



SOUTH WAIRARAPA
DISTRICT COUNCIL
Kia Reretahi Tātau

Significant Activities and Levels of Service

Date of Approval	xx June 2021
Next Review	30 June 2024

Strategic Framework

Council needs a strong strategic framework that encapsulates our long-term aspirations for the district, the outcomes we want to achieve for the community and how we propose to get there. The strategic framework drives Council's Spatial Plan, which is the blueprint for how we want the district to be in 30 years' time, and our LTP, which sets the direction, activities and budgets for the first ten years.

Our strategic framework flows from one of purposes of local government, which is to promote the social, economic, environmental and cultural wellbeing of communities in the present and for the future.

Our Vision

“Best of country living with the community at the heart of everything we do”

Our Community Outcomes

SOCIAL WELLBEING	ECONOMIC WELLBEING	ENVIRONMENTAL WELLBEING	CULTURAL WELLBEING
Residents are active, healthy, safe, resilient, optimistic and connected	A place of destination, new business and diverse employment that gives people independence and opportunity	Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced	Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage

Our Strategic Drivers

CREATING BETTER CONNECTIONS & SOCIAL WELLBEING	SUPPORTING SUSTAINABLE GROWTH, EMPLOYMENT, ECONOMIC WELLBEING & DEVELOPMENT	ENHANCING 3 WATERS DELIVERY & ENVIRONMENTAL QUALITY	NURTURING AND CREATING THE DISTRICT'S SPECIAL CHARACTER, QUALITIES AND CULTURE
<ul style="list-style-type: none"> » Strengthen social connections within the community » Encourage civic pride and participation » Provide universally accessible, safe and diverse spaces to strengthen connection between people and place » Advocate for better transport and technology to improve social and business opportunities 	<ul style="list-style-type: none"> » Plan for growth that protects rural land and character » Contain rural residential expansion » Support quality urban development » Limit growth in coastal and other areas subject to climate change impacts » Support the transition to a low carbon economy » Encourage economic diversity and local vibrancy » Leverage partnerships with central and regional agencies to enable economic development and employment opportunities 	<ul style="list-style-type: none"> » Deliver sustainable, clean, clear, safe and secure drinking water » Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems » Protect and replenish our natural environment and biodiversity » Minimise waste and provide environmentally sustainable Council services » Take active measures to adapt and mitigate the impacts of climate change » Empower and enable our community to drive behavioural change for the benefit of the environment 	<ul style="list-style-type: none"> » Work in partnership with mana whenua, respecting tikanga (customs), kaitiakitanga (guardianship) and taha Māori (heritage) » Take opportunities to embrace and celebrate diversity » Take opportunities to advance and showcase arts, culture & heritage » Protect town and rural community character, retaining our unique look and feel » Improve urban design and integrate what we build with natural features.

Significant Activities and Levels of Service

Council implements its strategic direction - and so achieves its vision for the community - through the delivery of services. We have grouped these services into the significant activities listed below and provide asset, performance and financial information for each group of activities. The groups of activities align with the strategic framework so it is clear to the community how well we are achieving our vision and community outcomes.



The scope and cost of providing each significant activity is determined through a series of levels of service. We have chosen levels of service that are important to the delivery of the activity and our community outcomes, and which represent high costs, risks or value to the community. The quantity and quality of each level of service translates into cost – generally the higher the service the higher the cost. In a number of cases, the minimum levels of service are determined by statutory and regulatory compliance.

Measuring Performance

It is important that Council's performance in undertaking its significant activities is evaluated so that we can see how well we are achieving our vision and identify areas for improvement. For each service level, we have identified a number of key performance indicators with targets over the life of the LTP.

We use a customer survey to measure how we are tracking against many of the key performance indicators. The survey will be carried out by an external provider at least every two years and we will carry out our own surveys at least annually in the intervening year.



Governance

Description

The Local Government Act 2002 defines the purpose of local government, which is to:

- » enable democratic local decision-making and action by, and on behalf of, communities; and
- » promote the social, economic, environmental and cultural wellbeing of communities, in the present and for the future.

While Council provides a limited range of services compared with the larger local authorities, its leadership and advocacy on behalf of the community is a major role for Council. Such leadership and advocacy can cover a very wide range of issues important to the community.

Governance is the means for collective action in society, responding to and guiding change that is beyond the capacity of private action.

The governance model under the Act is representative democracy. The community elects individuals to make judgements on behalf of the community about what will promote wellbeing. Although the model is one of representative democracy there are strong elements of citizen participation.

There are two elements to governance under the Act:

- » Representing the community.
- » Strategic planning and policy development.

Representation

This involves the provision of leadership and governance of the district through the Mayor's office, the Council/committee structure and the three community boards: Greytown, Featherston and Martinborough. The Mayor is elected "at large" by the district as a whole, irrespective of the existence of wards, and chairs the meetings of full Council. The Mayor is usually appointed to be the spokesperson on behalf of the Council on decisions and policies made by the Council.

In the interests of efficiency, and to provide separation between the Council's regulatory and non-regulatory roles, the Council may choose to establish committees. Representation on and delegations to committees is decided by the Mayor and Council. A committee chairperson is responsible for presiding over meetings of a committee and ensuring that the committee acts within the powers delegated by Council.

The chairs of the Māori Standing Committee and the three community boards are elected from within by the respective committee/community board.

The South Wairarapa District Council currently operates five publicly notified committees and one subcommittee as follows:

- » Māori Standing Committee;
- » Assets and Services Committee;
 - » Water Race Subcommittee;
- » Planning and Regulatory Committee;
- » Finance, Audit and Risk Committee; and
- » CEO Review Committee.

Council meetings are held eight-weekly and the committees and Community Boards meet as per their terms of reference requirements. A number of operational committees, joint committees and working parties meet as required.

A fundamental role of the Council is to represent the views of its electors. It differs from the governance role in that the latter is about decision-making on matters before the Council, whereas representation encompasses being accessible to the community to receive and understand their views, and if appropriate explain Council reasoning behind a particular decision or policy to those who might be interested. Representation also includes representation of Council through membership of various Council and community organisations.

For this, the Mayor, councillors and community board members are set remuneration independently by the Remuneration Authority.

Strategic Planning and Policy Development

This involves carrying out long term and annual planning for the district and producing plans which reflect the Council's role and level of involvement in helping to achieve the community outcomes. The Long Term Plan is produced on a three-yearly cycle.

Communicating and consulting with the community is fundamental to the Council's strategic planning role. Formal consultation is required before certain decisions can be made. The trigger for the extent of consultation is determined by Council based on the extent to which the Council is already aware of the issues, the interests of those affected by a particular proposal, and the regard to the circumstances in which a decision is being made. This is outlined in the Significance and Engagement Policy.

Climate change presents a significant challenge for Council and our community and necessitates a whole-of-Council strategic response. Council adopted the joint Ruamāhanga Climate Change Strategy for SWDC and CDC in June 2020. The Strategy has been developed to help the councils reduce our carbon footprint and a ten-year action plan will guide the councils towards this goal.

This activity also includes planning and strategy development for urban and district growth to ensure growth is sustainable and infrastructural planning for the future can be carried out with certainty within clearly defined boundaries. Reviews of the District Plan and development of a Spatial Plan are included in this activity. Policy development arising from this activity includes providing the framework for the community's strategic direction, regulatory policies and bylaws.

Monitoring and Reporting

Monitoring of community outcomes takes place independently on a three-yearly cycle. The objective is to measure the impact of Council's role and programmes on achieving the outcomes, and to report on the progress made.

After each financial year the Council is required to prepare an annual report setting out information on the level of achievement against the key financial and performance targets for the year ended 30 June. The annual plan identifies what the Council plans to do over the next 12 months. The annual report explains what actually took place and the financial position at year end.

Assets We Look After

There are no assets that this activity manages.

