are being managed appropriately.

2.2. In the past quarter there has been one new risk, Risk 10, added to the Farm Risk Register.

2.3. One incident has occurred relating to Risk 7 of the Aerodrome risk register.

3. Local Government Act 2002

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
	✓	✓	

Active management and monitoring of farm risks will support the performance of a good quality council owned asset to ensure the health and safety of the sharemilker, contractors, farm workers and visitors to the farm.

4. Background

Both the Farm and Aerodrome Risk Registers were adopted by the Committee at the September 2020 meeting.

The two Risk Registers are based on the requirements from:

- The Taranaki Regional Council;
- Fonterra Limited;
- Ministry of Primary Industries; and
- Civil Aviation Authority.

The Risk Registers report on all risks identified to be managed by the Sharemilkers, Aerodrome User Group and Council.

5. Information Summary

5.1 **New Risk**

There has been one new risk added to the Farm Risk Register since the last Farm and Aerodrome Committee meeting. This is Risk 10 of Appendix 1, which relates to Injury/fatality - *Sharemilker/Staff member is seriously injured or killed on the farm from electric shock when emptying sand trap.*

5.2 **Changes to the Risk Register**

There has been no changes to the current risk in the Farm and Aerodrome Risk Register since the last Committee meeting.

5.3 **Incidents or Threats in relation to the Risk Register**

There has been one incident that relates to Risk 7 of the Aerodrome Risk Register (Appendix 2) since the last Farm and Aerodrome Committee meeting. This relates to a - *Model Aircraft crashing outside the aerodrome in the farmers' fields*

This incident will be presented in the Health and Safety report.

6. Strategic Alignment

6.1 **Direction**

This report is consistent with the relevant sections of the 2021-2031 Long Term Plan.

6.2 **Annual Plan and Long-Term Plan**

There is no Annual Plan or Long Term Plan implications with this report.

6.3 **District Plan**

There are no District Plan implications with this report.

6.4 **Legal Implications**

There are no legal implications with this report. There is a requirement from Civil Aviation Authority for aviation risk to be identified and managed.

6.5 **Policy Implications**

No policy implications

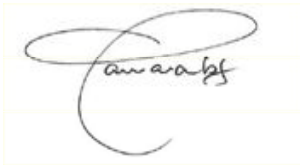
Attachments:

Appendix 1 – Farm Risk Register

Appendix 2 - Stratford Aerodrome Risk Register



Sara Flight
Property Officer



[Approved by]
Victoria Araba
Director - Assets



[Approved by]
Sven Hanne
Chief Executive

Date: 12 March 2024

Farm Risk Register

Risk Alert Number	Risk Category	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
1	Reputational and Conduct	Reputational Damage	<ul style="list-style-type: none"> Reputational damage to Council can occur as a result of: <ul style="list-style-type: none"> Lack of operational transparency; Poor Management; Environmental damage; Non-compliance Reputational damage could lead to hefty fines which may cause ratepayers and the public losing faith in the council-run farm. Change of Government Policy or Legislative change can also have consequences to the reputation of the farm and the council also. 	High	<ul style="list-style-type: none"> Continually working with TRC to ensure that: <ul style="list-style-type: none"> the farm complies with TRC Best On-farm practise; the farm complies with Fonterra requirements in terms of supply; All records are kept up to date on a regular basis. Ensure transparent decisions are made at all times; Consistently keep all involved in the farm up to date and well informed of any changes to rules and regulations. Review contract with Sharemilkers every three years to ensure everyone is on same page 	Medium
2	Operational	COVID- 19	<ul style="list-style-type: none"> If the sharemilker contracts COVID-19 and is unable to work for a few weeks this could affect the operation of the farm. 	Medium to High	<ul style="list-style-type: none"> Prepare and maintain a Business Continuity Plan. Have a Movement Plan between the Sharemilker and other workers to eliminate the transmission of the virus to others. Limit movement of stock, people and machinery on/off farm. Work with Bio-Security NZ, Ministry Primary Industries (MPI), Taranaki Regional Council (TRC), Farm Vets to ensure the threat is identified and work to minimise the threat. Ensure Staff/committee are kept up to date with everyday decisions. Follow MPI Guidelines - https://www.biosecurity.govt.nz/growing-and-harvesting/land-care-and-farm-management/biosecurity-on-your-farm/ 	Medium to Low
3	Operational	Infectious Disease/ Biosecurity Risk and Pandemic	<ul style="list-style-type: none"> If there is a threat to animals on farm through disease, this will affect the wellbeing of all stock on farm. Given the current Sharemilkers have a run-off this will also limit stock from outside the farm coming onto the dairy farm. 	Medium to High	<ul style="list-style-type: none"> Take a proactive approach to any known threats to protect the farm and develop a plan to deal with this threat, in discussion with the Fonterra and the Bank; Prepare and maintain a Business Continuity Plan. Have a Movement Plan between the Sharemilkers runoff farm and the Council's farm to eliminate any infection due to movement between farms. Limit movement of stock, people and machinery on/off farm. Work with Bio-Security NZ, Ministry Primary Industries (MPI), Taranaki Regional Council (TRC), Farm Vets to ensure the threat is identified and work to minimise the threat. Ensure Staff/committee are kept up to date with everyday decisions. Follow MPI Guidelines - https://www.biosecurity.govt.nz/growing-and-harvesting/land-care-and-farm-management/biosecurity-on-your-farm/ 	Medium to Low
4	Operational	Aerodrome	<ul style="list-style-type: none"> Cows on runway 	Medium to High	<ul style="list-style-type: none"> Prepare and maintain a clear set of rules for both the Aerodrome users and the Council farms Sharemilkers and employees 	Low
5	Animal Welfare	Reputational Damage	<ul style="list-style-type: none"> Animal Welfare issues – If an animal welfare issue eventuates on-farm then reputational damage to both Sharemilker and Council could occur. 	Medium	<ul style="list-style-type: none"> To ensure there is good animal welfare practice on farm and as the cows are owned by the Sharemilkers, the following codes must be complied with: <ul style="list-style-type: none"> The Animal Welfare Act 1999; An <i>Animal Health Plan</i> provided through a Veterinary Practice; and The Fonterra Welfare Codes and Regulations 	Low

2024 - Agenda - Farm and Aerodrome - March - Information Report – Risk Review

Risk Alert Number	Risk Category	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
6	Financial	Low Pay-out and or significant increase in operational costs.	<ul style="list-style-type: none"> Low pay-out can and will cause financial stress on farm if not handled correctly. Significant increases in essential materials such as feed and fertiliser can and will cause financial stress on farm if not handled correctly. 	Low - Medium	<ul style="list-style-type: none"> Work with the farm owner (Council)/bank/accountant to set up a budget. A low pay-out can be addressed by running the farm on minimal operations and very low costs. For example, maintenance fertiliser only. Only things that need to be done to keep the farm running will be done. Select correct options for current financial climate and low pay-out. 	Low
7	Environmental	Natural Disaster	<ul style="list-style-type: none"> Weather, Eruption, Earthquakes any of these can affect the farm. Any of these disasters can cause major damage to farm buildings and infrastructure. Loss of income also will come into effect. 	Low - Medium	<ul style="list-style-type: none"> Prepare and maintain a Natural Disaster Management Plan. Communicate to the regional /district Civil Defence Authority; Prepare and maintain a Business Continuity Plan. Have an up-to-date Business Interruption Insurance. Secure an alternative power source e.g. generator that is available when required. Work with Sharemilkers to ensure that they are aware of their responsibilities. Ensure industry best practice is followed. 	Low
8	Health and Safety and Wellbeing	Health and Safety	<ul style="list-style-type: none"> Lone worker or staff members seriously injured or killed on farm is a serious health and safety breach. 	Low-Medium	<ul style="list-style-type: none"> Work with the Sharemilkers to ensure that they have quality training and are aware of their responsibilities. Ensure contract is updated in accordance with Health and Safety regulation and best on-farm practices; Ensure that there are processes and measure in place to ensure that all staff are safe at all times and can communicate effectively in emergency and be reached promptly. 	Low
9	Health and Safety and Wellbeing	Injury/Fatality	<ul style="list-style-type: none"> Staff member/Pilot is seriously injured or killed on farm from an aircraft crash. 	High	<ul style="list-style-type: none"> Ensure that there are processes and measure in place to ensure that all staff including visitors are safe at all times and can communicate effective in emergency and be reached promptly. 	Medium
10	Health and Safety and Wellbeing	Injury/Fatality	<ul style="list-style-type: none"> Sharemilker/Staff member is seriously injured or killed on the farm from electric shock when emptying sand trap. 	High	<ul style="list-style-type: none"> Ensure that only qualified and experience persons undertake this work and a spotter is in place for the duration of the work. Ensure that there are processes and measure in place to ensure that all staff are safe at all times 	

Aerodrome Risk Register

Risk Number	Source of Risk		Risk Rating (Uncontrolled risk rating)			Hierarchy of Control	Controls	Residual Risk	Persons responsible
	Risk Number	Source of Risk	Risk Description	Consequence	Likelihood				
1	Contractor vehicles, including moving vehicles crossing the runway and accessing the aircraft manoeuvring area	Service vehicle vs aircraft	Catastrophic	Possible	HIGH	M	Vehicle access to airfield is restricted to ground maintenance vehicles and fertiliser trucks (Downer completes mowing) - these vehicles must have a roof top strobe as per signage at the entrance to the operational area Pilots to check with the radio room prior to landing for update on conditions / NOTAMS Contractor to hold a radio dialled in to airside channel (enter channel ENTER CHANNEL)	MED	Operations & Members using the Aerodrome Stratford District Council
2	Stock on the runway and, or airfield	Damage, injury, distraction	Catastrophic	Probable	HIGH	M	The perimeter of the airfield is fenced Stock on the airfield to be reported to the Club House who will facilitate clearing the airfield	MED	Operations & Members using the Aerodrome Sharemilker
3	Birds	Bird strike resulting in damage or injury	Catastrophic	Possible	HIGH	M	Monitor bird activity in the area and manage if a problem is identified - Solutions to bird problems should be made in consultation with the farmer and Stratford District Council	MED	Operations & Members using the Aerodrome Stratford District Council
4	Debris on Airfield	Damage, injury	Catastrophic	Possible	HIGH	M	Physical check of airfield, including runway and wider manoeuvring area to identify and remove debris, including but not limited to Bale wraps and other wind blow material	LOW	Operations & Members using the Aerodrome
5	Aircraft Crash	Mechanical Error	Catastrophic	Possible	High	M	All activities are carried out within the Operational Area and in line with CAA Guidelines and requirements Complete pre-flight inspection to ensure aircraft is fit for flying, keep up to date with preventative maintenance	Low	Operations

2024 - Agenda - Farm and Aerodrome - March - Information Report – Risk Review

Risk Number	Source of Risk	Risk Rating (Uncontrolled risk rating)	Hierarchy of Control	Controls	Residual Risk	Persons responsible		
Risk Number	Source of Risk	Risk Description	Consequence	Likelihood	Risk Rating			
6	Tourists and, or members of the public accessing the airfield	Public vs aircraft, aircraft rotor / propeller or service vehicle	Critical	Possible	MED	M	Parking available near the Club House for visitor parking Signage in place identifying the Airfield as an Operational Area - Unauthorised Access Prohibited Gate in place and able to be used as required	LOW Operations & Members using the Aerodrome
7	Model Aircraft crashing outside the aerodrome in the farmers fields	Distress the farmers stock / cattle Animal vs Member Member injury	Major	Probable	MED	M	Access to farmers paddocks must be recorded in the appropriate log book held at the Club house Model Aircraft flying is restricted and only permitted by members of the Egmont Modellers Club (reducing other recreational users)	LOW Operations & Members using the Aerodrome
8	Fuel Bowser	Vehicle vs fuel bowser / pump Vehicle fire near bowser/pump	Major	Unlikely	MED	M	Bollards have been installed around the fuel bowser Clear line of sight to minimise accidental collision Fire extinguisher located at the Bowser for use as required Fuel Safety Data Sheet (SDS) located in the Notice Board (Marked in Box labelled MSDS)	LOW Operations & Members using the Aerodrome
9	Commercial operations conducted from the airfield	Traffic including trucks	Major	Unlikely	MED	M	All activities are carried out within the Operational Area and in line with CAA Guidelines and requirements Vehicles / traffic must use roadways provided, be mindful of speed and pedestrians	LOW Operations & Members using the Aerodrome
10	Runway markings and general conditions	Markings become faded / damaged / or otherwise unclear over time Damage to runway and wider airfield	Catastrophic	Rare	MED	M	Guide line to be maintained as required to ensure the runway remains clearly visible All damage to runway and surrounding airfield to be reported immediately to the Radio Room so it can be used to update incoming aircraft, NOTAMS and Stratford District Council can be notified as required	LOW Operations & Members using the Aerodrome Stratford District Council
11	Aircraft fuel and oil spills are likely whilst aircraft are parked and refuelled during refuelling operations	Aviation fuel spills	Moderate	Rare	LOW	M	Follow fuelling procedures Drains and interceptors in place in compliance with Ministry for the Environment	LOW Operations & Members using the Aerodrome Stratford District Council

2024 - Agenda - Farm and Aerodrome - March - Information Report – Risk Review

Risk Number	Source of Risk		Risk Rating (Uncontrolled risk rating)			Hierarchy of Control	Controls	Residual Risk	Persons responsible
			Consequence	Likelihood	Risk Rating				
12	It is of critical importance that the fuel taken on-board at uplift is not contaminated since the effects of any such contamination are likely to affect the engines and this may not be evident until after an aircraft has become airborne.	Fuel Contamination	Moderate	Unlikely	LOW	M	Fuel filtration procedures Fuel Testing Fuel Storage Pre-flight checks	LOW	Operations & Members using the Aerodrome
13	Access into and out of the aerodrome via the driveway	Vehicle collision or vehicle vs stock	Minor	Rare	LOW	M	Traffic is restricted to 30km per hour with signage clearly in place, to this effect	LOW	Operations & Members using the Aerodrome
14	Vehicle collision	Vehicle speeding along the perimeter road	Minor	Rare	LOW	M	Traffic is restricted to 10km per hour along the perimeter	LOW	Operations & Members using the Aerodrome

QUARTERLY REPORT



F22/55/04 – D24/7038

To: Farm and Aerodrome Committee
From: Property Officer
Date: 19 March 2024
Subject: Farm and Aerodrome Business and Financial Report

Recommendation

1. THAT the report be received.
2. THAT the Committee supports the proposed changes to the stock rate number that was provisionally agreed by the Sharemilker and Council.

