

Partner Profile: Brenton Rooney

We're pleased to have welcomed Brenton earlier this year when he joined Webb Farry as a Partner and thought it was time to share a bit more about him.

With a strong focus on property, agribusiness and high-value commercial and succession matters, Brenton brings both practical expertise and in-depth sector insight to his clients across the South Island's rural economy.

Raised with a strong appreciation for the land, Brenton has developed a reputation for being hands-on, practical and solutions focussed. He's no stranger to gumboots and gravel roads – often heading out to clients' farms to get a firsthand look at their operations and better understand the context of their legal needs. Brenton believes good legal advice starts with understanding the business and environment of his clients. "When I sit down with a farming family or rural business, I want to bring more than just legal knowledge – I want to bring a practical understanding of what's at stake for them".

Brenton works closely with clients in the dairy, sheep, beef and cropping sectors, advising on everything from land transactions and business structures to succession planning and complex commercial arrangements. He is known for his down to earth, direct and client-centred approach – qualities that perfectly align with the values of our firm.

With a passion for supporting long term, intergenerational outcomes, Brenton is already making meaningful impact with both new and existing clients. We're excited to have his expertise on board to support and grow our rural and commercial law offering.

If you'd like to get in touch with Brenton to learn more about how he can support you or your business, feel free to reach out for a chat.



Trustee Obligations Core Documents

Do you know where your Trust documents are?

If you hold a trustee position under a trust, you must be aware of the record keeping obligations that are imposed under the Trusts Act 2019 ("Act"), most importantly sections 45-48 regarding "core trust documents".

What are the core documents?

Section 45 of the Act provides a list of the "core trust documents" which trustees must keep, so far as is reasonable. These are:

- the trust deed and any other document that contains terms of the trust;
- variations made to the terms of the trust;
- records of the trust property that identify the assets, liabilities, income and expenses of the trust;
- records of trustee decisions;
- written contracts;
- accounting records and financial statements;
- documents of appointment, removal and discharge of trustees;
- memorandum of wishes from the settlor;
- any other documents necessary for the administration of the trust; and
- any other document referred to above that was kept by a former trustee and has been passed on to the current trustees.

In meeting the above obligations, where a trust has more than one trustee, each trustee must personally at a minimum, hold a copy of:

- The trust deed or any other document that contains terms of the trust; and
- Any variations documents that have been made to the trust deed or trust.

Who must hold the core documents?

At least one trustee must hold all other documents specified in section 45 of the Act for the duration of the trustee's trusteeship.

It is also important to note, that when a trustee retires or the trusteeship ends, the trustee must pass on to the replacement or a continuing trustee the documents that the trustee holds at that time. It will therefore be important to consider who will be responsible for holding the trust's core documents if this had previously been managed by the retiring trustee. The trustees should also ensure that the replacement trustee, at a minimum, is holding a copy of the trust deed and any variations as mentioned above.

Some trusts will have a professional trustee appointed, such as a solicitor or accountant and they will retain a copy of all core documents on the trust's behalf. However, if this is not the case, you should take conscious steps to ensure that the trustees have efficient processes in place to manage their record keeping duties.

This may seem like a simple thing, but with the passage of time between creating a trust, change in trustees or the use of different technologies, all trustees should regularly review that the trust is compliant with the obligations imposed under sections 45-48 of the Act.

If you have any concerns or wish to discuss how your trust can best manage its record keeping obligations, please do not hesitate to contact us.

Exploring Wind and Solar Farms:

A Sustainable Option for Farming Succession

As landowners plan for the next generation, many are exploring how to diversify income streams and make their farms more financially resilient. One increasingly popular option is leasing land for renewable energy projects like wind and solar farms. These ventures can provide a steady, long-term income while still allowing land to stay in the family. It also provides an opportunity for landowners to assist with reaching New Zealand's legislated goal of net-zero carbon emissions by 2050.

While this is a great opportunity for a broader succession strategy, these types of agreements can be complex and long-term. It is therefore important to consider the legal factors and get the right advice before entering into any agreement.

How It Works

Renewable energy companies often lease farmland for the placement of wind turbines or solar panels. These projects typically require:

- **Wind farms:** Elevated, open land with good wind resources, ideally close to power infrastructure.
- **Solar farms:** Flat or gently sloping land with high sun exposure and minimal shading, ideally close to power infrastructure.

Land used doesn't always need to be taken out of production. In many cases, grazing can be continued around solar panels, and terms surrounding this have the ability to be negotiated. Turbines take up only a small footprint, leaving most of the land available for other farming activities (excluding forestry).

How Farmers Get Paid

Farmers generally lease part of their land to the energy company under a long-term agreement – e.g. 20 to 30 years. There are usually three main stages of payment:

1. **Option fee:** A smaller annual payment in the early stages, while the company conducts studies to assess suitability.
2. **Construction and development payments:** Larger payments if the project goes ahead, often including an upfront sum.
3. **Ongoing lease payments:** Annual or monthly income for the lifespan of the project, which is typically based on per turbine, panel, or hectare, or it may include a percentage of the energy revenue.

These payments can range from tens to hundreds of thousands of dollars per year, depending on the project size and terms.



Legal Considerations

Legal agreements for these projects are complex and require specialist advice. Here are some key things to consider:

- **Land value:** Long-term leases can affect the value and future use of the land.
- **Land tenure and easements:** What access rights are granted to developers?
- **Farming operations:** Is a wind or solar farm complementary to the existing farming operations?
- **Community and council approval:** These projects may require public consultation and various environmental consents.
- **Overseas Investment Office (OIO) consent:** This may be required if overseas interests are involved in the project.
- **Reinstatement:** What happens after the leases come to an end?

Succession

In today's economic environment, many farming families face the challenge of being asset rich but cash poor – owning valuable land, but lacking the liquid income needed to support current operations and the next generation. Rising costs, unpredictable markets, and the pressure to scale make it increasingly difficult to divide assets fairly or fund succession without selling land or taking on debt.

Leasing land for renewable energy can offer a smart and sustainable solution. It generates reliable, long-term income while preserving landownership. This can help bridge the gap between generations, providing parents with income for retirement and giving successors a solid platform to carry the farm forward.

Final Thoughts

Leasing land for renewable energy can be a powerful way to secure intergenerational financial stability while contributing to a sustainable future. It's worth considering as part of a broader succession strategy, especially if you're thinking creatively about how to keep the land productive and profitable for years to come. If you are considering this as a future option, or want to discuss other options around succession and alternative income streams, get in touch with the team at Webb Farry for specialist advice.

Contact

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