Significant Negative Effects

Low confidence in Council decision-making or participation in democratic and governance processes and poor strategic planning has negative effects. We continue to improve the quality of council reporting and transparency in decision-making. We have redeveloped our Significance and Engagement Policy to ensure we appropriately engage with the community.

The impacts of climate change will have significant effect on Council's services and the wellbeing of our community. We are addressing these issues through the development and implementation of the *Ruamāhanga Climate Change Strategy* and action plan.

Community Outcomes and Strategic Drivers to Which the Activity Contributes

The Governance activity primarily contributes to the following community outcomes and strategic drivers.

SOCIAL WELLBEING	ECONOMIC WELLBEING	ENVIRONMENTAL WELLBEING	CULTURAL WELLBEING
<ul style="list-style-type: none"> » Residents are active, healthy, safe, resilient, optimistic and connected » Creating better connections & social wellbeing » Encourage civic pride and participation » Advocate for better transport and technology to improve social and business opportunities 	<ul style="list-style-type: none"> » A place of destination, new business and diverse employment that gives people independence and opportunity » Supporting sustainable growth, employment, economic wellbeing & development » Plan for growth that protects rural land and character » Contain rural residential expansion » Support quality urban development » Limit growth in coastal and other areas subject to climate change impacts » Support the transition to a low carbon economy » Leverage partnerships with central and regional agencies to enable economic development and employment opportunities 	<ul style="list-style-type: none"> » Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced » Enhancing 3 waters delivery and environmental quality » Take active measures to adapt and mitigate the impacts of climate change » Empower and enable our community to drive behavioural change for the benefit of the environment 	<ul style="list-style-type: none"> » Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage » Nurturing and creating the District's special character, qualities and culture » Work in partnership with mana whenua, respecting tikanga (customs), kaitiakitanga (guardianship) and taha Māori (heritage) » Protect town and rural community character, retaining our unique look and feel » Improve urban design and integrate what we build with natural features.

The Activity Goal and Principal Objectives

The governance advocacy activity goal is:

- » to provide for the governance, leadership, advocacy and policy-making activities in the South Wairarapa district.

Council's principal objectives are:

- » to be a vigorous advocate for issues of concern to the community and demonstrate leadership in carrying out its work;
- » to demonstrate sound and considered governance;
- » to develop good policies and strategies in order to guide its work in a consistent manner;
- » to assist in co-ordinating the many different actions of central government, education

providers and businesses to make Council's vision a reality;

- » to have strategies and planning which will be keys to success, as will new and innovative ways of doing things.
- » to encourage and facilitate public consultation and opportunities for effective public partnership in Council's decision-making process;
- » to use best practice to achieve measurable results and to continue to make South Wairarapa a great place in which to live and work;
- » to work with others (councils included) in partnerships to achieve best results for South Wairarapa and also Wairarapa as a whole; and
- » to foster iwi and hapū relationships and meet Treaty of Waitangi obligations.

Statement of Service Performance - Governance

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE 2021/22	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25 - 2027/28	
Council supports and enables good decision-making resulting in decisions that are transparent, robust, fair and legally compliant	Meeting and committee agendas are made available to the public within statutory timeframes (2 working days prior to meetings)	New	n/a	100%	100%	100%	100%	Council records
	Meeting and committee agendas made available to the public 3 working days prior to meetings	New	n/a	80%	85%	90%	90%	Council records
	Residents who agree that there are adequate opportunities to participate in decision-making	New	n/a	80%	80%	80%	80%	Customer survey
Council provides opportunities for community engagement	Residents who agree that there are adequate opportunities to have their say in Council activities	New	n/a	80%	80%	80%	80%	Customer survey
	Residents are satisfied with the accessibility of the Mayor and councillors	New	n/a	80%	80%	80%	80%	Customer survey
The community has confidence in the quality of democracy and representation provided by elected members	Residents are satisfied with the advocacy and leadership of the Mayor and councillors	New	n/a	80%	80%	80%	80%	Customer survey
	Residents who agree that the community board effectively advocates on behalf of their community	New	n/a	80%	80%	80%	80%	Measured by ward via customer survey

Statement of Service Performance – Governance (Continued)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE 2021/22	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25 - 2027/28	
Council works in partnership with Maori and mana whenua	Mana whenua are satisfied with their relationship with Council	New	n/a	80%	80%	80%	80%	Customer survey
	Residents who feel that Māori culture and te reo is appropriately recognised and visible in the district	New	n/a	80%	80%	80%	80%	Customer survey
	Mana whenua partners agree that the use and protection of the district's resources for the future is appropriate	New	n/a	80%	80%	80%	80%	Customer survey
Council provides effective planning and monitoring of performance	The Annual Plan and Long Term Plan are adopted within statutory timeframes	New	100%	100%	100%	100%	100%	Council records
	The Annual Report includes an unqualified audit opinion	New	No	Yes	Yes	Yes	Yes	Council records
	Council strategies, policies and regulatory instruments are current	New	n/a	100%	100%	100%	100%	Council records



Finance and Corporate Support

Description

The Finance and Corporate Support activity brings together those corporate activities that provide expert advice and support to ensure Council functions well.

Finance and corporate compliance

Council's finance and corporate compliance activities include:

- » providing financial expertise and services to the organisation
- » ensuring that Council manages its financial, strategic and operational risks
- » ensuring corporate compliance with statutory obligations and managing legal relationships
- » monitoring and reporting against financial targets and developing the financial components of strategic plans and reports including the Annual Plan, Long Term Plan and Annual Report

Human Resources

Council's success relies on the success of our people and we aim for a culture that has a strong focus on health, safety and wellbeing. We develop policies and provide support and advice to manage and develop our staff to help meet the needs of our organisation and deliver on our community outcomes.

Corporate Support

Corporate support activities help deliver the day-to-day operations of Council through building, administration and information technology management. The Customer Services team are often the first point of contact with Council through face to face, telephone and email enquiries.

Records and Information Services

These services are fundamental to transparency of decision-making and officers ensure Council meets its responsibilities under the Local Government Official Information and Meetings Act 1987, the Privacy Act

2020 and the Public Records Act 2005. Officers manage Council's records and archives, develop policy and provide advice and training to officers to ensure continued compliance.

Communications

Council's focus has been on strengthening our communication with the community through service improvements. We have revamped our website to make it easier for our residents and visitors to find out more about Council and interface with our services as people move to digital methods rather than face-to-face contact with Council officers. We continue to support council operations by providing quality communications through traditional and digital platforms.

Business Continuity and Emergency Management and Civil Defence

Based on recent experience with the Covid-19 global pandemic, and the real threat of community transmission in our own region, Council is acutely aware of the need to build resilience and continuity into its own operations and within the community.

The Wellington Region is exposed to a wide range of natural and man-made hazards (earthquake, flooding, landslide, tsunami, storm, biological, chemical, terrorism, etc.). However, there is a great deal that we can do to reduce the impact of these hazards on our communities. Our approach to emergency management is based on the principles of reduction of risk, readiness, response and recovery.

Greater Wellington Regional Council (GWRC) has joined with the city and district councils in the region to form Wellington Region Emergency Management Office (WREMO), a semi-autonomous civil defence and emergency management organisation. All the councils' emergency management staff and resources are pooled together. Improved effectiveness from increased scale and co-ordination, as well as efficiencies from the centralised provision of services such as training and public education has occurred.

Local emergency management offices have been retained to enable effective local responses to emergencies. This was seen with the activation of the Wairarapa Emergency Operations Centre (EOC) during the initial Covid-19 response, which received positive feedback from the community.

The WREMO team has:

- » prepared the Wellington Region Civil Defence Emergency Management (CDEM) Group Plan and associated plans;
- » led further development of the community response plans for Martinborough, Featherston and Greytown;
- » educated people about the risks they face and how to prepare for emergency events, through attending public events, running training courses and attending community group meetings;
- » maintained the Wairarapa EOC so that it can be quickly activated to manage an emergency event (the centre has information management

systems, robust communication systems and trained volunteer staff); and

- » worked with central government, emergency services, welfare groups, lifeline utilities and a wide range of interested and affected organisations on emergency management issues.