Recommended Reason

This report provides a quarterly business and financial update of the Farm and Aerodrome activities. It highlights the milk production from the current season at the farm and reports on the key activities at the Aerodrome. It recommends a revised farm stock number for approval.

Moved/Seconded

1. Purpose of Report

- 1.1 The purpose of this report is to provide an update of the Farm and Aerodrome business activities to the Committee.
- 1.2 This report also recommends a revision to the current farm stock from up to 400 to no more than 360 for the reasons outlined in 4.1.2.

2. Executive Summary

- 2.1 The key highlights of this report are:
 - Milk Production has increased by 2.9%
 - The Tiakai Farm Environment Plan has been reviewed and approved by Fonterra. All required actions have been completed.
 - TRC have completed a farm audit. The report will be provided in April, identifying outstanding areas for the riparian planting programme.
 - The Aerodrome Strategic Development Plan has been provided, Council Officers will undertake a review over the next few months and report back to this Committee with their findings.
- 2.2 The current Sharemilking agreement has a maximum of 400 cows. An agreement between the sharemilker and Council proposes a reduction of cows to a maximum of 360.
- 2.3 With the new risk identified around the sand trap, Council Officers will explore how it can be relocated and obtain cost estimates.
- 2.4 The Aerodrome User Group held its quarterly meeting on the 21st of February. Council Officers presented the following proposed fees and charges for draft 2024/2025 LTP.
 - a. Strip Hire Fee @ \$13,00 per ton.
Feedback from the User Group is that this is a high rate to charge farmers, additional to the already increased cost of fertiliser. \$10.00 per ton is the going rate at other places and the fertiliser bins are in excellent condition. The Stratford fertiliser bins are in need of an upgrade.

3. Local Government Act 2002

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
	✓	✓	

This report supports the provision of a good quality council owned asset as well as the performance of the council owned farm.

4. Information Summary

4.1 Farm Information

4.1.1 The farm production from July to February, is shown in the Monthly Production graph below (**Figure 1**). A total of 113,463.1 kgMS has been produced which is an overall variance of 2.9% (increase) when compared to the same period last year.

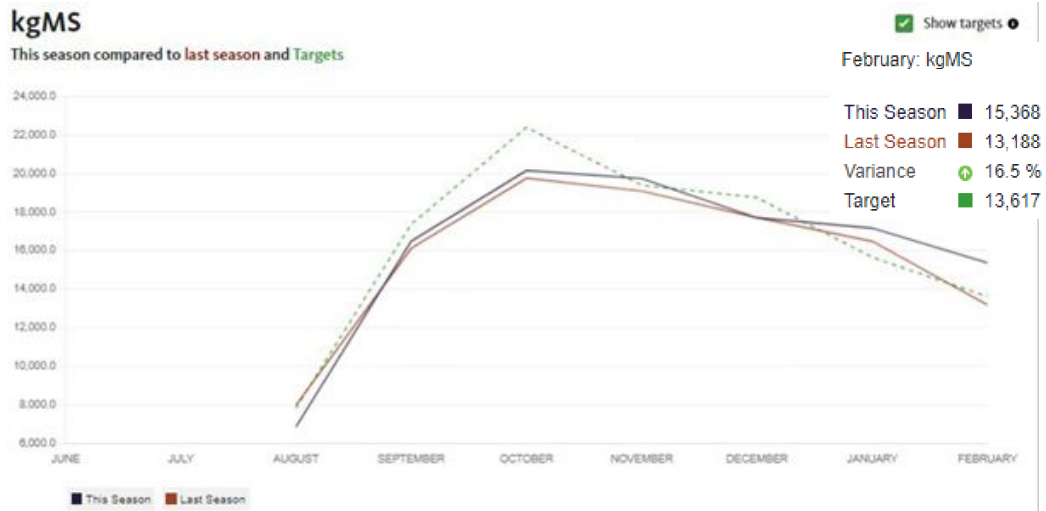


Figure 1: Total Kg Milk Solids Production from June to February.

4.1.2 The Sharemilker contract allows a maximum of 400 cows on the farm. The Council and Sharemilker have agreed to reduce the stocking rate number to 350-360. Reducing the stock number has many benefits including,

- Reduction in operational cost
- Reduction to damage to pasture,
- Increase in milk production, a
- Animal welfare and available feed.

This is expected to take effect from October 2024.

4.1.3 The Farm quarterly meeting in February 2024, identified a risk around the sand trap at the milking shed. Council Officers are exploring how it can be relocated and obtaining cost estimates.

- 4.1.4 Additional hay, silage and tonnage of infeed shed blends have been required to be purchased to ensure there is enough feed for winter, with the removal of maize this season.
- 4.1.5 Tiaki Farm Environment Plan has been updated by Fonterra, with the removal of maize. All outstanding actions have now been completed. (See *Appendix 3*)
- 4.1.6 TRC have completed an audit on the entire farm in February. The report will be provided in April, identifying outstanding areas for the riparian planting programme.
- 4.1.7 The pine trees on the farm are reducing grass growth. The farm is currently losing half a tonne of grass per paddock. In the upcoming months, Council Officers will look at ways that the pine trees can be harvested.
- 4.1.8 The capital works to upgrade the waterlines and troughs will recommission in March 2024. Once completed, an as-built plan of the water lines and troughs will be provided to Council and the sharemilkers.
- 4.1.9 The following repair works remain to be completed in this financial year (see appendix 1)
 - Farmhouse ensuite repair work.
 - Stock fence installation at the front of the worker's cottage

4.2 Aerodrome Information

- 4.2.1 Council Officers will undertake a review of the Strategic Development Plan (SDP) in the upcoming months. A summary will be provided when this review is completed.
- 4.2.2 The Aerodrome User Group held its quarterly meeting on the 21st of February. Council Officers presented the following proposed fees and charges for draft 2024/2025 LTP.
 - a. Strip Hire Fee @ \$13,00 per ton.
Feedback from the User Group is that this is a high rate to charge farmers, additional to the already increased cost of fertiliser. \$10.00 per ton is the going rate at other places and the fertiliser bins are in excellent condition. The Stratford fertiliser bins are in need of an upgrade.
 - b. Revised Ground Lease rental charges
If approved, these new changes will come into effect;
 - At the rent review stage, or
 - At the beginning of a new lease agreement.

The above proposed changes will go out to the Community for consultation which will allow allows Users to make a submission.

- 4.2.3 Speeding had been identified as a Health and Safety risk as a previous meeting. Contractors have installed a new 10k speed sign at the entrance of the Aerodrome. (Figure 2)



Figure 2: Photo of the new speed sign installed.

4.2.4 The aircraft movements by month and type are shown in Figures 3 and 4 below.

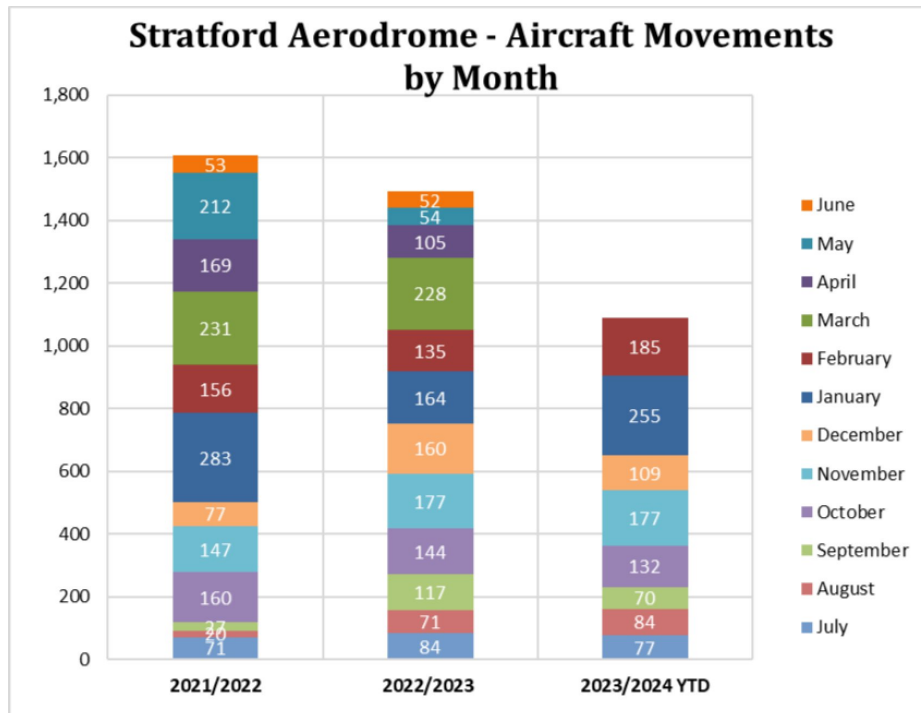


Figure3: Aircraft Movements by Month – February

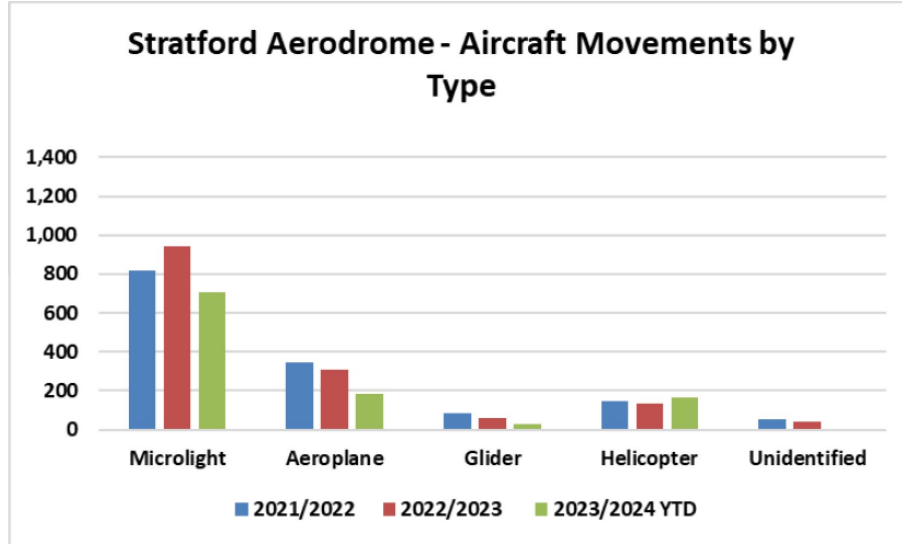


Figure 4: Aircraft Movements by Type - February

5. Financial Report

- 5.1 An overview of the expenditure to date is shown in **Appendix 2** including the works undertaken so far.

6. Strategic Alignment

- 6.1 **Direction**
This report is consistent with the 2021-2031 Long Term Plan
- 6.2 **Annual Plan and Long-Term Plan**
This report supports the Farm and Aerodrome activities as indicated in the Annual Plan and Long-Term Plan.
- 6.3 **District Plan**
There are no implications on the District Plan.
- 6.4 **Legal Implications**
There are no legal implications.
- 6.5 **Policy Implications**
There are no policy implications.

Attachments:

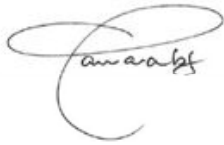
Appendix 1 – Work Programme for the Farm and Aerodrome

Appendix 2 – YTD Financial Reports– January 2024

Appendix 3 – Tiaki Farm Environment Plan



Sara Flight
Property Officer



[Endorsed by]
Victoria Araba
Director Assets



[Approved by]
Sven Hanne
Chief Executive

Date: 14 March 2024

APPENDIX 1 2023/2024 Work Programmes

Farm and Aerodrome Work Programme

Farm	January	February	March	April	May	June	July	August	September	October	November	December
Quarterly Meetings												
Fertiliser Application												
Riparian Planting												
Calving												
Drying off												
Sowing crops												
Mating												
Dairy Shed Assessment												
Soil Testing												
Aerodrome	January	February	March	April	May	June	July	August	September	October	November	December
Quarterly Meetings												
Mowing – SDC Contractors												
Drain Clearing under runway												
Club Day												

Farm and Farm Buildings Repair/Maintenance Programme

Repairs/Maintenance	January	February	March	April	May	June	July	August	September	October	November	December
Farm House Ensuite floor and shower renewal												
Workers House Fence Installation												
Cow Shed Exterior painting												

APPENDIX 2

January 2024 YTD Financial Report - Farm

	YTD PREVIOUS 2022/2023	YTD ACTUAL 2023/2024	YTD BUDGET 2023/2024	Variance	BUDGET 2023/24
1800 - Farm Investment					
1700 - Income					
Milk Production (KgMs)	97,118	98,095	89,833	8,262	154,000
Forecast Milk Payout	9.00	7.50	8.00	-0.50	8.00
Council's Share of Milk Revenue*	437,032	367,857	359,333	8,523	616,000
Less adjustments / timing	- 92,609	23,565.0		23,564.97	
	344,423	391,422	359,333	32,088	616,000
Dividend	12,228	114,313	59,971	54,343	102,807
Total Income	356,651	505,735	419,304	62,866	718,807
1701 - Operating Costs					
Fencing	954	249	2,042	1,793	3,500
R&M Major Works	8,815	14,206	20,417	6,211	35,000
Repairs & Maintenance	16,281	24,441	14,583	-9,858	25,000
Consultants	617	435	299	-136	513
Off-Farm Grazing	12,588	18,400	28,000	9,600	48,000
Pasture Management	4,797	2,103	5,833	3,731	10,000
Fertiliser	65,054	43,681	43,750	69	75,000
Urea	-	-	0	0	0
Insurance	8,719	10,970	5,849	-5,121	10,027
Lease	3,792	3,792	3,792	-0	6,500
Licences & Permits	-	-	249	249	765
Rates (Services Only)	1,045	506	610	103	1,045
Subscriptions & Publications	3,181	2,099	1,750	-349	3,000
Sustenance	64,223	59,695	53,083	-6,611	91,000
Weed Control	1,617	4,166	2,917	-1,250	5,000
Water Consumption	-	1,074	0		
Health and Safety Compliance	-	-	0	0	0
	191,685	183,666	183,174	-1,566	314,350
1703 - Indirect Costs					
Interest	-	-	40,034		68,629
Depreciation	20,505	29,137	27,441	-1,696	47,042
Corporate Services	13,847	8,524	7,100	-1,425	12,171
Assets Director	3,324	4,694	3,628	-1,066	6,219
Property Asset Manager	22,644	8,692	7,204	-1,488	12,350
	60,320	51,047	45,373	-5,674	146,411
Total Expenditure	252,005	234,713	228,546	-7,241	460,761
Net Profit	104,646	271,022	190,758	55,625	258,046

January 2024 YTD Financial Report - Aerodrome

	YTD PREVIOUS <u>2022/2023</u>	YTD ACTUAL <u>2023/2024</u>	YTD BUDGET <u>2023/2024</u>	Variance	BUDGET <u>2023/24</u>
1700 - Aerodrome					
1700 - Income					
User - Pay Charges for Services	3,792	3,792	3,792	0	6,500
Rental/Hire Charges	13,606	13,173	12,234	939	20,972
Total Income	17,398	16,965	16,025	939	27,472
1701 - Operating Costs					
R&M Major Works	-	-	2,917	-2,917	5,000
Repairs & Maintenance	658	818	0	818	0
Contract Services	-	29,668	20,183	9,485	34,600
Key Tasks	36,813	40,458	36,750	3,708	63,000
Ready Response	-	1,581	0	1,581	0
Communications	84	411	117	294	200
Insurances	1,761	1,917	1,182	736	2,026
Subscription	5,421	0	0	0	0
	44,738	74,855	61,149	13,706	104,826
1703 - Overheads					
Corporate Services	6,237	4,262	7,132	-2,870	12,227
Fixed Management	1,097	1,037	5,630	-4,593	9,652
Assets Director	3,324	4,694	0	4,694	0
Parks and Property Officer	7,076	7,243	6,050	1,193	10,372
Office Equipment		3,826	3,120	706	5,349
	17,735	21,063	21,933	- 870	37,600
1704 - Depreciation					
Depreciation Buildings	3,267	4,425	3,500	925	6,000
	3,267	4,425	3,500	925	6,000
1705 - Other Income					
General Rates	-	-	70,557	-70,557	120,954
	-	-	70,557	- 70,557	120,954
Total Expenditure	65,740	83,106	86,582	-3,476	148,426
Net Profit	- 48,342	- 83,378	-	4,415	148,426



41047

TIAKI FARM ENVIRONMENT PLAN



ABOUT YOUR TIAKI FARM ENVIRONMENT PLAN

This Tiaki Farm Environment Plan document is the result of a tailored farm environment planning service provided to you through the Co-operative Difference. It's part of the advantage you get through Farm Source as a member of the Fonterra Co-Operative. The purpose of this plan is to describe the environmental conditions present on your farm and the management of these conditions. From this, mitigations to potential impacts to water quality are documented and additional mitigations maybe planned, with sensible timeframes. Underpinning this plan, are the agreed national Good Farming Practices that are supported by the agricultural and horticultural sectors. Industry bodies along with Regional Councils and Central Government have developed the Good Farming Practice: Action Plan for Water Quality 2018 in a commitment to swimmable rivers and improving the ecological health of our waterways. The Dairy Industry Strategy (Dairy Tomorrow), as well as the Good Farming Practice: Action Plan for Water Quality 2018, both align with the goal for all dairy farms to have a Farm Environment Plan by 2025. Now that this plan has been created it's the plan owner's responsibility to ensure it is put into action and kept up to date as actions are completed or conditions on farm change. Farm Source is here to help with that implementation and ongoing management through our team of Sustainable Dairying Advisors who can be contacted via the details below.

PHONE: 0800 65 65 68

EMAIL: sustainable.dairying@fonterra.com

CONTENTS:

FARM DETAILS.....	3
FARM OVERVIEW MAP	4
GOOD FARMING PRACTICES.....	5
ACTIONS & RECOMMENDATIONS.....	7
CATCHMENT CONTEXT	8
UNDERSTANDING THE RISKS ON YOUR FARM	10
FARM MANAGEMENT	12
LAND & SOIL FARM MANAGEMENT.....	24
WATER USE & IRRIGATION MANAGEMENT	33
EFFLUENT MANAGEMENT	37
WATERWAYS & BIODIVERSITY.....	47
NUTRIENT MANAGEMENT.....	53
GREENHOUSE GAS EMISSIONS.....	59
WHAKAPAPA.....	65
APPENDIX.....	66

FARM DETAILS

SUPPLIER NUMBER 41047

FARM OWNER Stratford District Council
PO Box 320
Stratford 4352

PLAN OWNER

FARM ADDRESS Flint Road
Stratford

LOCATION



REGIONAL COUNCIL Taranaki

PLAN LAST EDITED 23 February 2024

POINTS OF NOTE

LAND PARCELS Fee Simple, 1/1, Part Lot 1 Deposited Plan 3176, 368,770 m2, Fee Simple, 1/1, Allotment 1 Deposited Plan 2605, 815,619 m2, Fee Simple, 1/1, Lot 2 Deposited Plan 3176, 531,150 m2, Fee Simple, 1/1, Lot 2 Deposited Plan 3176, 531,150 m2, Fee Simple, 1/1, Part Lot 1 Deposited Plan 3176, 112,806 m2, Fee Simple, 1/1, Part Lot 1 Deposited Plan 3176, 368,770 m2, Fee Simple, 1/1, Allotment 1 Deposited Plan 2605, 815,619 m2, Fee Simple, 1/1, Part Lot 1 Deposited Plan 3176, 112,806 m2

FARM OVERVIEW MAP






The map below presents the land in which the farming operations covered in this document occur and identifies some key points of interest. More detailed maps looking at specific environmental management topics are contained throughout the document.




- | | |
|---|--|
|  Major Stock Excluded Waterway |  Compliant Crossing |
|  Major Stock Not Excluded Waterway |  Non-Compliant Crossing |
|  Minor Stock Excluded Waterway |  Non-Compliant Non-Regular Crossing |
|  Minor Stock Not Excluded Waterway |  Dispensation Crossing |
|  Farm Boundary |  Dairy Shed |

GOOD FARMING PRACTICES

This section provides an overall snapshot of the Dairy Tomorrow Good Farming Practices.

FARM MANAGEMENT		
The characteristics of the farm and the farm system are identified		ACHIEVED
A risk assessment of the farms inherent and management activity risks is undertaken		ACHIEVED
Accurate and auditable records are kept of annual farm inputs, outputs and management practices		ACHIEVED
Fertiliser is stored and loaded to minimise the risk of spillage and losses to waterways and groundwater		ACHIEVED
Feed is stored, transported and fed to minimise wastage, leachate and soil damage		ACHIEVED
Farm waste is minimised		ACHIEVED
Hazardous substances (agrichemicals and fuel) are stored, handled, used and disposed of to avoid contamination of waterways and groundwater		N/A


LAND & SOIL MANAGEMENT		
Cultivation is managed to reduce the risk of sediment loss and maintain soil structure		ACHIEVED
Erosion-prone land is managed or retired to minimise soil losses		N/A
Grazing of pastures and crops is managed to minimise sediment and contaminant loss		ACHIEVED
Paddocks selected for Intensive Winter Grazing (including intensive baleage wintering) are low risk and managed to minimise the risk of erosion, run-off to waterways and leaching to groundwater		ACHIEVED
Critical Source Areas and farm Hot Spots are identified and managed to minimise contaminant losses to waterways		ACHIEVED





indicates the achievement of the Good Farming Practice will also impact Greenhouse Gas Emissions

GOOD FARMING PRACTICES


WATER USE & IRRIGATION MANAGEMENT

Dairy shed and stock water use is efficient and prevents source contamination		N/A
The depth, rate and timing of irrigation is managed to meet plant demand and minimise the risk of leaching and run-off		N/A
The irrigation system is designed, operated and regularly checked to minimise the amount of water applied to meet plant demand, and prevent microbial contamination		N/A



EFFLUENT MANAGEMENT

Effluent and manure are applied at depths, rates and amounts that match plant requirements and minimise the loss of nutrients or microbial pathogens to waterways and groundwater		ACHIEVED
The effluent system is designed, operated and regularly checked to minimise the risk of nutrient and microbial pathogen loss to waterways and groundwater, and to prevent microbial contamination		ACHIEVED


WATERWAYS & BIODIVERSITY

Stock is excluded from lakes and waterways		ACHIEVED
Farm indigenous biodiversity and Mahinga Kai values are identified and protected		ACHIEVED

NUTRIENT MANAGEMENT

Soil phosphorus levels are monitored and maintained below or within the target ranges for the soil-type and crop		ACHIEVED
The amount and timing of fertiliser inputs, takes account of all sources of nitrogen and phosphorus, matches plant requirements and minimises losses to waterways and groundwater		ACHIEVED
Fertiliser spreading equipment is maintained and calibrated		ACHIEVED

GREENHOUSE GAS EMISSIONS

Farm greenhouse gas emissions are known, and a plan is in place to reduce or offset them, that also considers adaptation to climate change		ACHIEVED
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indicates the achievement of the Good Farming Practice will also impact Greenhouse Gas Emissions

ACTIONS & RECOMMENDATIONS

This list includes all actions and recommendations that have been agreed as part of this Farm Environment Plan. Actions are required to achieve Good Farming Practices. Actions that have a target date within 2 years are captured as “Current Actions”. Actions with a target set more than 2 years in the future are captured as “Future Actions”. “Recommendations” cover all other actions that are Leading Practice actions (beyond GFP) or are actions, which are not related to a GFP.

CURRENT ACTIONS

Target Date





FUTURE ACTIONS

Target Date

RECOMMENDATIONS

Target Date

Key: Action Priority

 Low
  Medium
  High
  Critical

CATCHMENT CONTEXT

The Patea River catchment is made up of two distinct sub-catchments, one that drains from Taranaki Maunga and through the ring plain in the west, and the other, from the Eastern Hill Country. The FMU is about one-third mountain catchment and two-thirds hill country catchment. These sub-catchments converge approximately 16km southeast of Stratford. The Patea river then flows south through Lake Rotorangi before discharging to the Taranaki Sea at the Patea township. To the north, the Patea Catchment FMU is bound by the similar but north-draining Waitara Catchment FMU.

Tangata whenua (people of the land) hold an inherited responsibility through whakapapa (genealogical relationships) to ensure the health and well-being of their ancestral awa (rivers & streams) and other interconnected aspects of te taiao (the natural environment). Awa are a very important source of identity for tangata whenua who maintain an intimate relationship with their ancestral wai (water). The Patea Catchment FMU includes the rohe of Ngāti Ruanui, Te Atiawa, Ngāruahine, Ngāti Maru and Ngāa Rauru iwi.

Patea River FMU statistics:

- 3 main rivers
- 1,047 square kilometre area
- 692km total stream length with 541km of riparian planting having taken place
- 1,810mm is the average rainfall
- 250 registered wetlands within the catchment
- 1 river catchment
- 70% of the area has a TRC land management plan in place
- 1 known fish spawning site

Monitoring of water chemistry is undertaken at sites adjacent to Te Papakura o Taranaki, downstream of Stratford and in the lower reaches of the Mangaehu River. Monitoring data from these three sites highlights the influence of differing river sources and land use activities on water quality in the Patea Catchment FMU. Water quality is good in the upper Patea River, achieving the highest possible NOF grades for most attributes. The exception being for DRP concentrations, which are naturally high as a result of the volcanic geology within Te Papakura o Taranaki. Further downstream at Stratford, nitrate and ammonia levels still achieve the A and B band for toxicity levels, but Escherichia coli (E. coli) levels fail to achieve national minimum standards. Significantly lower DRP levels (A band) and much higher fine sediment concentrations (C band) are seen in Mangaehu River, characteristic of its hill-country sourced catchment. E. coli levels at this site also fail to achieve national minimal standards.

Bacterial contamination of waterways is an issue within the Patea Catchment FMU, as it is throughout the region. With around 50% of land cover in the FMU used for intensive agriculture, run-off from farmland carries sediment and bacteria into nearby waterways. It is predicted that 65% of the FMU's stream length fails to meet national minimum standards for bacteria (measured as E. coli).






Water quality results are from the Patea River at Skinner Road Bridge TRC-00005

Water quality data is retrieved from the first available monitoring site downstream of the farm. When a farm spans multiple sub-catchments, the site with the least satisfying indicator is chosen. If no sites are located downstream of the farm, the first upstream site is used if, and only if, the farm and the upstream site are within the same sub-catchment.

Water quality state is given as 5-year medians over the 2015-2019 period. Raw data can be accessed via LAWA

If no monitoring site could be associated with a farm, or none of the sites has data for a specific contaminant, modelled water quality state is used instead. The model outputs come from NIWA's 2013-1017 modelled river water quality state. The complete dataset is available on MfE's data portal.

Key: Water quality indicator at nearest monitoring points

	Good quality		Moderate quality		Needs improvement		Significantly degraded		Needs significant improvement – high human health risk
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*E.Coli is the only recording that has a 5 band rating system (A-E). All others use a 4 band system (A-D or Q1-Q4).