The Civil Defence Emergency Management Act 2002 requires each region to have a CDEM Group and prepare a CDEM Group Plan. The Act also requires GWRC to be the administering authority for the Wellington region CDEM Group. While all staff of the team are GWRC employees, the work of the team is overseen by the CDEM Group (a joint committee of all the mayors in the region along with the Chair of Greater Wellington) and the Co-ordinating Executive Group¹.

Wairarapa has 1.9 staff dedicated to the area.

A civil defence response, while coordinated by the regional body, relies heavily on small local groups within the community.

Photo of Wairarapa EOC

¹ The Co-ordinating Executive Group is a requirement of the Civil Defence and Emergency Management Act 2002 and is made up of the Chief Executives of GWRC, the district and city councils and district health boards in the region, along with senior

representatives from NZ Policy, NZ Fire Service, Wellington Lifelines Group and the Regional Commissioner for the Ministry of Social Development.

Community Outcomes and Strategic Drivers to Which the Activity Contributes

The Finance and Corporate Support activity primarily contributes to the following community outcomes and strategic drivers.

SOCIAL WELLBEING	ECONOMIC WELLBEING	ENVIRONMENTAL WELLBEING
<ul style="list-style-type: none"> » Residents are active, healthy, safe, resilient, optimistic and connected » Creating better connections & social wellbeing » Encourage civic pride and participation » Provide universally accessible, safe and diverse spaces to strengthen connection between people and place 	<ul style="list-style-type: none"> » A place of destination, new business and diverse employment that gives people independence and opportunity » Supporting sustainable growth, employment, economic wellbeing & development » Support the transition to a low carbon economy » Encourage economic diversity and local vibrancy Leverage partnerships with central and regional agencies to enable economic development and employment opportunities 	<ul style="list-style-type: none"> » Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced » Enhancing 3 waters delivery & environmental quality » Minimise waste and provide environmentally sustainable Council services » Take active measures to adapt and mitigate the impacts of climate change

Assets we Look After

There are no assets that this activity manages.

Significant Negative Effects

Lack of planning for emergency events and business continuity and low community resilience has significant negative effects. We continue to work closely with our CDEM group and the community to ensure we can respond effectively.

Low confidence and a lack of transparency in council processes and decision-making has negative effects. We continue to improve our processes and provide staff training relating to requests for official information.

Statement of Service Performance – Finance and Corporate Support

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25–2030/31	
Council is financially prudent	Net cash flow from operations equals or exceeds budget (predictability benchmark/operations control benchmark).	New	n/a	>100%	>100%	>100%	>100%	Council records
	Capital expenditure on the four network infrastructure services equals or exceeds depreciation on those four services (sustainability benchmark/balanced budget benchmark) ²	New	n/a	>100%	>100%	>100%	>100%	Council records
	Rates income complies with the limits set in the financial strategy (affordability benchmark/rates benchmark)	New	n/a	<55%	<55%	<55%	<55%	Council records
	Debt complies with the limits set in the council's financial strategy (affordability benchmark/rates benchmark)	New	n/a	<250%	<250%	<250%	<250%	Council records
	Revenue (excluding income from development and financial contributions, revaluations and vested assets) exceeds operating expenditure (sustainability benchmark/balanced budget benchmark)	New	n/a	>100%	>100%	>100%	>100%	Council records
	Net debt is less than or equal to forecast net debt in the local authority's Long Term Plan (predictability benchmark/Debt control benchmark)	New	n/a	<100%	<100%	<100%	<100%	Council records
	Borrowing costs are less than 10% of operating revenue (or 15% for those with projected growth at or above NZ average) (sustainability benchmark/debt servicing benchmark)	New	n/a	<15%	<15%	<15%	<15%	Council records
People are prepared for a civil defence emergency	Ratepayers and residents prepared for an emergency	2016 74%	No result	75%	75%	75%	75%	Customer survey
	Regional Civil Defence Emergency Annual Plan achieved	2016 Yes	Yes	Yes	Yes	Yes	Yes	WREMO records
Council's processes & decision-making is open and transparent	Official information requests are handled within statutory timeframes	New	n/a	100%	100%	100%	100%	Council records
	Reduction in complaints received about council communications	New	n/a	Establish a baseline	10% reduction	Further 10% reduction	Further 10% reduction	Number of upheld complaints received

² The four network infrastructure services are water supply, wastewater, stormwater and land transport

Statement of Service Performance – Finance and Corporate Support (Continued)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
Council's website is effective in supporting self-service	Customers use the website	New	n/a	Establish a baseline	10% increase	Further 10% increase	Further 10% increase	Website data for bounce rates and return visitors
	Enquires via email and phone are reduced	New	n/a	Establish a baseline	10% reduction	Further 10% reduction	Further 10% reduction	Council records
	Customer use of self-service tools	New	n/a	Establish a baseline	10% increase	Further 10% increase	Further 10% increase	Website data for use rates



Planning and Regulatory Services

Description

Planning and regulatory activities and responsibilities arise under a range of legislation and are listed below.

- » Resource management
- » Public nuisances and health
- » Noise
- » Safe and sanitary buildings
- » Management of dogs and stock
- » Alcohol licensing and safe food
- » Camping and camping-grounds, hairdressers, offensive trades, amusement devices and beauty therapy operators
- » Safe drinking water supplies
- » Emergency management and civil defence
- » Gaming machine numbers and venues
- » Location of brothels
- » Psychoactive substances
- » Hazardous substances
- » Trade waste

Planning

Council, together with CDC and MDC, has a Combined District Plan (WCDP) under the Resource Management Act 1991.

Under the Act, Council's District Plan should be monitored and reviewed to ensure the plan's objectives, policies and rules continue to achieve integrated management of the effects of activities on the environment; that mitigation or avoidance of natural hazards is achieved, that hazardous substances are managed, that land uses, subdivision of land or use of contaminated land is appropriately controlled, that noise emissions are controlled or mitigated and, activities on the surface of water are appropriately regulated.

The District Plan represents the Council's policy and regulatory long-term approach to resource management, and environmental controls on the day

to day activities of people in the district through the Plan.

Public Nuisance and Health

Council aims to ensure the environmental health of the district and its citizens through compliance, enforcement and licensing under relevant statutes, regulations and bylaws, together with educational activities.

Noise

The Combined Wairarapa District Plan sets noise limits and Council aims to enforce these for the benefit of residents and those operating any business or activity that has a noise component. In addition, Council enforces section 326 of the Resource Management Act 1991 relating to excessive noise.

Safe and Sanitary Buildings

Council's role is to ensure that all new building works and building activities in the district comply with legislative requirements for safety and sanitary conditions. Council provides services to ensure all:

- » building works subject to consent meet the appropriate design and construction standards;
- » non-compliance with the Building Act 2004 is addressed; and
- » adjustments made to the building fees and charges schedule recognise increased costs in processing building consent applications.

Dogs and Stock

Council provides a response service to address issues with dogs and other animals to prevent nuisances and ensure public safety. The service enforces the requirements of the:

- » Dog Control Act 1996;
- » Dog Control By-law 2013;
- » Policy for Control of Dogs 2013;
- » Impounding Act 1955; and
- » Wairarapa Consolidated Bylaws.

Alcohol

Council administers the Sale and Supply of Alcohol Act 2012 with the aim of encouraging the responsible and safe sale, supply and consumption of alcohol while minimising alcohol-related harm in the South Wairarapa. Council does this through the development and implementation of the Local Alcohol Policy (LAP), licensing of alcohol services, provision of enforcement activities and educational information for licencees and the public. Council also supports the operation of the District Licensing Committee (DLC) in carrying out its decision-making responsibilities under the Act.

Safe Food

On 1 March 2019, the Food Act 2014 became fully operational, requiring all food businesses to be registered.