SURFACE WATER QUALITY

NITROGEN

TON	0.88 mg/L	A	Recorded at monitoring site: TRC-00005
NH ₄	0.049 mg/L	B	Recorded at monitoring site: TRC-00005
TN	1.18 mg/L		Recorded at monitoring site: TRC-00005

PHOSPHORUS

DRP	0.04 mg/L	D	Recorded at monitoring site: TRC-00005
TP	0.067 mg/L		Recorded at monitoring site: TRC-00005

BACTERIA

E. coli	255 CFU/100ml	D	Recorded at monitoring site: TRC-00005
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SEDIMENT

Clarity	1.92 m	A	Recorded at monitoring site: TRC-00005
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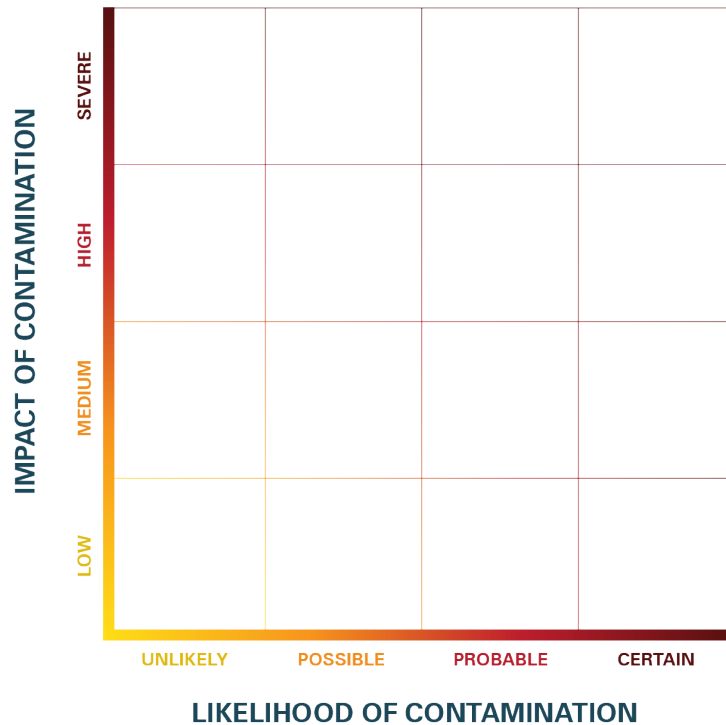
Key: Water quality indicator at nearest monitoring points

A Q1	Good quality	B Q2	Moderate quality	C Q3	Needs improvement	D Q4	Significantly degraded	E	Needs significant improvement – high human health risk
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*E.Coli is the only recording that has a 5 band rating system (A-E). All others use a 4 band system (A-D or Q1-Q4).

UNDERSTANDING THE RISKS ON YOUR FARM

This section provides some context to help understand the relative impact and likelihood of environmental risks that have been identified on your farm. The chart on this page together with the map on the following page can be useful when thinking about what environmental risk areas on your farm need the most focus.



HOW ARE RISK RATINGS MEASURED?

The issues plotted on the chart above have been done so based upon two measures that are assigned to a specific area of your farm where an environmental risk has been identified. 1. Impact of contamination (on the vertical axis, or the first dial) is a measure of the potential scale or significance of contaminants that may be lost from this area of your farm. It’s about quantifying how bad could the outcome for the environment be; 2. Likelihood of contamination (on the horizontal axis, or the second dial) is about the chance of the contamination actually occurring from that area of your farm. It takes into account things like how far the area might be from waterways as well as the slope or aspect of the area; When combined together the two measures also give an overall ‘risk rating’. The measures and the combined rating are presented for each risk area along with other descriptive information about the risk area on the subsequent pages of this document.

Example:



UNDERSTANDING THE RISKS ON YOUR FARM

The map below shows the location of the risk areas identified on your farm. The Risk Rating presented here is a combined measure of the impact and likelihood of contamination occurring from each risk area.

- Low
- Medium
- High
- Critical



MAHI WHAKAHAERE FARM MANAGEMENT



F1 Farm Overview

F2 RELEVANT REGULATIONS

F3 Infrastructure, storage, waste Overview

F4 Silage Storage

F5 Key Feature - Surface water take

F6 Key Feature - Silage stack

F7 Key Feature - PKE Storage

FARM MANAGEMENT

GOOD FARMING PRACTICES

<p>The characteristics of the farm and the farm system are identified</p> <p>Practices: The property and farm enterprise details are recorded, including management and ownership structure A map(s) or aerial photograph of the farm is produced at a scale that clearly shows</p> <ul style="list-style-type: none"> • Key infrastructure • Natural features • Cultural sites <p>Evidence: Map/aerial imagery showing key features FEP</p>	<p>ACHIEVED</p>
<p>A risk assessment of the farms inherent and management activity risks is undertaken</p> <p>Practices: Risk factors to water quality associated with the landscape and farm system have been assessed and are managed appropriately</p> <p>Evidence: Map /aerial imagery showing key features Action plans FEP</p>	<p>ACHIEVED</p>
<p>Accurate and auditable records are kept of annual farm inputs, outputs and management practices</p> <p>Practices: Accurate and auditable records of annual farm inputs, outputs and management practices are maintained that support the actions being undertaken to achieve the Dairy Good Farming Practices and reduce any additional risks identified through the risk assessment</p> <p>Evidence: Farm Dairy Records Farm Insights Report Maps</p>	<p>ACHIEVED</p>
<p>Fertiliser is stored and loaded to minimise the risk of spillage and losses to waterways and groundwater</p> <p>Practices: The Fertiliser Industry - Code of Practice for Fertiliser handling, storage and use is followed Fertiliser storage sites are:</p> <ul style="list-style-type: none"> • Located away from waterways or areas prone to flooding • Well ventilated with adequate lighting • Appropriately signed • Able to contain a spillage and provide secondary containment where appropriate <p>Stored fertiliser is covered</p>	<p>ACHIEVED</p>

FARM MANAGEMENT

<p>Feed is stored, transported and fed to minimise wastage, leachate and soil damage</p> <p>Practices: Feed is stored:</p> <ul style="list-style-type: none"> • at least 50 metres away from waterways • away from community drinking-water protection zone • away from critical source areas <p>Any feed with the potential to create leachate is stored on hard-sealed or compacted areas</p> <p>Rainfall run-off is diverted to land away from feed storage areas</p> <p>Silage is sufficiently wilted before being put into stack</p>	<p>ACHIEVED</p>
<p>Farm waste is minimised</p> <p>Practices: A waste minimisation system is in place which prioritises waste reduction, and where this is not possible focuses on reuse and recycling</p> <p>Recyclable material is recycled (e.g., scrap metal, baleage wrap, agrichemical containers, tyres, paint, oil, batteries, and other hazardous substances)</p> <p>There is no burning of waste on farm</p> <p>All inorganic, non-recyclable waste is contained and removed from farm</p> <p>Pests are controlled around feed storage and waste infrastructure</p> <p>Leading Practices: All farm waste is sent off farm for disposal in a registered waste facility</p>	<p>ACHIEVED</p>
<p>Hazardous substances (agrchemicals and fuel) are stored, handled, used and disposed of to avoid contamination of waterways and groundwater</p>	<p>N/A</p>

*Additional GFP relevant to the dairy industry goals

FARM MANAGEMENT

FARM OVERVIEW



The Stratford District Council farm is a 158ha (132ha effective) dairy farm located on the outskirts of the Stratford township within the Patea River catchment. The farm is owned by the Stratford district council who use the business as a rate subsidy for the district. The farm is managed by 50/50 share milker Aaron and Fiona who milk 375 cows (all spring calving) with the typical lactation season between Aug - mid/late May, transitioning to 3in2 around March depending on the condition of cows and available feed. The farm is flat throughout with several drains and waterways present and is unique for the Stratford Aerodrome in the centre of the farm. The average rainfall for the area would be approximately 2000mm annually.

This plan aims to highlight the Good Environmental Farming Practices that the farm is achieving already while also identifying potential risk areas to water quality on farm and actions to address these issues.

The farm is split up into two main management blocks: non-effluent (122ha) & Effluent (21ha) blocks. The remaining land is either the aerodrome (11ha) or riparian/houses & buildings etc. According to TRC data, the main soil type on the farm is the Stratford fine sandy loam which is a well-drained Allophanic ash soil.

The dairy farming system would be described as a system 3 with the importation of feeds such as PKE which is feed in shed.

The farm Herd test 3 times a year and pregnancy test annually, this season empty rate was 11% which is the average. From this, the farm then has a cull decision tree of empties, high somatic cells, age, and lameness. The replacement rate is currently 26% looking to bring the herd's average age down. The farm is also looking to breed smaller animals, transitioning from a Frisian to FxJ.

The farm has a goal of 150,000kgMS looking to achieve this through improving the per-cow production and on-farm efficiencies.

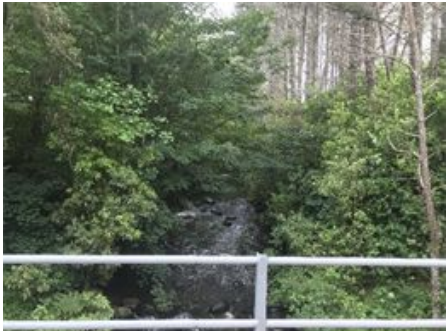
There is currently a dual resource consent on farm to discharge treated farm dairy effluent from an oxidation pond treatment system into an unnamed tributary of the Piakau Stream in the Patea catchment and/or to discharge partially treated farm dairy effluent by oxidation ponds and spray irrigation onto and into land expiry 1st December 2028 (discharge to water outlet is however capped).

Your Farm's Key Information	Units	2019/2020	2020/2021	2021/2022
Dairy farm effective area	ha	145.0	145.0	145.0
Peak cows (maximum cow numbers)	cows	299	262	280
Stocking rate (milking cows)	cows/ha	2.1	2.0	1.9
Production (milk solids produced)	kgMS	81,201	91,101	81,340
Production per cow	kgMS/cow	270	312	290
Production per hectare	kgMS/ha	601	629	575
Average somatic cell count	cells/ml	228,684	251,075	171,898
Nitrogen fertilizer applied per hectare	kgN/ha	83	34	77
Imported supplementary feed fed	tDM	9	20	0
Imported supplementary feed fed per cow	tDM/cow	0.0	0.1	0.0
Purchased Nitrogen Dioxide	kgN/ha	41	31	37
Biological Greenhouse Gas Emissions per hectare	kgCO ₂ e/ha	6,944	6,792	7,439

Previous seasons data will be shown where data is available and farm ownership hasn't changed.



FARM MANAGEMENT



FARM MANAGEMENT

RELEVANT REGULATIONS

F2

TARANAKI REGIONAL COUNCIL:

Taranaki Regional Council (TRC) works with the Taranaki Community to ensure the sustainable use and development of the region's resources, and the protection of the environment. The Council operates under several key pieces of legislation including the Resource Management Act, Biosecurity Act, and Local Government Act. The Council's strategic direction, policies, and rules are set out in several core documents including five regional plans:

- Regional Freshwater Plan
- Regional Soil Plan
- Regional Air Quality Plan
- Regional Coastal Plan
- Regional Pest Management Plan

These plans utilise a mix of regulatory and non-regulatory methods to promote the sustainable management of natural resources and environmental protection in the region. Links to these plans can be found below.

A range of farming activities are covered by these plans; it is therefore recommended that farmers contact the Council when undertaking or planning farm developments and operational changes to ensure that permitted activity conditions can be met or whether a consent is required.

A review of the freshwater, air, and soil plans are currently underway, and the Council intends to combine these plans into one 'Regional Resources Plan' with a focus on ensuring that the quality of the environment is not only being maintained but improved.

ESSENTIAL FRESHWATER:

The National Policy Statement for Freshwater Management 2020 was released in September 2020 by the New Zealand Government. The National Policy Statement provides local authorities with updated directions on how they should manage freshwater under the Resource Management Act 1991. This is commonly referred to as the Essential Freshwater package.

These new regulations apply nationally and sit above Regional Plans. The law of stringency applies, meaning that the strictest of all applicable rules must be adhered to whether they be national or regional rules. In addition, all Regional Councils must review their Regional Plans to ensure that the plans give effect to the Freshwater NPS.

Industry understanding of how the 2020 regulations will be implemented, monitored, and enforced is still developing. Existing and potential requirements for your farm may change as the regulations start to be implemented by the Regional Council.

Key focus areas within the regulation include:

- Stock exclusion from natural waterways over 1 metre wide
- Synthetic fertiliser use capped at 190 kgN/ha/yr
- Land use intensification
- Wetland protection
- Intensive Winter Grazing of forage crops
- Minimum standards for stock-holding areas (such as feed pads, standoff pads, loafing pads)
- Use of Feedlots
- Telemetric water takes monitoring

FARM MANAGEMENT

It is important to maintain accurate and auditable records of farm inputs to support Essential Freshwater requirements. These include (if applicable):

- Stock numbers (eg: annual accounts, sale/purchase invoices, digital recording such as Minda);
- Fertiliser (eg: invoices, end-of-year summary).
- Crops grown (eg: area cropped annually, invoice for seed, cultivation, agronomic advice)
- Grazed winter crops (eg: grazing plan including buffer strips etc)
- Fresh Irrigation water (eg: meter records, invoices)

Links to key Essential Freshwater package documents are below.

<p>TRC Regional Plans</p>	<p>Regional Freshwater Plan https://www.trc.govt.nz/assets/Documents/Plans-policies/FreshwaterPlan/v3-Public_Regional_Fresh_Water_Plan_as_amended_March_2021.PDF</p> <p>Regional Soil Plan https://www.trc.govt.nz/assets/Documents/Plans-policies/SoilPlan/Soil_Plan_PDF_final_with_cover_2021.pdf</p> <p>Regional Air Quality Plan https://www.trc.govt.nz/council/plans-and-reports/strategy-policy-and-plans/regional-air-quality-plan/</p> <p>Regional Coastal Plan https://www.trc.govt.nz/assets/Documents/Plans-policies/CoastalPlanReview/Interim-Version-of-the-Proposed-Coastal-Plan.pdf</p> <p>Regional Pest Management Plan https://www.trc.govt.nz/assets/Documents/Plans-policies/PestManagementPlan/RPMP-Jun2021.pdf</p>
<p>Essential Freshwater Package</p>	<p>The National Policy Statement: https://environment.govt.nz/assets/Publications/Files/national-policy-statement-for-freshwater-management-2020.pdf</p> <p>Resource Management (National Environmental Standards for Freshwater) Regulations 2020: https://www.legislation.govt.nz/regulation/public/2020/0174/latest/whole.html#LMS364323</p> <p>Resource Management (Stock Exclusion) Regulations 2020: https://www.legislation.govt.nz/regulation/public/2020/0175/latest/LMS379869.html?search=qs_act@bill@regulation@deemedreg_stockexclusion_resel_25_h&p=1&sr=1</p>

FARM MANAGEMENT

INFRASTRUCTURE, STORAGE, WASTE OVERVIEW

F3



Stock feed is stored in a number areas on farm. PKE Blend is stored in a silo for the in shed feed system. PKE is stored in a covered implement shed near the dairy shed (well away from any waterways). Silage is either stored in individually wrapped bales (stored across farm for convenience) or stored as pit silage in a stack near the dairy (old silage bunker retired - see report below). Hay is stored in several hay barns around the farm.

No fertiliser is stored on farm

Waste is managed in a number of ways depending on the item. Plastic containers are triple rinsed and dropped off at Central Spraying through the AgRecovery programme. Silage wrap is collected in Plasback liners and dropped off at Hintons Contracting. Deadstock are either collected by Taranaki By-products or via a local slink calf run. All other organic rubbish/waste is dumped in a rubbish hole and all other in-organic waste in a wheelie bin

Procedures burying stock or utilising offal pits

- Do:
- Slit the stomach of the carcass to release the intestines (this helps speed up the decomposition process).
 - Puncture the rumen on its left side to release the gases to prevent toxic gas build-up.
 - Add a small amount of bacteria starter such as effluent sludge to speed up the decomposition process.
 - Cover offal holes securely with a lid always.
 - Once an offal hole is full to within 1m of the surface it should be retired and filled up with earth, compacted, and regrassed.
- Do not:
- Do not establish offal holes or stock burial sites near waterways, property boundaries, or areas with high groundwater.
 - Do not add lime to an offal hole or burial area as this slows down the decomposition process.
 - Do not use an offal hole as a rubbish dump.
 - Do not dispose of chemicals in offal holes.
 - Do not light fires anywhere near offal holes.
 - Do not locate offal holes and/or burial sites within 45m of the farm dairy.

ACTIONS | RECOMMENDATIONS

Target Date



Hazardous substance storage to be checked - To Achieve GFP

01 Nov 2023

Hazardous substances (fertilisers, agrichemicals and fuel) are stored, handled, used and disposed of to avoid contamination of waterways and groundwater

Practices:

An inventory of all hazardous substances stored on-farm is kept, including Safety Data Sheets (SDS)

FARM MANAGEMENT

All hazards are identified, and staff made aware of these and how they are to be managed

Hazardous substance information and training is provided

A Certified Handler certificate is held if Class 6.1A or 6.1 B are stored or used on site by farm staff

Appropriate Personal Protective Equipment is made available, well-maintained, and worn

Procedures are in place for managing emergencies

Fertilisers, agrichemicals, and fuels are stored separately

Applications follow the Safety Data Sheet (SDS) conditions and are only when weather conditions are suitable

Re-entry and withholding periods are adhered to

Storage locations are:

- Located away from waterways or areas prone to flooding
- Well ventilated with adequate lighting
- Appropriately signed
- Able to contain a spillage and provide secondary containment where appropriate
- Agrichemicals are stored in containers constructed of non-flammable material



Ensure feed is stored a minimum of 50 meters from waterways

All feed needs to be stored 50 meters from waterways, away from any community drinking water protection zone, and away from any critical source areas on the farm. Something to consider when storing wrapped bales.



FARM MANAGEMENT



FARM MANAGEMENT

SILAGE STORAGE

F4



During my visit to farm on the 1st June 2023 the farm has now stopped using the silage pit that is located next to the waterway.

The farm only uses the stack at the front of the farm, which has a concrete base.

A silage pit is positioned on farm near a waterway. The farm has had trouble with spring/ground water entering the silage pit and when this combines with the silage it begins to form leachate. Last season the farm used an alternative silage stack and are looking to decommission the old pit for storing silage (other uses may be found e.g. machinery storage)

ACTIONS | RECOMMENDATIONS

Target Date

- Decommission silage pit - To Achieve GFP**

Decommission old silage pit and use new silage stack near the cow shed. Ensure that silage is sufficiently wilted and kept covered in the stack to prevent leachate from forming. Also, try to divert rainwater/overland flow from this area where possible

01 Jan 2020

- Continue to Monitor pits for leachate**

Develop a leachate management plan. This will ensure leachate risk can be effectively minimised and managed should it occur.

Continue to monitor silage stack for leachate and if the issue continues then use a carbon rich material like sawdust.

To ensure continued efficient leachate collection, clean and inspect the walls, floors, and drainage channels when pits are empty and mend any cracks, corrosion, or other faults before refilling.

Wilting is the key to minimising silage leachate. If grass is cut and ensiled without wilting, over 500 litres of leachate per tonne of grass would be produced; if the grass is wilted to 25% dry matter (DM), less than 30 litres per tonne is produced.

FARM MANAGEMENT



WHENUA ME TE ONE LAND & SOIL MANAGEMENT



L1 Land & Soil Overview

L2 Cropping

L3 Soil

LAND & SOIL MANAGEMENT

GOOD FARMING PRACTICES

<p>Cultivation is managed to reduce the risk of sediment loss and maintain soil structure</p> <p>Practices: The suitability of each paddock for cultivation is assessed, and high-risk cultivation activities avoided. Considerations include:</p> <ul style="list-style-type: none"> • Topography and soil type • Proximity to waterways • Erosion susceptibility • Crop sowing and harvest dates • Cultivation methods • Previous cropping history <p>Crop rotations are planned to enable timely resowing and to minimise the time in bare cover during the high-risk winter period</p> <p>Pugging and compaction of soils is avoided</p>	<p>ACHIEVED</p>
<p>Erosion-prone land is managed or retired to minimise soil losses</p>	<p>N/A</p>
<p>Grazing of pastures and crops is managed to minimise sediment and contaminant loss</p> <p>Practices: A farm grazing policy is developed that considers and manages:</p> <ul style="list-style-type: none"> • Erosion susceptibility • Soil pugging and compaction • Overgrazing • Adverse climatic events • Stock type, class and intensity • Grazing rounds/ rotation lengths <p>If paddocks near waterways are used during wet periods, a buffer strip beside the waterway is fenced off</p> <p>A larger feeding area is offered in cold conditions when demand is high and utilisation low</p> <p>When break feeding pasture or crops:</p> <ul style="list-style-type: none"> • Feeding is towards the waterway and any critical source areas are not grazed • Fences are moved daily rather than offering a few days feed at a time • Land that has already been grazed is back-fenced • Long narrow breaks are offered rather than wide breaks <p>Evidence: Winter management plan</p>	<p>ACHIEVED</p>
<p>Paddocks selected for Intensive Winter Grazing (including intensive baleage wintering) are low risk and managed to minimise the risk of erosion, run-off to waterways and leaching to groundwater</p> <p>Practices: Low risk paddocks are selected for intensive winter grazing that:</p> <ul style="list-style-type: none"> • are away from waterways • are not vulnerable to pugging or compaction • are 10o or less slope with as few gullies and swales as possible • are not vulnerable to erosion • do not have artificial drainage that directly discharge to waterways 	<p>ACHIEVED</p>

LAND & SOIL MANAGEMENT

- can be easily replanted as soon after grazing as is practical

Critical Source Areas and farm Hot Spots are identified and managed to minimise contaminant losses to waterways

Practices:

Stock crossings are present on all permanently flowing or intermittent waterways >1 m that stock cross more than once per month

Supplement is fed out away from waterways

Troughs are located away from waterways, low points in the landscape or wet areas

The area surrounding troughs is maintained to prevent ponding

ACHIEVED

LAND & SOIL MANAGEMENT

LAND & SOIL OVERVIEW

L1

Nearly all land of across the farm would be considered flat (under 7 degrees in slope) with minimal amounts of contoured land mainly around the riparian margins/waterways (No land would be considered LUC7e/8). According to TRC soils data the underlying soil type across the property is the Stratford fine sandy loam. This soil is a Allophanic ash soil deprived from volcanic eruptions and are characterised as free draining, moderately leached with a high P retention. There are also several man-made drains and sub-soil drainage that has been installed over the years with a vague knowledge of where some of these are. Re-fencing has also occurred along the aerodrome raceway to prevent & restore damage.

The stocking rate is 2.8 cows/ha, which is in the medium-risk range for the area. Higher stocking rates increase the N loss risk (as more urinary N is returned to pastures).

During the winter cows are split into smaller mobs and are managed in a number of ways. Firstly, 100 cows are wintered on an oats crop (5ha). Another 50 cows are wintered around the aerodrome paddocks which aren't a part of the dairy platform. The remaining cows are grazed on pasture and fed supplementary feed such as hay & silage etc. During the winter the farm plans to graze wetter paddocks earlier before conditions worsen but is generally fortunate with the land/contour in that there aren't many high-risk areas. Cows are shifted on early if heavy rainfall is predicted and stock are back fenced to reduce pugging. Cows are occasionally stood off on the cowshed yard overnight if the weather is severe, but this generally only occurs about 5 times per year.

There is a significant amount of cropping that occurs on farm. Firstly, a 5ha winter oats crop is used for cows to graze during June/July on 48-hour breaks, this is direct drilled. The same land is then fully cultivated, In addition to this 5.5ha of summer turnips are planted during the spring and cows graze for 2 hours during the drier summer months. The land then returns to a permanent pasture in the autumn. Paddock selection for cropping is based upon several criteria's such as: poor-performing paddocks, location to the cowshed etc.

TRC soils data identifies that the dominant soil types on the farm are:

-Stratford Fine Sandy Loam which is well-drained Allophanic Soil.

Further information on the properties of Allophanic Soils is provided in the soils section.

These soils are typically low risk in relation to the effluent application due to their good drainage properties. However, the farm has subsurface drainage which increases the risk.

The crossing points on farm consist of culverts and bridges as indicated on the riparian map. The culverts and bridges were assessed the majority of them had good buffers to prevent sediment and effluent from directly flowing to the waterway, the bridge which is nibbed does have areas on the encroach to the bridge where sediment could be washed into the waterway. Ideally directing surface runoff away from crossings and into vegetated areas will trap sediment before making it to the waterway.

LAND & SOIL MANAGEMENT

Raceways on farm are all well designed and maintained regularly. Due to the contour of the farm there were no areas of concern from a sediment loss point of view. The only hotspot identified was the entry/exit race which is nibbed and effluent is directed towards a sump and into the effluent system.

Update February 2024 - removed Maize as a crop grown as the farm did not grow maize for the 2023/24 season.



LAND & SOIL MANAGEMENT

LAND & SOIL MANAGEMENT

CROPPING

L2



Due to the amount of cropping that occurs on farm this could be a potential risk area if Good Farming Practice is not followed which could have significant adverse effects on the environment. Ensuring the following Good Farming Practices are followed will reduce the environment impact of cropping.

Annual forage crops are that are grazed as a winter crop is consider intensive winter grazing.

Intensive winter grazing can continue without a consent indefinitely, if carried out in accordance with the permitted-activity standards in the regulations.

Pugging standard (regulation 26A): All reasonably practicable steps must be taken to minimise adverse effects on freshwater from pugging land that is used for IWG. Reasonably practicable steps could include removing stock from IWG paddocks during extreme wet-weather events. More details on how to comply with the pugging standard will be released by MfE as IWG technical guidance in late 2022, however, there will be no further detail released on the standard itself.

Ground cover standard (regulation 26B): Vegetation must be established as ground cover over the whole area of land used for IWG as soon as practicable after livestock have finished grazing. The timing of that may vary according to individual circumstances and weather events. More details on complying with the ground-cover standard will be released by MfE as IWG technical guidance.

A failure to meet the pugging and ground-cover standards allows councils to issue abatement notices and enforcement orders, or undertake prosecution based on non-compliance with regulations. A person using land for IWG must provide any information required by a regional council enforcement officer for the purpose of monitoring compliance with pugging and ground cover regulations.

Appendix Document	Intensive winter grazing factsheet
Slope	<15 Degrees

ACTIONS | RECOMMENDATIONS

Target Date

 Winter cropping management plan

LAND & SOIL MANAGEMENT

Good Farming Practice is to compile a winter management plan for winter which considers paddock selection prior to planting the seed.

The plan would include the following.

- Identify/use paddocks with low risk of pugging, flat contour and are further away from waterways as possible
- Avoid areas that have critical source areas (swales/gullies) etc. If not possible try to leave these areas uncultivated/un-grazed to reduce/filter any runoff of sediment/nutrient
- Grazed paddocks strategically for top to bottom
- Retain a grass buffer zone along waterways where riparian margins are not present
- Graze towards the waterways and use portable troughs if needed.



LAND & SOIL MANAGEMENT

SOIL



The below information has been sourced from Manaaki Whenua - Landcare Research where the data is available and may not be 100% accurate <https://smap.landcareresearch.co.nz/>

Allophanic Soils:No Data

FEP coverage: 100.00%
 Depth: No Data
 Texture: No Data
 PAW 60: NAm
 PAW 100: NAm

Orthic Allophanic Soils are deep Allophanic Soils.

Allophanic Soils are dominated by allophane (also imogolite or ferrihydrite) minerals. These stiff, jelly-like minerals coat the sand and silt grains and maintain porous, low density structure with weak strength. The soils are identified by a distinctly greasy feel when moistened and rubbed firmly between the fingers. The soil is easy to dig and samples crumble easily when crushed in the hand.

Allophanic Soils occur predominantly in the North Island volcanic ash, and in the weathering products of other volcanic rocks. They also occur in the weathering products of greywacke and schist in the South Island high country. They cover 5% of New Zealand.



WHAKAMĀKŪKŪ WATER USE & IRRIGATION MANAGEMENT



11 Water Use Overview

WATER USE & IRRIGATION MANAGEMENT

GOOD FARMING PRACTICES	
Dairy shed and stock water use is efficient and prevents source contamination	N/A
The depth, rate and timing of irrigation is managed to meet plant demand and minimise the risk of leaching and run-off	N/A
The irrigation system is designed, operated and regularly checked to minimise the amount of water applied to meet plant demand, and prevent microbial contamination	N/A

WATER USE & IRRIGATION MANAGEMENT

WATER USE OVERVIEW

I1



Water for the farm is sourced from two different locations: surface/stream water take and the Stratford town water supply. The Stratford town supply is mainly used for the dairy shed plant wash system while the surface/stream water take is used for the remaining dairy shed use and stock drinking. There is however the ability for the town supply to feed both the dairy shed and stock drinking if needed. Only the town supply is currently metered.