Council retains a role as a registration authority and is the first point of contact for a significant proportion of food businesses. Council is also required to monitor performance of premises and undertake compliance, enforcement and prosecution activities. Community Outcomes and Strategic Drivers to Which the Activity Contributes

The Planning and Regulatory Services activity primarily contributes to the following community outcomes and strategic drivers.

SOCIAL WELLBEING	ECONOMIC WELLBEING	ENVIRONMENTAL WELLBEING	CULTURAL WELLBEING
<ul style="list-style-type: none"> » Residents are active, healthy, safe, resilient, optimistic and connected » Creating better connections & social wellbeing » Strengthen social connections within the community » Provide universally accessible, safe and diverse spaces to strengthen connection between people and place 	<ul style="list-style-type: none"> » A place of destination, new business and diverse employment that gives people independence and opportunity » Supporting sustainable growth, employment, economic wellbeing and development » Plan for growth that protects rural land and character » Contain rural residential expansion » Support quality urban development » Limit growth in coastal and other areas subject to climate change impacts 	<ul style="list-style-type: none"> » Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced » Enhancing 3 waters delivery & environmental quality » Protect and replenish our natural environment and biodiversity » Take active measures to adapt and mitigate the impacts of climate change » Empower and enable our community to drive behavioural change for the benefit of the environment 	<ul style="list-style-type: none"> » Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage » Nurturing and creating the District's special character, qualities and culture » Work in partnership with mana whenua, respecting tikanga (customs), kaitiakitanga (guardianship) and taha Māori (heritage) » Take opportunities to advance and showcase arts, culture & heritage Protect town and rural community character, retaining our unique look and feel » Improve urban design and integrate what we build with natural features.

Assets We Look After

The only assets under this activity are motor vehicles.

Significant Negative Effects

Resource and building consent, and regulatory decisions can have a significant effect on the social, economic, environmental, or cultural wellbeing of the local community. We ensure staff are sufficiently trained and there are robust internal processes for staff to make quality decisions.

The Activity Goal and Principal Objectives

Planning

The planning activity goals are:

- » to promote the sustainable management of natural and physical resources of the district;
- » to maintain an effective District Plan that meets all statutory requirements.
- » to administer the District Plan in an accurate, consistent and timely manner, providing certainty to residents and meeting legal requirements; and
- » to undertake monitoring to enable State of the Environment (SoE) reports and plan effectiveness reviews to be completed.

The Council's principal objectives are:

- » to assess all land use and subdivision applications in accordance with the requirements of the Act, Regional Policy Statement and District Plan;
- » to seek compliance with and, if required enforce, the rules of the District Plan and take appropriate action where breaches have been identified;
- » to prepare and implement changes to the District Plan where a change of policy is promoted by Council or deficiencies in the Plan's provisions have become apparent through practice or monitoring; and
- » to advise the public on the provisions of the District Plan and on general planning-related matters of whatever nature.

Regulatory Services

The regulatory services activity goal is:

- » to ensure adequate levels of protection of public health, welfare and safety.

The Council's principal objectives are:

- » to ensure that services are provided to meet legislative requirements and reasonable community expectations;
- » to ensure that the required services are provided in a cost-effective manner to the community; and
- » to put in place appropriate operational regimes for all matters relating to public protection.



Statement of Service Performance – Planning and Regulatory Services

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE 2005	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25–2030/31	
All resource consents will be processed efficiently	Consent applications completed within statutory timeframes	2008 100%	92%	100%	100%	100%	100%	Council records
	s.223* certificates issued within 10 working days	100%	84%	100%	100%	100%	100%	Council records
	s.224* certificates issued within 15 working days of receiving all required information (note no statutory requirement)	2016 100%	96%	95%	95%	95%	95%	Council records
Council has a district plan that provides certainty of land-use / environmental outcomes	Ratepayers and residents satisfied with the image of the closest town centre shown as “satisfied”	2008 70%	No result	80%	80%	80%	80%	Customer survey
	The District Plan has a monitoring programme that provides information on the achievement of its outcomes (AER’s)	2016 Yes	Yes	Yes	Yes	Yes	Yes	Council records
It is easy to purchase information on any property in the district	LIMs contain all relevant accurate information (no proven complaints)	2008 100%	100%	100%	100%	100%	100%	Council records
	Non-urgent LIMs are processed within 10 days	100% 2008	99%	100%	100%	100%	100%	Council records
Food services used by the public are safe	Premises have appropriate FMP in place and meet the risk-based standards set out in the Plan	100%	100%	100%	100%	100%	100%	Council inspection records
	Premises are inspected in accord with regulatory requirements	100%	48.1%	100%	100%	100%	100%	Council inspection records

Statement of Service Performance – Planning and Regulatory Services (Continued)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE 2005	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25–2030/31	
The sale and supply of alcohol is controlled and responsible drinking is promoted	Premises are inspected as part of licence renewals or applications for new licences	2016 100%	100%	100%	100%	100%	100%	Council inspection records
	Premises that are high or medium risk are inspected annually, while low risk premises are audited no less than once every three years	2016 75%	100%	100%	100%	100%	100%	Council inspection records
	Compliance activities are undertaken generally in accord with the Combined Licencing Enforcement Agencies agreement	2016 100%	100%	100%	100%	100%	100%	CLEG agreement and Council records
The Council will respond when I need some help with noise control	% of calls received by Council that have been responded to within 1.5 hours	90%	98.9%	100%	100%	100%	100%	Council inspection records
Dogs don't wander freely in the street or cause menace to or harm humans or stock	Undertake public education, school and community visits to promote safe behaviour around dogs and/or responsible dog ownership	2016 6 visits	Dog Newsletter sent to all dog owners	New material produced and distributed	3 Visits	3 Visits	3 Visits	Council records
	Complaints about roaming and nuisance dogs are responded to within 4 hours	2016 91%	99%	100%	100%	100%	100%	Council records
	Complaints about dog attacks on persons or stock are responded to within 1 hour	2016 62%	100%	100%	100%	100%	100%	Council records
Stock don't wander on roads, farmers are aware of their responsibilities	Stock causing a traffic hazard is responded to within 1 hour	100%	100%	100%	100%	100%	100%	Council records
Council certifies all consented work complies with the building code – ensuring our communities are safe	Code Compliance Certificate applications are processed within 20 working days	95%	99%	100%	100%	100%	100%	Council records
	Building consent applications are processed within 20 working days	85%	100%	100%	100%	100%	100%	Council records

Statement of Service Performance – Planning and Regulatory Services (Continued)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE 2005	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25–2030/31	
The Council processes, inspects and certifies building work in my district	Council maintains its processes so that it meets BCA accreditation every 2 years	Yes	Yes	Yes	Yes	Yes	Yes	Building Consent Authority
	Council inspects new building works to ensure compliance with the BC issued for the work, BWOF's and Swimming Pools	Yes	Yes	Yes	Yes	Yes	Yes	Building Consent Authority
	Earthquake prone buildings reports received and actioned	63.43% 2016	80%	100%	100%	100%	100%	Council records



Community Facilities and Services

Description

The Community Facilities and Services activity brings together those areas of Council's business that have a direct interface with the community's wellbeing.

Council Facilities

Council owns a number of properties and amenities in the district, including halls and senior housing. These are held to assist Council to achieve its community outcomes and for social and historical reasons.

Council provides the management, planning, administration and maintenance of outdoor sports and recreational areas, children's playgrounds, passive parks, reserves and open spaces for casual and spontaneous leisure needs.

Council is a key member of the Joint Wairarapa Moana Conservation Project for Lake Wairarapa in partnership with iwi, GWRC and Department of Conservation.

Council is responsible for the provision and maintenance of Council's cemeteries, public toilets and public swimming pools.

The libraries in the district are operated as part of the Wairarapa Library Service, a combined operation with the Carterton District Council.

Across the South Wairarapa District trees are a key part of our history and have the potential to play a key role in our future. Having the right trees planted in the right places, maintained and managed appropriately will help mitigate the impact of climate change, improve water and air quality and have positive benefits for social and cultural wellbeing.