TRC Regional Fresh Water Plan	<p>Ensure compliance with the TRC Regional Fresh Water Plan which states the following conditions. For groundwater:</p> <ul style="list-style-type: none"> -The daily volume of abstraction shall not exceed 50m³. -The rate of abstraction shall not exceed 1.5l/s. -A bore should be located no less than 500m from the sea or adjacent bores. -A well should be located no less than 25m from the sea or adjacent wells or surface water bodies. -A well or bore should be located no less than 50m from any effluent treatment pond, septic tank, silage stack, or pit. -Abstraction should not cause the intrusion of saltwater into any freshwater aquifer. <p>For surface water:</p> <ul style="list-style-type: none"> -The rate of abstraction for any one property described in a particular certificate of title shall not exceed 1.5l/s; or 5l/s for not more than 30 mins/day for temporary taking and use of surface water. -The volume of abstraction for any one property described in a particular certificate of title shall not exceed 50m³ in any one day
Water Use	Town supply + surface water
Water Meter	Yes - town supply only

ACTIONS | RECOMMENDATIONS

Target Date



Install water meter

If the farm wished to align with the Good Farming Practices, all water should be actively monitored by checking troughs regularly measuring and recording to enable any dairy shed or stock water efficiencies to be identified and to help identify leaks, best practice is to install a water meter. At a minimum ensure the farm is compliant with the TRC Regional Fresh Water Plan as stated above.

WATER USE & IRRIGATION MANAGEMENT



PARAKAINGAKI EFFLUENT MANAGEMENT



- E1** Effluent Overview
- E2** Effluent Storage

- E3** Stormwater Diversion
- E4** Old cowshed ponds

EFFLUENT MANAGEMENT

GOOD FARMING PRACTICES

Effluent and manure is applied at depths, rates and amounts that match plant requirements and minimise the loss of nutrients or microbial pathogens to waterways and groundwater

Practices:

An effluent management plan is in place that includes:

- Regional rules and consent conditions
- A farm effluent map that highlights:
 - Waterways
 - Buffer and exclusion zones
 - High and low risk soils
 - Effluent system layout (hydrants and runs)
 - System maintenance checks
 - System operating procedures
 - Health and safety
 - Emergency procedures and contacts

ACHIEVED

Effluent application timing and rates are adjusted based on soil moisture levels

Nutrient load is spread evenly across the largest area practical

Effluent is not applied when soils are at or above field capacity

Effluent is not applied when rainfall that would result in the soil becoming saturated is forecast

Failsafe mechanisms are in place

All effluent applications are recorded, including date, location and depth applied

Staff are trained in the effluent systems operation and maintenance

Odour impact is considered during application

Evidence:

Effluent application area risk map

Effluent management plan

The effluent system is designed, operated and regularly checked to minimise the risk of nutrient and microbial pathogen loss to waterways and groundwater, and to prevent microbial contamination

Practices:

All new effluent systems are designed to meet the Farm Dairy Effluent Design Code of Practice using an Effluent Design Accredited company and/ or a Certified Effluent Designer where Effluent is collected from all sources:

- Dairy sheds
- Yards
- Barns, feed-pads and stand-off pads
- Underpasses
- Feed storage areas (if applicable)

ACHIEVED

The system design is appropriate for the soil type, topography, and climate

The effluent storage volume is sized to meet the:

- Consent conditions; or
- Regional Plan requirements; or
- 90th percentile storage volume as calculated by the Dairy Effluent Storage Calculator (DESC)

Effluent solids that accumulate are routinely removed

Evidence:

Dairy Effluent Storage Calculator report

EFFLUENT MANAGEMENT



*Additional GFP relevant to the dairy industry goals

EFFLUENT MANAGEMENT

EFFLUENT OVERVIEW

E1

The farm currently has resource consent to discharge treated farm dairy effluent from an oxidation pond treatment system into an unnamed tributary of the Piakau Stream in the Patea catchment and/or to discharge partially treated farm dairy effluent by oxidation ponds and spray irrigation onto and into land which is valid until Dec 2028. Although there is consent conditions to discharge to water the farm has stopped this practice and generally manages the first pond level and uses the second as a spill over if needed. The second pond outlet discharge has also been capped.

All effluent from the dairy shed & surrounding holding yards is nibbed and directed towards two sand traps at different locations on the yard. From their sediment/some solids are allowed to settle and the liquid effluent drains through to first holding pond. Liquid effluent is then stored in a clay lined effluent pond until conditions allow for it to be irrigated back to land. Effluent is pumped out via floating platoon and spreading back to land using a travelling irrigator. Sand trap cleanings are removed regularly and spread back to land immediately.

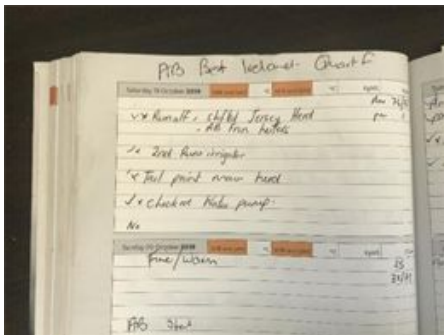
Stormwater diversion is used year round. The farm has now installed a failsafe/reminder system for the stormwater system to ensure it gets changed back over once cows are back on the yard. All effluent applications are recorded (date & location) and put into the dairy diary. A failsafe system is installed on the irrigator which will cut the pump out when PSI gets too high or too low.

The entry/exit race has also been nibbed with concrete blocks along the edges to capture effluent and divert it towards a sump near the culvert crossing at the bottom. Effluent is then pumped back via a float switch to the first effluent pond.

Effluent has the ability to be applied to 21.3ha however there is approximately only 18ha that is used due to 'no go zones' that have been created due to the proximity of waterways on farm. At 17ha this is above the TRC minimum requirement of 15ha to achieve a maximum loading rate of 200kgN/ha. The soil type across the effluent area is Stratford fine sandy loam which is a low risk soil in terms of effluent irrigation and nearly all land within the 21ha would be under 7 degrees in slope.



EFFLUENT MANAGEMENT



EFFLUENT MANAGEMENT

EFFLUENT STORAGE

E2



An effluent storage calculation has been completed by accredited company DairyMaster Milking Systems NZ Ltd in March 2018. The current pond size will meet the storage requirements as per the DESC which means the farm is likely to use the current pond in place as there storage facility.

Currently the farm is not required to completed a pond drop test this should be done if it is suspected the pond is leaking.

The farm had Dairy Master out on farm in June 2023, this was to ensure the effluent system was operating as it should and to ensure the pond was not leaking.

Solids management	Spread immediately
Stormwater diversion	Yes
Pond lining	Clay
Dairy effluent storage calculator	Yes

ACTIONS | RECOMMENDATIONS

Target Date



Complete pond drop test - To Achieve GFP

31 May 2025

Long term you may be required to complete a pond drop test to ensure the pond is sealed and not leaking. Contact Agfirst to arrange a ond drop test to be completed if requested.

Catchment

Area m ²	Shed		Yard		Fenced		Animal Shelter		Other
	Area m ²	Overhead	Area m ²	Overhead	Area m ²	Overhead	Area m ²	Overhead	
212	Yes		602	Yes	0	No	0	No	0

Area m ²	Field			
	Area m ²	Wash L/D		
Jan	366	0.0	36	52.8
Feb	366	0.0	36	52.8
Mar	366	0.0	36	52.8
Apr	366	0.0	36	52.8
May	366	0.0	36	52.8
Jun	0	0	0	0
Jul	0	0	0	0
Aug	330	0.0	33	47.5
Sep	330	0.0	33	47.5
Oct	330	0.0	33	47.5
Nov	330	0.0	33	47.5
Dec	330	0.0	33	47.5

Dairy Effluent Calculator Report DESC

Calendar

Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Jan																															
Feb																															
Mar																															
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Sep																															
Oct																															
Nov																															
Dec																															

EFFLUENT MANAGEMENT

20 cubic metres

**Dairy Effluent Storage Calculator
Summary Report**

Regional authority: Taranaki Regional Council
Authorised agent: Environmental Miling Systems NZ Ltd
Client: Stratford District Council Farm
Program version: 1.52
Report date: Thursday, 15 March 2018

General description:
 450,000 litres per year
 300m³ wash down water per day
 Required storage volume is 19800m³
 Pumpable volume is 19250m³

Climate
Location: Stratford
Mean annual rainfall: 2526 mm/year

Effluent Block
Area of low-risk soil: 20.0 hectares
Minimum area of high-risk soil: 0.0 hectares
Surplus area of high-risk soil: 0.0 hectares

Wash Water
Ford wash: 0.0 August
 - milking season starts: 01 May
 - milking season ends: 01 May

Month	Number of Cows	Hours in Year	Wash Volume (cubic metres)
January	300	0.0	0.0
February	300	0.0	0.0
March	300	0.0	0.0
April	300	0.0	0.0
May	300	0.0	0.0
June	0	0.0	0.0
July	0	0.0	0.0
August	300	0.0	0.0
September	300	0.0	0.0
October	300	0.0	0.0
November	300	0.0	0.0
December	300	0.0	0.0

Irrigation
Minimum spring depth: 8 mm
Spring exhaust depth: 20 mm
Minimum spring volume: 40 cubic metres
Spring exhaust volume: 80 cubic metres
Irrigate all year? ? winter?



EFFLUENT MANAGEMENT

STORMWATER DIVERSION

E3



The farm has a stormwater diversion (SWD) system in place which is only used during the winter for peace of mind and practically of getting the entire yard clean. There are benefits of using this during heavy rainfall events throughout the year however a system needs to be put in place that signals the SWD in in use

ACTIONS | RECOMMENDATIONS

Target Date

- 

Stormwater diversion signal feature - To Achieve GFP
 Install a system/feature which indicates that SWD is being used and needs to be changed once cows are back on the yard. This could be done through a warning flag or reminder in/around the cowshed for staff to change it over.

01 Aug 2023



EFFLUENT MANAGEMENT

OLD COWSHED PONDS

E4



A resource consent is still in place on the old dairy shed (#41048) which gives consent to discharge to water via a pond oxidation system into the Kahouri stream. This is valid until Nov 2022 but after this date this consent may have to cease. This will have implications of still using the old dairy shed yard as a standoff facility.

The ponds are now capped and no effluent is going into them, the pond will eventually be filled in.

ACTIONS | RECOMMENDATIONS

Target Date



Decommission effluent ponds

Once the consent expires either look to cap the outlet and apply the effluent back to land or cease the use of the dairy shed yard. If you do wish to stop using the effluent ponds the following guidelines for decommissioning ponds are below:

Farm Dairy:

As long as the farm dairy and yards have been washed down and no effluent remains, then any stormwater runoff from the yards can be safely diverted to a nearby paddock. If however, the concrete area is later used to feed/stand-off cattle then the effluent must again be captured and dealt with appropriately.

Effluent Ponds:

Effluent treatment or holding ponds will need to be completely pumped out – likely this will need to be done by a contractor due to the thicker effluent slurry that will be present at the base of the pond.

The ponds will likely need to be scraped out in order to remove effluent around the base of the pond, this can be tilled into a cropping paddock. Once the ponds have been cleaned out they can be filled in with clean fill or left to fill up with rainwater depending on what the farmer would like to do with them.

EFFLUENT MANAGEMENT



RARENGA RAUROI WATERWAYS & BIODIVERSITY



- W1 Waterways & Biodiversity Overview
- W2 Riparian Management Unit
- W3 Key Feature

- W4 Key Feature
- W5 Key Feature

WATERWAYS & BIODIVERSITY

GOOD FARMING PRACTICES

<p>Stock are excluded from lakes and waterways</p> <p>Practices: Stock are excluded from ephemeral waterways if grazing occurs while water is flowing Stock are excluded from lakes and permanently flowing or intermittent waterways A riparian management plan has been developed (include any plantings) An appropriate buffer is maintained:</p> <ul style="list-style-type: none"> • that accounts for slope, • to filter runoff, • even if only temporarily during vulnerable periods. <p>The setback (riparian area) is managed, including the control of plant and animal pests</p> <p>Evidence: Riparian management plan</p> <p>Leading Practices: A riparian planting plan is in place and being actively implemented</p>	<p>ACHIEVED</p>
<p>Farm indigenous biodiversity and Mahinga Kai values are identified and protected</p> <p>Practices: Areas are identified on the farm map Stock are fenced out of the area Weeds are controlled within the area Animal pests are trapped or poisoned</p> <p>Evidence: Farm map</p>	<p>ACHIEVED</p>

*Additional GFP relevant to the dairy industry goals

WATERWAYS & BIODIVERSITY

WATERWAYS & BIODIVERSITY OVERVIEW

W1

There are numerous drains, streams/creeks etc across the farm that range in both size and significance. The two major rivers on farm are the Kahouri stream which runs through the southern end of the farm and the Piakau stream on the north eastern boundary. There are a few smaller waterways which are tributaries of these major waterways and other smaller man-made drains. All of these waterways have been incorporated into the Taranaki Regional Council Riparian management plan with the overall goal to stock exclude and plant (where needed) the riparian margins on farm.

The farm has been working towards a riparian management plan in conjunction with the Taranaki Regional Council. This has involved permanently fencing and planting (where needed) the riparian margins of all waterways on farm in a range of native & exotic plants which have been recommended by the TRC. The plan is now 100% completed with the plantings that were planted in June 2023 as per the plan. Setbacks on farm would be between 1-8m depending on the size of the waterway. There are also some areas on farm where pine trees are planted along the top of riparian margins.

There are several culverts and one bridge on farm. All of these are well constructed and designed to prevent runoff/containments from entering the waterways. Most of these have a grass buffer/nibbed sides to prevent stormwater/containments from running off.

In terms of biodiversity there is a 0.7ha native bush block which is permanently fenced and protected. The TRC complete their self-help pest control programme on the property and results are showing that possum numbers are decreasing. Along with the riparian plantings there are a small amount of pine & exotic trees species planted throughout the farm.



WATERWAYS & BIODIVERSITY



WATERWAYS & BIODIVERSITY

RIPARIAN MANAGEMENT UNIT

W2

IMPACT OF CONTAMINATION



+



LIKELIHOOD OF CONTAMINATION

=

LOW RISK RATING

The farm has been working towards a riparian management plan in conjunction with the Taranaki Regional Council for over 10 years. This is now completed with the plants planted in June 2023 as per the plan.

Riparian Management Plan	Yes
Planting progress	100 %
Vegetation status	Mixed Exotic/Native
Waterway type	Stream/Creek
Fencing status	Permanently Fenced
Planting completion date	June 2023

ACTIONS | RECOMMENDATIONS

Target Date



Complete TRC riparian plan - To Achieve GFP

31 Jul 2023

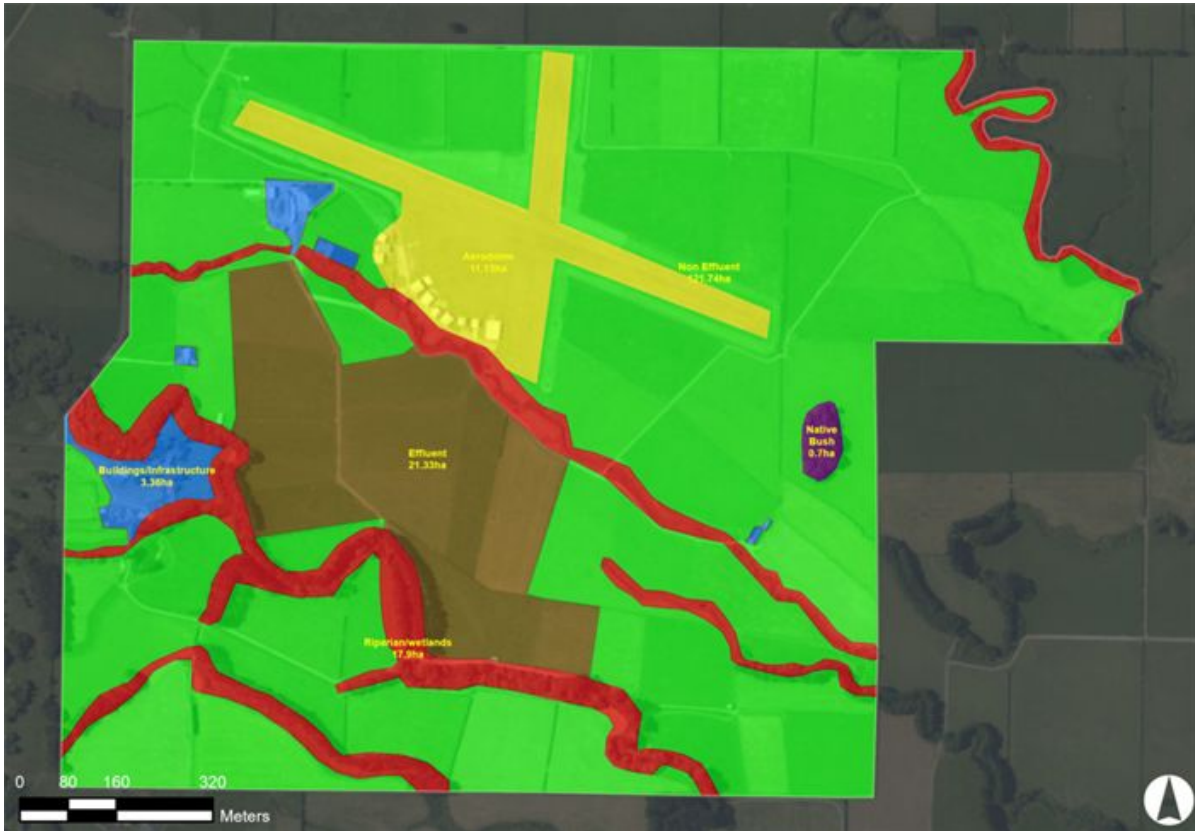
Complete the remaining riparian management plan work by Dec 2020 when it likely to become regulation. Seek a completion certificate from them once this is completed.



WATERWAYS & BIODIVERSITY



TAIORA NUTRIENT MANAGEMENT



N1 Nutrient Overview

N2 Nitrogen Efficiency Improvements

NUTRIENT MANAGEMENT

GOOD FARMING PRACTICES

<p>Soil phosphorus levels are monitored and maintained below or within the target ranges for the soil-type and crop</p> <p>Practices: P-fertiliser applications maintain Olsen-P levels in the target range for the soil type and crop Nutrient budgeting is used as a decision making tool to assess and inform farm nutrient management.</p>	<p>ACHIEVED</p>
<p>The amount and timing of fertiliser inputs, takes account of all sources of nitrogen and phosphorus, matches plant requirements and minimises losses to waterways and groundwater</p> <p>Practices: All fertiliser applications are recorded – product, rate, date, location (If a contractor is used the information is gathered from them) Soil temperature and moisture levels are assessed before applying fertiliser (i.e. avoid winter months) Fertiliser is not applied: --When heavy rainfall is forecast and runoff is likely –Close to waterways Feed budgets, feed wedges and nitrogen plans are used to minimise the use of synthetic N-fertiliser Pasture or crop growth rates are considered along with feed requirements before applying N The pasture response of fertiliser use on farm is understood (eg pasture meter or satellite readings) The availability of the nitrogen in fertiliser used is understood</p>	<p>ACHIEVED</p>
<p>Fertiliser spreading equipment is maintained and calibrated</p> <p>Practices: Paddocks are checked for paddock stripes after spreading</p>	<p>ACHIEVED</p>

*Additional GFP relevant to the dairy industry goals

NUTRIENT MANAGEMENT

NUTRIENT OVERVIEW



Farm Dairy Records (FDRs) are provided at the end of each season to produce a farm-specific Farm Insights Report that models purchased nitrogen surplus and identify environmental risks on the farm. For the 22/23 season, the purchased nitrogen surplus for the farm was 164kgN/ha.

The farm's nitrogen use policy is to use nitrogen as a tool which ranges in use from 130-180kgN/ha. All applications are geo-spatially mapped and recorded. All nitrogen application rates are above 25kgN/ha with approximately 4-5 applications throughout the season. Soil temperature and weather forecast are checked before fertiliser is applied and buffer zones around waterways are maintained. External contractors 'Corletts' are used to apply fertiliser and use Hawkeye (proof of placement) which are provided once fertiliser is applied.

The farm pasture meters along with using feed budgets compiled by a farm advisor. This is what triggers the use of nitrogen use on farm.

The farm has block soil tests completed every two-three years, the last soil test were not available on the day of the visit, but the farm works with Ravensdown and a farm advisor on a maintenance strategy

When the farm applies phosphate fertiliser (Super) this is spread by a contractor Corlett, who are geo-spatially mapped.

Phosphate in soils is strongly sorbed onto soil particles, and this is particularly noticeable in Allophanic Soils which have high phosphate retention. Therefore, when soil erosion occurs, for example as sediment is transported in surface runoff, phosphate is lost to waterways along with that soil. Soils that have high Olsen P levels may also have a higher soil solution phosphate concentration, so surface runoff can also contain significant amounts of dissolved phosphate. Soil and phosphate loss increase with increasing slope, therefore farms with rolling to steep terrain are more at risk of sediment and phosphate loss than flat farms.

Timing of application of phosphate fertiliser to avoid periods of high rainfall is an important strategy in reducing the amount of phosphate lost from fertilised pastures. Where Olsen P levels are high, phosphate fertiliser applications should ideally be reduced or withheld until Olsen P levels fall within the optimum range for pasture growth. Vegetated riparian buffers have also been shown to be effective at mitigating phosphate loss in diffuse runoff from grazed pastures.

Synthetic nitrogen fertiliser rules

Synthetic nitrogen fertiliser rules (cap 190kgN/ha/yr) from 1 July 2021, synthetic nitrogen use is capped at 190kgN/ha/year. This means all nitrogen fertiliser spread (to dairy platform and any attached land) needs to be recorded (including the product, rate, date, and location). Keep records of fertiliser purchases/receipts to back up this information.

The information will need to be submitted to Taranaki Regional Council at the end of each season. There is a form online that you can use as an option for recording N fertiliser. Other forms of recording are also suitable, provided they include relevant information, or working with your Ballance rep to ensure data is submitted. Synthetic nitrogen use recording tool (teurukahika.govt.nz) Nitrogen cap guidance for regional councils | Ministry for the Environment

NUTRIENT MANAGEMENT

Purchased Nitrogen Surplus	164 kgN/ha	Greenhouse Gas Emissions	12,257 kgCO ₂ e/ha
YOUR FARM			
Dairy farm effective area	132 ha		
Peak cows	375 cows		
Stocking rate (milking cows)	2.8 cows/ha		
Production (milk solids produced)	142,659.9 kgMS		
Production per cow	380 kgMS		
Production per hectare (dairy farm effective area)	1,081 kgMS/ha		
Nitrogen fertilizer applied per hectare (dairy farm effective area)	185 kgN/ha		
Imported supplementary feed fed	269 t		
Imported supplementary feed fed per cow	0.7 t/cow		
Farm grown feed	86 %		



NITROGEN RISK SCORECARD 2018 / 19 SEASON

FARM NUMBER: 41047

TIAKI www.waters.environment.govt.nz

DISCLAIMER
This report shows the total daily nitrogen load from your farm. It is not an assessment of nitrogen loss risk. An assessment risk does not necessarily mean that there will be harmful elevated nitrogen loss.

Key Information	Your Farm	Ward Average
Effective dairy farm area	132 ha	132 ha
Cows at peak	375	280
Stocking rate	2.8	2.7
Milk solids produced	142,659.9 kgMS	140,000 kgMS
Total nitrogen of nitrogen applied per hectare (dairy farm effective area)	185 kgN/ha	132 kgN/ha
Supplementary feed fed from storage or brought onto farm (live weight)	269 t	130 t

YOUR FARM'S NITROGEN RISKS

STOCK MANAGEMENT Low	NITROGEN FERTILISER Medium	IMPORTED FEED Low
CROPPING & CULTIVATION Low	EFFLUENT MANAGEMENT Very Low	IRRIGATION Very Low

YOUR FARM'S PURCHASED NITROGEN SURPLUS

116 t

Purchased Nitrogen Surplus reflects the relationship between the amount of nitrogen entering your farming system through fertilizer and feed, versus the amount leaving the farm as product. A high number means you may not be using purchased nitrogen efficiently and therefore more nitrogen may be lost to the environment.

ARL Analytical Research Laboratories

300 Whangape Road, Whangape, PO Box 989, Napier 5140. Phone: 051 222 658. Fax: 051 222 8222. Email: arl@arl.co.nz. Website: www.arl.co.nz

Customer: STARBUCK DISTRICT COUNCIL, PO BOX 100. Customer No: 100000000. Sample date: 08/10/2019. Report issued: 08/10/2019. Sample received: 08/08/2019. Status Number: 99971993. 99780079.

Sample: 270817001-002. Name: George Ridick. Email: george.ridick@starbuck.co.nz. Sample No: 8.

SOIL ANALYSIS

Lab Number	Sample Name	Depth	Temp	Moisture	pH	EC	NO ₃ -N	NO ₂ -N	NH ₄ -N	Total N	TP	AP	OP	Ca	Mg	K	Na	Cl	S	Zn	Cu	Mn	B	Se	
1021001	00	0-10	15.5	18.0	5.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1021002	00	10-20	15.5	18.0	5.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
1021003	00	20-30	15.5	18.0	5.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
1021004	00	30-40	15.5	18.0	5.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
1021005	00	40-50	15.5	18.0	5.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
1021006	00	50-60	15.5	18.0	5.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
1021007	00	60-70	15.5	18.0	5.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
1021008	00	70-80	15.5	18.0	5.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
1021009	00	80-90	15.5	18.0	5.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
1021010	00	90-100	15.5	18.0	5.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

Report to: STARBUCK DISTRICT COUNCIL, 10/08/2019 - 08/10/2019. 270817001-001-000. Page 1 of 1

NUTRIENT MANAGEMENT

NITROGEN EFFICIENCY IMPROVEMENTS



These strategies are focused on a more tactical use of nitrogen to fill feed deficits rather than relying on nitrogen fertiliser all year round. The strategies are all based on maintaining the current milk solids production and stocking rate. It is strongly recommended that the strategies are trialed using a staged approach over the coming seasons.

Initial guidance on the efficiency of nitrogen use was determined by comparing your farms purchased nitrogen surplus against the average nitrogen surplus of farms in your region producing similar milksolids per ha. This indicates there may be opportunities to use nitrogen inputs more efficiently without impacting on milk solids production.

Clover Content

For most of the strategies outlined below paddocks must have a well-managed ryegrass/clover mix with good swards of clover present to promote nitrogen fixation. Care needs to be taken to avoid long-lasting shading of clover runners in spring by prolonged canopy closure (i.e. heavy silage cuts). Shading will reduce clover branching and reduce clover production. This will impact nitrogen fixation later in the year, risking lower summer pasture yields.

Utilise more uniform spreading technology	Consider utilising newer forms of spreading technology such as Fine Particle Application (FPA), these give a more accurate and uniform application of fertiliser with associated pasture growth benefits and reduced nitrogen fertiliser rates can be obtained for the same pasture growth.
Remove late autumn applications of Nitrogen Fert	Reduce or do not apply nitrogen fertiliser in late autumn, when average covers are generally sufficient, soil temperatures are falling (lower response to nitrogen) and there is an increased risk of nitrogen loss through soil drainage.
Utilise an Environmental Plantain in Pasture Mix	Research has shown that utilising an environmental plantain cultivar can reduce nitrogen leaching as less nitrogen ends up in cow urine (main driver of nitrogen leaching) and urine patches have a lower nitrogen load due to a greater urine volume per animal per day. Depending on the proportion of plantain in the cows diet, this will reduce the nitrogen leached.
Fill Feed Deficits with Low Crude Protein Feed	If additional feed is required to fill a deficit a low crude protein supplement such as cereal silage, maize silage, fodder beet, etc could be used. This will result in less nitrogen being imported into your farming system and less nitrogen being available to leach via cow urine patches.
Reduce Nitrogen Fertiliser on the Effluent Block	Reduce the frequency and/or rate of nitrogen fertiliser applications on the effluent block to account for the nitrogen being supplied from farm dairy effluent. It is recommended this is progressively decreased over the coming seasons to approximately 150kg/N/ha. This could be reduced further if the full effluent area is not utilised.
Reduce Nitrogen Application Rates	Reduce nitrogen fertiliser application rates. Using an application of 25-30kg/N/ha is likely to be enough to overcome any spring nitrogen deficiencies. Higher rates (40kg/N/ha max) should be restricted to when conditions for pasture growth are optimal and surplus pasture is going to be harvested for silage. This will avoid high pre-grazing covers and residuals.