Solid Waste and Recycling

Territorial authorities have responsibilities relating to the collection and disposal of solid waste management and associated recycling.

In South Wairarapa district there is one manned transfer and recycling station at Martinborough and manned recycling stations at Featherston, Greytown,

Martinborough, and Pirinoa. However, we propose to disestablish the recycling station at Greytown during the 2021/2022 year. There are unmanned recycling depots at Hinakura, Pirinoa and Ngawi. Private collection services are also available in the district including coastal areas, particularly during tourist seasons, and disposal of this material is allowed at the Council's transfer station.

The Council is also working with other councils in the region to look at Wairarapa-wide solutions to solid waste management.

A total of 4,210 properties were charged for 4,363 refuse collection services last financial year. Urban properties are compulsory and rural properties by choice provided they are on the collection service routes.

Waste minimisation levy funds are applied to analysis of solid waste, recycling, education, advertising and other projects.

Community and Economic Development

Council's role to promote the social, economic, environmental and cultural wellbeing of the community involves working collaboratively with organisations and community groups. We have established a community development function to develop, coordinate and provide a wide range of initiatives, programmes, services and policies that enhance community wellbeing and aspirations.

We have also developed a Positive Ageing Strategy with Masterton and Carterton District Councils to prepare for the region's rapidly ageing community. The Strategy outlines the way in which the councils will work together to improve and integrate their work for our older people.

We support other organisations in the community by providing community grants as part of the annual planning process and through the Community Boards and Maori Standing Committee.

Council continues its involvement in economic development both regionally and locally through the Wairarapa Regional Economic Development Strategy, Wellington Regional Strategy, Business Wairarapa, and other agencies and local business groups. Council also continued to support and promote district tourism through its funding of Destination Wairarapa.

Council also established the Wairarapa COVID-19 Recovery Joint Committee with Masterton and Carterton District Council's to lead the region's recovery from the impacts of COVID-19. The Committee's role is to oversee the development and implementation of the Wairarapa Recovery Plan,

which is to provide direction on restoring and enhancing the community's social, economic, environmental and cultural wellbeing. The work of the Committee will progress through the Wellington Regional Leadership Committee which is being established to provide for:

- » the Wellington Regional Growth Framework
- » regional economic development, and
- » regional economic recovery (from COVID-19 and any other future disruptive events).

Community Outcomes and Strategic Drivers to Which the Activity Contributes

The Community Facilities and Services activity primarily contributes to the following community outcomes and strategic drivers.

SOCIAL WELLBEING	ECONOMIC WELLBEING	ENVIRONMENTAL WELLBEING	CULTURAL WELLBEING
<ul style="list-style-type: none"> » Residents are active, healthy, safe, resilient, optimistic and connected » Creating better connections & social wellbeing » Strengthen social connections within the community » Encourage civic pride and participation Provide universally accessible, safe and diverse spaces to strengthen connection between people and place » Advocate for better transport and technology to improve social and business opportunities 	<ul style="list-style-type: none"> » A place of destination, new business and diverse employment that gives people independence and opportunity » Supporting sustainable growth, employment, economic wellbeing & development » Support the transition to a low carbon economy » Encourage economic diversity and local vibrancy » Leverage partnerships with central and regional agencies to enable economic development and employment opportunities 	<ul style="list-style-type: none"> » Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced » Enhancing 3 waters delivery & environmental quality » Minimise waste and provide environmentally sustainable Council services » Take active measures to adapt and mitigate the impacts of climate change » Empower and enable our community to drive behavioural change for the benefit of the environment 	<ul style="list-style-type: none"> » Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage » Nurturing and creating the District's special character, qualities and culture » Work in partnership with mana whenua, respecting tikanga (customs), kaitiakitanga (guardianship) and taha Māori (heritage) » Take opportunities to embrace and celebrate diversity Take opportunities to advance and showcase arts, culture & heritage

The Activity Goal and Principal Objectives

The activity goals for council facilities are:

- » to provide facilities for recreational and social enhancement; and
- » to provide facilities that encourage the safe and sustainable use of the natural environment while protecting that natural environment.

The objectives are:

- » to maintain its assets enabling the public to safely enjoy the recreational and social services provided;
- » to achieve defined standards of customer service;
- » to comply with legal requirements;
- » to achieve defined technical standards;
- » to achieve defined environmental standards; and
- » to achieve defined management standards.

The activity goal for solid waste and recycling is:

- » to provide a reliable and safe solid waste management regime within the district and the Wairarapa region.

The objectives are:

- » to protect the health of the community;
- » to protect the environment;
- » to minimise waste volumes that require disposal by addressing recycling use and reduction of waste material; and
- » to work with other councils towards Wairarapa regional solutions.

The activity goals for community and economic development are:

- » to actively develop a safe, inclusive and cohesive community; and
- » to assist in the stimulation of appropriate and sustainable economic, tourism and cultural growth and the development of employment opportunities throughout the district; and

The objectives are:

- » to encourage interest in the social development of the district with the aim of assisting individuals and community groups to help themselves.
- » to encourage cultural development for the benefit of the district and Wairarapa as a whole;
- » to provide community leadership, facilitation, advocacy and contribute to funding where it can by way of grants;
- » to actively develop a safe, inclusive and cohesive community by:
 - » making South Wairarapa a safe place for its residents;
 - » promoting South Wairarapa as a good place in which to live;
 - » fostering a sense of community pride;
 - » consulting widely to ensure representative and inclusive policies; and
 - » respecting obligations under the Treaty of Waitangi.
- » to create a climate for and give encouragement to organisations and individuals to take initiatives in the stimulation of economic growth, tourism and employment opportunities in the district.

Assets we Look After

The following facilities are owned and maintained by Council and/or Council's leasee:

Featherston

Card Reserve, Barr Brown Reserve, Featherston Cemetery, Featherston Information Centre, Clifford Square library, playground, toilet, Dorset Square, Anzac Hall, War Memorial, Walkway Kereru Grove to Titoki Grove, Walkway Hardie Grove to Brandon Street, Walkway Kenward Street to Harrison Street West, Walkway Watt Street, Walkway Brandon Street to Ludlum Street (SH2), Garden One Tree Hill Walkway Revans Street, Garden One Tree Hill Walkway Bell Street, housing for seniors (Burling and Mathews), Featherston Swimming Pool, dog park and skateboard park; Daniell Street adjacent to Railway, Johnson Street adjacent to railway, traffic islands and berms; Featherston Recycling Centre.

Greytown

Greytown Cemetery, SH2 berm Greytown Southern Gateway, Dog Park, Arbor Reserve, housing for seniors in West Street, Collier Reserve, Kowhai Reserve, Stella Bull Park and old library building, public toilets, Soldiers Memorial Park (includes playground, carpark, bushwalk and sports fields), Greytown Campground, Greytown Swimming Pool, Greytown Town Centre building; Greytown cycle trail, and the walkway between Udy and Kuratawhiti Streets; Greytown Recycling Centre.

Martinborough

Dublin Street Cemetery and Puruatanga Road Cemetery, Considine Park, Centennial Park, Martinborough Motor Camp, Martinborough Swimming Pool, Huangarua Park, Coronation Park and Puruatanga Park, Memorial Square, Martinborough Town Hall, Waihinga Centre, Martinborough Playground, Martinborough Public Toilet, Martinborough Museum, the housing for seniors on Naples Street, the dog park; and the grassed area adjacent to the fire station, Council offices, old Council chambers in Cork Street, Pain Farm; and Martinborough Transfer Station.

Rural

Camp Memorial and Peace Garden SH2, Otaraia Reserve, Lake Reserve off Lake Domain Road south of Featherston, Diversion Reserve off East West Access Road near the Barrage Bridge, Te Hopi camp site off East West Access Road, Lake Ferry two large grassed areas one either side of the Motor Camp (includes toilets and playground), Lake Ferry car park, Ngawi surf break toilet, coastal camping area with pit toilet, Te Awaiti and Tora Farm Road toilets and sites for camping, Cape Palliser road litter bin sites and pit toilet, and Hinakura, Ngawi and Pirinoa recycling centres.

Significant Negative Effects

There are health risks if solid waste is not disposed of in an orderly manner. Council has implemented a solid waste management system to mitigate the risks associated with solid waste.

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Statement of Service Performance – Community Facilities and Services

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25–2030/31	
Council provides community facilities and spaces that encourage community use	Residents are satisfied with community buildings, parks and open spaces	New	n/a	90%	90%	90%	90%	Customer survey
	Increase in number of bookings for community facilities	New	n/a	Establish a baseline	10% increase	10% increase	10% increase	Council records
	Swimming pools are open at least 15 weeks per year	New	n/a	100%	100%	100%	100%	Council records
	Residents are satisfied with Council swimming pools	2008 59%	No result	72%	74%	76%	78%	Customer survey
	Library collection turnover meets or better national averages by 2023/24	New	n/a	80%	90%	100%	100%	Council records
	At least 75% of library programme attendees report a positive impact or application as a result of attendance	New	n/a	>75%	>75%	>75%	>75%	Programme evaluation feedback
Council promotes the waste management hierarchy “reduce, reuse, recycle, reprocess, treat, dispose”	% waste recovered for recycling through the kerbside collection	New	n/a	30%	Further 5% recovered	Further 5% recovered	Further 5% recovered	Council records
Refuse collection and disposal meets the needs of the community	% of customer complaints resolved within 24 hours	New	n/a	95%	95%	95%	95%	Council records
	% of residents satisfied with the level of service	2005 83%	No result	85%	85%	85%	85%	Customer survey

Statement of Service Performance – Community Facilities and Services (Continued)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25–2030/31	
Council supports the community to improve their social, cultural and environmental wellbeing	Provide appropriate funding to organisations and community groups to help them deliver programmes and services to their communities	Yes	39 grants made	Yes	Yes	Yes	Yes	Council records
Council supports economic wellbeing	% of commercial ratepayers satisfied with the level of services essential for their business operations (information provided, response time, fairness and consistency)	New	n/a	65%	70%	75%	80%	





Land Transport (Roothing and Footpaths)

Description

This Plan covers the provision of roading network services to the residents of South Wairarapa district. This includes roads, bridges and culverts, footpaths, street lighting, street cleaning, vegetation control, kerb and channel, and structures such as retaining walls, bus shelters and car parks including railway station car parks.

The provision and management of roads is a function of local authorities in the terms of the Local Government Act 2002 including the relevant provisions of the Local Government Act 1974 and the Land Transport Management Act 2003. These acts stipulate that South Wairarapa District Council is the owner and road controlling authority of all roads other than state highways in the district.

The section of State Highways 2 and 53 within the South Wairarapa district boundary are controlled and

operated by NZTA. Footpaths within the 7.281km of state highway corridors in urban areas are included in this plan as they are maintained by Council.

The operation and maintenance of the roading components of the network are eligible for financial assistance from NZTA at the new subsidy rate of 52%. For the Special Purpose Road (Cape Palliser Road) subsidy rates are 100% for the year transitioning to 52% by 2024.

The Ruamāhanga Roads contract commenced in July 2019. The contract is a joint approach between the Council and Carterton District to roading maintenance and aims to maximise efficiency, achieve increased regional consistency and optimise the use of internal resources.

Community Outcomes and Strategic Drivers to Which the Activity Contributes

The Land Transport activity primarily contributes to the following community outcomes and strategic drivers.

SOCIAL WELLBEING	ECONOMIC WELLBEING	ENVIRONMENTAL WELLBEING	CULTURAL WELLBEING
<ul style="list-style-type: none"> » Residents are active, healthy, safe, resilient, optimistic and connected » Creating better connections & social wellbeing » Strengthen social connections within the community » Provide universally accessible, safe and diverse spaces to strengthen connection between people and place » Advocate for better transport and technology to improve social and business opportunities 	<ul style="list-style-type: none"> » Plan for growth that protects rural land and character » Contain rural residential expansion » Support quality urban development » Limit growth in coastal and other areas subject to climate change impacts » Support the transition to a low carbon economy 	<ul style="list-style-type: none"> » Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced » Take active measures to adapt and mitigate the impacts of climate change » Empower and enable our community to drive behavioural change for the benefit of the environment » Enhancing 3 waters delivery & environmental quality 	<ul style="list-style-type: none"> » Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage » Protect town and rural community character, retaining our unique look & feel » Improve urban design and integrate what we build with natural features. » Nurturing and creating the District's special character, qualities and culture

The Activity Goals and Principal Objectives

The land transport goals are:

- » to improve transport options; and
- » to plan, provide and maintain a roading network for the safe, comfortable and convenient movement of people and goods.
- » to minimise adverse effects on the environment;
- » to comply with legal requirements;
- » to achieve defined technical standards including NZTA agreement;


The Council's principal objectives are:

- » to achieve defined standards of customer service;
- » to protect the health and safety of the community;
- » to implement policies of South Wairarapa District Council; and
- » to achieve defined standards of system management.

Assets we Look After

This activity maintains the following assets (as at 1 July 2016):


Bridges

	Rural
	
	Timber 9
	Concrete 76
	Armco/Pipes 15
	Box Culverts 37

Street Lights

	Urban
	
	Featherston 332
	Greytown 282
	Martinborough 283
	Rural 34


Pavement (roads)

	Urban
	
	Sealed 60.9km
	Unsealed 1.3km
	Rural
	Sealed 341km
	Unsealed 260km

Kerb & Channel

	Urban
	Featherston 21.3km
	Greytown 20.8km
	Martinborough 27.5km

Footpaths (concrete, asphalt, metal)

	Urban
	
	Featherston 20.5km
	Greytown 17.1km
	Martinborough 21.3km

Pavements (Roads)

Roadways smoothed to provide users with a safe and comfortable ride and residents a dust-free environment.

Road surfaces resealed to maintain pavement integrity.

Drainage

Roads drained to protect the pavement structure and to control surface water.

Berms and embankments

Berms installed to provide space for utility services and for aesthetics and beautification.

Vegetation

Vegetation controlled to provide a safe and tidy environment and to minimise maintenance. Weed spraying is done where appropriate and where adjoining neighbours do not want weed spraying, they are required to do vegetation control at their own cost.

Urban footpaths

Footpaths separate pedestrians from other road users, providing foot access to properties and all major destinations e.g. schools, medical centres and retirement homes.

- » Central business district areas in the three towns have footpaths on both sides of the street.
- » Other urban streets generally have a footpath on one side.

Footpaths are kept in a safe and useable condition free of:

- » tripping hazards > 10mm;
- » pot holes > 70mm;
- » service works repairs;
- » service covers 10mm above or 20mm below the footpath;
- » obstructions;
- » Scabbing; and
- » failed path (vehicle weight).

Aesthetically footpaths are free from:

- » cracks more than 2m long or more than 2 within 2m; and
- » excessive patching

Footpath surveys and physical inspections are carried out to assess condition and prioritise work against budget.

Kerb and channel

Kerb and channel including sumps are cleaned regularly to prevent flooding.

Structures

Bridges maintained to ensure continuity of roading network.

Retaining walls and seawalls provided to maintain roadway stability.

Street cleaning

Street cleaning in urban areas is carried out on a programmed basis to minimise flooding, and maintain a clean and tidy environment.

Vehicle access

Provide vehicle access to properties (conforming to District Plan provisions) to ensure traffic safety and adequate drainage.

Car parking

On- and off-street car parking areas are provided in business and shopping areas to meet commuter and residential parking needs, and District Plan and Building Act requirements.

Bus passenger shelters

Bus passenger shelters in urban areas are provided and maintained for the convenience of public transport users by GWRC in consultation with South Wairarapa District Council.