NUTRIENT MANAGEMENT

Remove a Summer Nitrogen Fertiliser Application

In late autumn to early spring, low temperatures usually restrict clover growth, nitrogen fixation and mineralisation, resulting in less nitrogen being available to grow grass. This results in nitrogen deficiencies being more pronounced in spring, when soil temperature and moisture don't limit grass growth, and a rapid response to nitrogen fertiliser can be expected. During summer, clover content is at its highest, when combined with favourable soil temperatures and soil moisture clover is able to fix significant amounts of nitrogen for grass growth, resulting in reduced responses to nitrogen fertiliser.

Skip Individual Paddocks and Optimise Round Length

It takes 20 (spring) and up to 40 (autumn) days after an application of nitrogen fertiliser to get a significant yield response. Ensure your round length is not faster than the number of days needed for a significant yield response (e.g. 20 days in spring) and that pasture is consistently grazed at the 2.5- to three-leaf stage. This may reduce the total number of grazings per year and automatically reduce the number of nitrogen applications, if routinely following the cows with fertiliser. A longer round length also reduces the nitrogen content in pasture and, therefore, urinary nitrogen excretion from stock.

In addition to the above, a feed wedge and weekly pasture walks should be used to identify when pasture growth rates are high and silage making is not required, enabling an application of nitrogen to be skipped from these paddocks.

TUKUNGA HAU KŌTUHI GREENHOUSE GAS EMISSIONS



G1 Greenhouse Gas Emissions Overview

GREENHOUSE GAS EMISSIONS

GOOD FARMING PRACTICES

Farm greenhouse gas emissions are known and a plan is in place to reduce or offset them, that also considers adaptation to climate change

ACHIEVED

Practices:
Greenhouse gas emissions are calculated each year for the farm

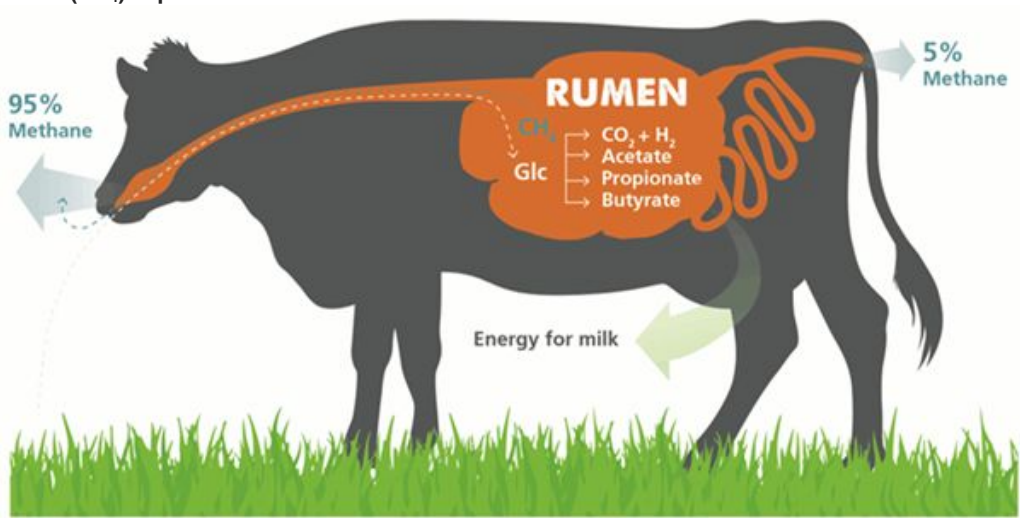
GREENHOUSE GAS EMISSIONS

WHAT ARE GREENHOUSE GAS EMISSIONS?

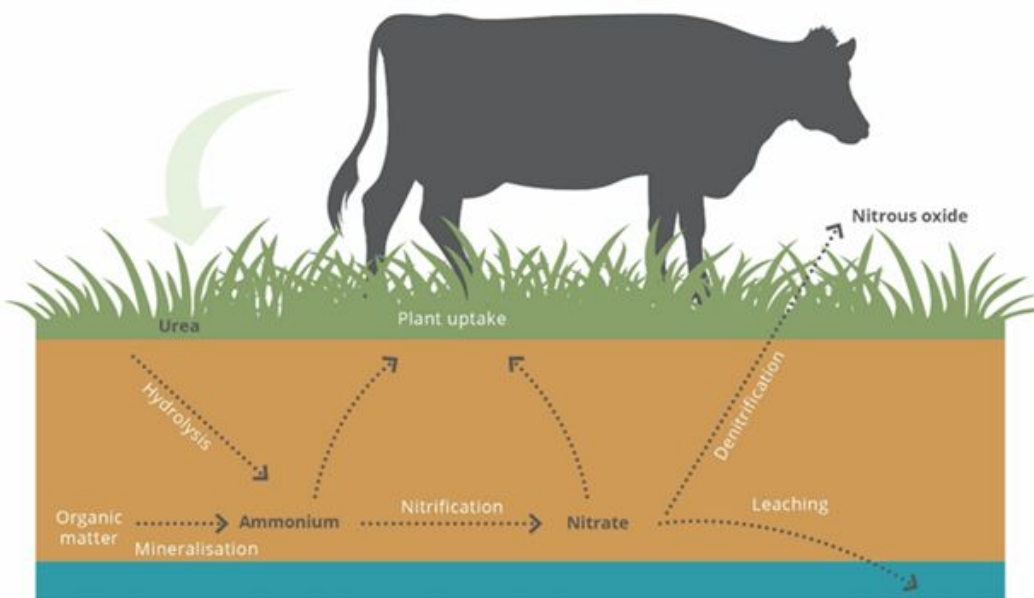
The main agricultural GHGs are methane (CH₄) and nitrous oxide (N₂O). Methane is produced by ruminants (e.g., cows and sheep) by methanogen microbes that are naturally present in the rumen. Most methane is emitted when cattle burp. The amount of methane produced for each farm is directly related to the total feed intake for that farm (including cows, heifers and calves).

Nitrous oxide is emitted from soil when urine, faeces and fertilisers are broken down by microbes in the soil.

How methane (CH₄) is produced



How a nitrous oxide (N₂O) is produced



GREENHOUSE GAS EMISSIONS

GREENHOUSE GAS EMISSIONS OVERVIEW

Greenhouse gas (GHG) emissions vary depending on farm size, inputs, outputs and management. Fonterra uses Farm Dairy Records information to estimate the GHG emissions for the dairy farm effective area. The farm's greenhouse gas production for the season is detailed in the Farm Insights Report each year.

Emissions per kg milk solids provide a measure of emissions intensity, this is an indication of the efficiency of your system. Your farm's emissions intensity is (12.3kgCO₂e/kgMS). Reducing emissions intensity is an important first step for farmers to make toward reducing their farm's absolute emissions.

Emissions per hectare provide a measure of absolute emissions, this is the amount of greenhouse gases emitted per farm. Your farm's total emissions are (12,025kgCO₂e/ha).

To maintain milk production and profitability, actions to reduce GHG emissions should focus on efficiency gains and reduction of inputs. This will help to reduce both the total emissions from the farm (absolute) and the emissions intensity of the milk (emissions per kg milksolids). He Waka Eke Noa has identified 5 opportunities to reduce absolute GHG emissions on-farm. These are:

- Improving the efficiency of pasture and crop production
- Optimise feed eaten
- Matching feed demand with pasture growth and utilisation
- Improving the management of livestock effluent
- Capture and store carbon in vegetation

Other actions within your FEP may also have a co-benefit of reducing impacts on water quality while reducing emissions (look for the co-benefits symbol in the Good Farming Practice Dashboard).

Opportunities the farm could explore which the farm may already be doing.

- Use coated urea products (urease inhibitors) to increase effectiveness of urea applications. Sustain & N Protect
- Fertility is optimised for the soil type, slope, and climate.
- Use soil tests such as the Nitrate Quick Test and Deep Soil Mineral N-tests for cropping.
- Use nutrient budgeting tools to plan N fertiliser inputs for crops (e.g., Crop Calculators and OVERSEER).
- Use feed and nutrient budgeting tools to plan N fertiliser inputs for pasture (e.g., FARMAX and OVERSEER).
- Maintain high levels of clover in pasture to reduce the need for N fertiliser applications.
- Pests and diseases are regularly monitored and addressed as appropriate.
- Grazing rotations are managed to optimise pasture grown.
- Pugging and compaction are minimised.
- Less productive and empty dairy cows culled early in the season rather than carried through.
- Dairy herds sequentially dried off in autumn instead of using supplementary feeds or N fertiliser to boost pasture growth.

GREENHOUSE GAS EMISSIONS

-For dairy, replacement rates can only be optimised and reduced when wastage rates are minimal. If wastage rates are high through high empty rates and animal health issues, this creates risk for sustaining herd numbers and profit from using low replacement rates. Reduced total feed demand from fewer replacements results in a reduction in the use of N fertiliser and/or supplementary feed.

-Improved animal health leads to gains in efficiency and productivity.

-Pasture-based farming systems with good grazing management that maintain year-round quality pasture production reduce total dry matter demand.

-Use of alternative forages to reduce protein in the diet

-Good grazing management includes practices such as:

-Regular pasture assessments and feed budgeting

-Setting and managing pre-grazing covers and post-grazing residuals (intensive systems)

-Choosing rotation lengths that optimise both quality and quantity of pasture

-Managing pests and diseases

-Optimising soil fertility

-Actively managing any pasture surplus

-Carry out solids separation to prevent solids entering anaerobic storage ponds.

-Actively manage the effluent pond to its lowest level, regularly remove and apply any solids to pasture.

-Treat stored effluent to reduce methane production

-Regularly monitor effluent composition and record location of effluent appl

Resources online

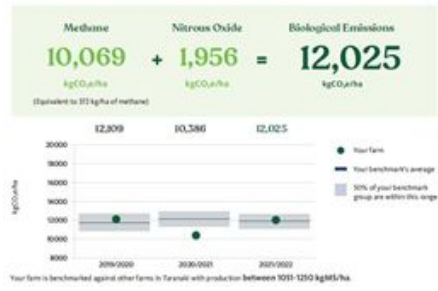
He Waka Eke Noa is a primary sector climate action partnership that are working together to implement a framework to reduce agricultural GHG emissions <https://hewakaekenoa.nz/>

The Ag Matters website has useful information on how farmers can reduce emissions <https://www.agmatters.nz/>

The DairyNZ website has a range of information and resources <https://www.dairynz.co.nz/environment/agricultural-greenhousegases/>

Farm Source - Our approach to on farm emissions
Our-approach-to-on-farm-emissions-May2023.pdf
(nzfarmsource.co.nz)

GREENHOUSE GAS EMISSIONS





History of the farm and local area has not been assessed as part of this Tiaki Farm Environment Plan.



APPENDIX



THANK YOU

DISCLAIMER

*Provision of advice in relation to effluent storage, effluent irrigation systems and the management of other environmental risk areas on farm.

The advice that Fonterra Co-operative Group Ltd (Fonterra, we, us) provides to farmers in relation to effluent storage capacity and other environmental compliance practices, including mitigation actions described in Farm Environment Plans, is based on the information and assumptions that farmers and their agents have provided to us and on our knowledge and understanding of current best practice in the industry. Fonterra does not purport to replace sound engineering or other professional advice and as such we strongly encourage farmers to seek independent expert advice before any construction, upgrades, or other change to your on-farm practices. Farmers are ultimately responsible for the environmental compliance of their farm and on farm practices. Fonterra gives no warranties (express or implied) and, to the maximum extent permissible by law, excludes all liability in contract or tort (including, without limitation, liability for negligence) or otherwise in relation to the advice provided.

QUARTERLY REPORT



F22/55/04 -D24/7039

To: Farm and Aerodrome Committee
From: Property Officer
Date: 19 March 2024
Subject: Health and Safety Update

Recommendation

THAT the report be received.

Recommended Reason

To update the Committee on Health and Safety matters from December 2023 and February 2024.

_____/_____
Moved/Seconded

1. Purpose of Report

The purpose of this report is to provide to this committee the Health and Safety update for the months of December 2023 to February 2024.

2. Executive Summary

2.1 There has been one incident reported at the Aerodrome since the last Committee meeting in December 2023.

3. Local Government Act 2002

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
✓	✓	✓	

It supports the provision of a good quality council owned asset for the economic benefit to the community through ground leases of the land occupied by the various hangers on the aerodrome.



4. Information Summary

4.1 There has been one incident reported at the Aerodrome since the last Committee meeting.

4.2 Incidents/Near-Misses

4.2.1 Aerodrome Incident

A member of the Stratford Egmont Modellers Club crashed a model aircraft into Councils Farm. No damage to the farm and no one was injured on the ground. Damage only occurred to the model aircraft. The Sharemilker was contacted and permitted members of the Club to remove the aircraft from the farm. In accordance with the Club's Health and Safety procedures, the incident was recorded and reported to the User Group meeting by the member involved in the incident.

4.3.1 Farm

No incidents to report

4.3 Health

During the last quarter no health issues have arisen.

5. Strategic Alignment

5.1 Direction

This report is consistent with the 2021-2031 Long Term Plan.

5.2 Annual Plan and Long-Term Plan

This report supports the Farm and Aerodrome activities as indicated in the Annual Plan and Long-Term Plan.

5.3 District Plan

There are no implications on the District Plan.

5.4 Legal Implications

There are currently no known legal implications.

5.5 Policy Implications

There are no policy implications.



A handwritten signature in black ink that reads "Sara Flight".

Sara Flight
Property Officer

A handwritten signature in black ink that reads "Victoria Araba".

[Approved by]
Victoria Araba
Director - Assets

A handwritten signature in blue ink that reads "Sven Hanne".

[Approved by]
Sven Hanne
Chief Executive

Date: March 2024



Our reference
F19/13/03-D21/40748

Karakia

Kia uruuru mai
Ā hauora
Ā haukaha
Ā haumāia
Ki runga, Ki raro
Ki roto, Ki waho
Rire rire hau Paimārire

I draw in (to my being)
The reviving essence
The strengthening essence
The essence of courage
Above, Below
Within, Around
Let there be peace.