Street lighting

Street lighting is maintained to provide road user and pedestrian safety and security (Powerco is responsible for maintaining the current lines). Residential streets in urban areas are lit to the National Standard (NZS 6701) therefore providing sufficient light to show the way and illuminate any hazards for both vehicle users and pedestrians.

Significant Negative Effects

An unsafe roading network could endanger users. In order to ensure the safety of road users, the roading network needs to be maintained. The roading network is maintained using contemporary techniques and the roading programme is audited by NZTA.



Statement of Service Performance – Land Transport (Roading and Footpaths)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE 2005	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25 - 2027/28	
The roads are maintained to ensure that they are safe and comfortable to travel on	Using the RAMM measurement system, average smooth travel exposure on urban roads to be 85% and rural roads 95% with maximum variation of 5%	100%	94% urban 99% rural	95%	95%	95%	95%	Council records
	Ratepayers and residents fairly/very satisfied with the roads	81%	No result	75%	80%	85%	85%	Customer survey
	5% of sealed roads are resealed each year subject to availability of NZTA subsidy	100%	77.6%	100%	100%	100%	100%	Council records
	The pavement condition index as measured by the NZTA pavement integrity index	2016 93%	97.8%	95%	95%	95%	95%	NZTA
Footpaths can be safely used to get around town	Ratepayers and residents are satisfied with footpaths in the district	2016 63%	No result	65%	70%	75%	75%	Customer survey
	Change in number of fatalities and serious injury crashes on the local road network from previous year	2016 3	Reduced by 3	<7	<7	<7	<7	NZTA records
	Availability of footpaths on at least one side of the road down the whole street (urban)	84.8%	72%	90%	90%	90%	90%	Council records
	Footpath Condition rating 95% compliant with SWDC AMP Standard	2017 87%	No result	95%	95%	95%	95%	Council records
	The % of customer service requests relating to roads and footpaths responded to within 48 hours	2016 86%	96%	80%	85%	90%	95%	Council records
	Meet annual plan footpath targets	2016 Yes	No	Yes	Yes	Yes	Yes	Council records

Notes

1. Baseline length of footpaths is worked out on the basis that 49,190m length is completed out of total length of 58,015m.
2. Smooth travel exposure (STE) is percentage of travel undertaken on roads with a roughness less than 150 NAASRA (National Association of Stats Roading Authorities) counts. NAASRA counts are a measure of road roughness (reflecting smoothness of road) i.e. the higher the count the rougher the road. Compared to other Councils' roads in New Zealand, South Wairarapa District Council's roads smoothness standard is very high. It is difficult to improve smooth travel exposure further but roads will be maintained to current level with $\pm 5\%$ variation.
3. $\pm 10\%$ variation for seal extensions and reseals is to take into consideration location and site conditions of work.



Water Supply

Description

This plan summarises the Council's strategic and management approach for the provision and maintenance of potable water supplies to properties throughout the district (excluding those that service single premises that have their own rainwater tanks or bores – whether they be provided by public or private means).

Territorial authorities have numerous responsibilities relating to the supply of water including a duty under the Health Act 1956 to improve, promote, and protect public health within their districts. This implies that in the case of the provision of potable water, councils have an obligation to identify where such a service is required, and to either provide it directly themselves, or to maintain an overview of the supply if it is provided by others.

In South Wairarapa district, there are presently three public water supply systems serving Featherston and Greytown, Martinborough and Pirinoa with 4152 serviced and 211 serviceable water connections.

Three main sources supply water to the urban populations of Featherston, Greytown and Martinborough. There are also two emergency sources available to supply Featherston if needed, and one for Martinborough. The sources of water are described below.

Greytown and Featherston – Waiohine River

Water is extracted from three bores sited next to the Waiohine River. The bore water is pumped up to the Featherston/Greytown water treatment plant (WTP) for treatment.

Water then passes through the ultra-violet treatment plant and supplies both Greytown and Featherston and is dosed with chlorine. The storage onsite is being increased to provide a further eight mega litres. Commissioning of this is due to be completed early this financial year.

A 3.9km 300mm pipeline supplies water from the plant to the existing pipeline crossing the

Tauherenikau River, joining the 300mm gravity trunk main from Tait's Creek and supplying the Boar Bush reservoir, which has a capacity of 450,000 litres.

Water from the WTP also feeds the Greytown reservoir at the plant, which holds 750,000 litres and supplies Greytown via a 7km gravity trunk main.

Featherston – Boar Bush Gully Catchment

This source is operated as an emergency/backup supply for Featherston only. A catchment area of approximately 3km² supplies runoff to an earth dam. The reservoir behind the earth dam contains approximately 40 days storage and includes a settling pond immediately upstream.

Water flows by gravity from the reservoir to Boar Bush reservoir, though it is isolated from the normal water supply.

A study is in progress to determine if the source should be retained as an emergency supply.

Featherston – Tait's Creek Intake Weir

This source is operated as an emergency/backup supply for Featherston only. A concrete intake weir is located across Tait's Creek to the north of Featherston. The weir is designed to divert water from the creek into a 300mm gravity trunk main that supplies water to Boar Bush. The catchment area upstream of the weir is about 16km² with the 9km length of trunk main having a capacity of 6.3 million litres per day.

A study is in progress to determine if the source should be retained as an emergency supply.

Greytown Well

Groundwater is abstracted from a single bore along Kuratawhiti Street outside the Memorial Baths and is treated using ultra-violet light and dosed with chlorine. Water is pumped directly into the existing mains via a 300mm main around 450m metres long.

It is planned to install additional filtration equipment at the plant in this year.

Martinborough – Ruamāhanga Wells

This is the principal source of water for Martinborough being the groundwater aquifer in the vicinity of the Ruamāhanga River.

The groundwater is abstracted from four bores approximately 2.5km south east of Martinborough and approximately 650m from the older terraces upon which Martinborough township is located. Water is pumped directly into the town reticulation and on to four town reservoirs with a total capacity of 3,560,000 litres.

Martinborough – Huangarua

This is a backup/emergency water supply only.

A channel intake is located adjacent to the Huangarua River approximately 200m north of Hinakura Road. The diverted water then flows approximately 50m into a well and is then pumped 1km to the twin reservoirs, though it is isolated from the normal water supply.

Pirinoa

Pirinoa is a small community scheme serving the equivalent of ten properties, about 25 people, including the Pirinoa School, Pirinoa store and the Pirinoa Community Hall.

The water is from a shallow bore and is treated using filtration, ozone and ultra-violet light disinfection, dosed with chlorine and pumped about 900m to the reticulation network.



Sources of Water for Water Races

Two sources supply water to the rural areas of Featherston and Greytown.

Featherston – Tauherenikau River (Longwood Water Race)

A concrete pipe intake structure situated in the Tauherenikau River supplies water via a 600mm culvert to the Longwood water race system. This supplies primarily stock water to rural properties via a system of approximately 40km of open channel within the defined water district.

Greytown – Waiohine River (Moroa Water Race)

A diversion channel located adjacent to the Waiohine River diverts water from the Waiohine River. The Greytown town water supply is extracted from the channel and the remainder of the flow is conveyed into the Moroa water race for stock watering purposes. Within the defined water district there is approximately 225km of open race delivering water.

It is the Council's responsibility to store adequate quantities of water in appropriate positions and to provide an adequate reticulation system for distribution.

Water Supply and Water Race Assets

The Council owns a number of structures and components supplying water as shown below.

Underground Pipes		Open Water Race	
Urban		Rural	
Featherston	36km	Featherston	40km
Greytown	30	Greytown	225km
Martinborough	38km		

A summary of data is held on the geographical information system and other asset systems. The data is regularly updated, extended and improved to incorporate additions, deletions and accuracy of detail.

The Featherston system is a mix of asbestos-cement, concrete-lined steel, fibrolite and reinforced concrete. A significant amount of alkathene exists in smaller sizes and minor amounts of galvanised steel, copper, uPVC and steel exist.

Greytown's system is predominately asbestos-cement with increasing amounts of uPVC being laid in recent times. A quantity of fibrolite, alkathene and steel pipe is also laid.

Martinborough has primarily asbestos-cement and uPVC piping with only minor quantities of alkathene, copper, galvanised and steel.

Water supplies in all the three towns are monitored and controlled through Council's telemetry system.

The Council provides town water supply to the needs of urban residents and industrial, commercial and horticultural users plus some rural users in accordance with Council's Town Water Supply Policy.

Most rural residents obtain their water by other means – mostly from their own rainwater tanks, but some have private bores. There is a small reticulated supply that serves residents at Pirinoa which has recently been upgraded by the council and will be managed as part of the Council town supplies.

Ruamāhanga Whaitua

The Ruamāhanga Whaitua Committee was set up to understand the characteristics of the Ruamāhanga River, the cultural, economic, and environmental values residents associate with waterbodies, and management options appropriate to the Ruamāhanga River's waterways and communities. Committee work has now been completed and has resulted in an implementation plan being published on the GWRC's website in June 2018.

GWRC sought feedback including holding public hearings following this publication. The outcomes of this work will have considerable impact on the water quality and water allocation and availability in coming years. Council will continue to be a key party in these discussions and developments. The impact of the Whaitua proposals on Council over the period of this Annual Plan is unknown at this stage, but will be clearer once the proposed GWRC Natural Resources Plan change has been completed.

Wellington Water

In April 2019, Council agreed to become a shareholder of Wellington Water Limited (WWL), and this came into effect on 1 October 2019. This means that WWL manages Council's three waters assets but Council retains ownership of the assets.

Community Outcomes and Strategic Drivers to Which the Activity Contributes

The Water Supply activity primarily contributes to the following community outcomes and strategic drivers.

SOCIAL WELLBEING	ECONOMIC WELLBEING	ENVIRONMENTAL WELLBEING	CULTURAL WELLBEING
<ul style="list-style-type: none"> » Residents are active, healthy, safe, resilient, optimistic and connected » Creating better connections & social wellbeing » Provide universally accessible, safe and diverse spaces to strengthen connection between people and place 	<ul style="list-style-type: none"> » A place of destination, new business and diverse employment that gives people independence and opportunity » Supporting sustainable growth, employment, economic wellbeing & development » Encourage economic diversity and local vibrancy 	<ul style="list-style-type: none"> » Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced » Enhancing 3 waters delivery & environmental quality » Deliver sustainable, clean, clear, safe and secure drinking water » Protect and replenish our natural environment and biodiversity » Minimise waste and provide environmentally sustainable Council services » Take active measures to adapt and mitigate the impacts of climate change » Empower and enable our community to drive behavioural change for the benefit of the environment 	<ul style="list-style-type: none"> » Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage » Nurturing and creating the District's special character, qualities and culture » Work in partnership with mana whenua, respecting tikanga (customs), kaitiakitanga (guardianship) and taha Māori (heritage)

The Activity Goals and Principal Objectives

The water supply activity goals are: to provide reliable (as possible) and sustainable reticulated water supplies to the townships of Greytown, Featherston and Martinborough;

- » to provide stock water race supply networks from the Tauherenikau and Waiohine Rivers; and
- » to encourage conservation of this valuable resource.

The Council's principal objectives are:

- » to achieve defined standards of customer service;

- » to protect the health and safety of the community;
- » to minimise adverse effects on the environment;
- » to comply with legal requirements;
- » to achieve defined technical standards;
- » to implement the policies of South Wairarapa District Council;
- » to promote development throughout the district; and
- » to achieve defined standards of system management.

Assets we Look After

Water Sources Urban

The **sources** of water are:

- » Featherston – Boar Bush Gully Catchment. This source is currently operated as an emergency supply only.
- » Featherston – Taits Creek Intake Weir. This source is currently operated as an emergency supply only.
- » Greytown and Featherston - Waiohine River.
- » Greytown – Memorial Park.
- » Martinborough – Ruamāhanga Wells.
- » Martinborough – Huangarua. This source is currently used for emergency water supply only.
- » Pirinoa – Pirinoa bore.

Water Sources Rural (Stock Water Races)

Two sources supply water to the rural areas of Featherston and Greytown. The sources of water are:

- » Featherston - Tauherenikau River (Longwood Water Race).
- » Greytown - Waiohine River (Moroa Water Race).

Significant Negative Effects

A water supply that does not meet minimum health standards could cause health problems for users. Council uses contemporary techniques to ensure the water supply is fit for use and has invested heavily in infrastructure over the life of this LTP.

In addition, a reliable supply is needed during drought and for firefighting purposes. Council aims to improve reliability through demand management and is investing in core infrastructure.

Statement of Service Performance – Water Supply

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25 - 2027/28	
Potable water demand	The average consumption of drinking water per day per resident within the territorial authority	2016 728 Lt	558 Lt	<400 Lt	<400 Lt	< 400Lt	< 400 Lt	Council records
The Council provides reliable and safe drinking water supplies	Compliance with resource consent conditions/water permit conditions to “mainly complying” or better	2008 95%	100%	100%	100%	100%	100%	Council records
The water provided is safe to drink	Water supply systems comply with Ministry of Health Drinking Water Standards - Bacteriological	2018 95%	MBA: No GTN: No FSTN: No	Yes	Yes	Yes	Yes	Council records
	Water supply systems comply with Ministry of Health Drinking Water Standards - Protozoa	MBA: No GTN: No FSTN: No 2016	MBA: No GTN: No FSTN: No	Yes	Yes	Yes	Yes	Council records
Customer satisfaction* *	The total number of complaints received by the local authority about drinking water taste per 1000 connections	2016 1.73	0	< 15	<14	<13	<12	Council records
	The total number of complaints received by the local authority about drinking water odour per 1000 connections	2016 2.01	0	<15	<14	<13	<12	Council records
	The total number of complaints received by the local authority about drinking water pressure or flow per 1000 connections	2016 4.03	22.15	<15	<14	<13	<12	Council records
	The total number of complaints received by the local authority about continuity of supply per 1000 connections	2016 5.75	12.8	<15	<14	<13	<12	Council records
	The total number of complaints received by the local authority about drinking water clarity per 1000 connections	2016 3.16	20.92	<15	<14	<13	<12	Council records
	Total of all water complaints per 1,000 connections	2016 16.68	55.87	<75	<70	<65	<60	Council records

Statement of Service Performance – Water Supply (continued)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25 - 2027/28	
Fault response times where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured	Ratepayers and residents satisfied with level of service for water	2008 46%	No result	65%	75%	80%	80%	Customer survey
	Attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site in < 1 hour	2016 66%	78% Median Time 1.26 hrs	75%	80%	85%	90%	Council records
	Resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption in <8 hours	2016 82%	70% Median Time 12.47 hrs	90%	90%	90%	90%	Council records
	Attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site in < 2 working days	2016 76%	49% Median time 0.97 days	75%	80%	85%	90%	Council records
	Resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm in < 5 working days	2016 88%	66% Median time 1.49 days	75%	80%	85%	90%	Council records
There is adequate water for urban fire fighting	Fire hydrants tested annually that meet NZ Fire Service Code of Practice	2015 0%	28%	20%	20%	20%	20%	Council records
Maintenance of the reticulation network	The % of real water loss from the local authority's networked reticulation system identified by establishing and measuring night flow	2016 45.5%	49%	<30%	<30%	<30%	<25%	Council records

Notes

* Flooding rivers, droughts and other unavoidable factors do not enable 100% compliance during the year.

** The local authority's response to any of these issues (expressed per 1000 connections to the local authority's networked reticulation system)



Wastewater

Description

This Plan summarises the Council's strategic and management approach for the provision and maintenance of wastewater to properties in the district (excluding those that service single premises that have their own septic tanks).

This Plan covers:

- » the disposal of wastewater from the urban centres of Featherston, Greytown and Martinborough; and
- » the scheme for Lake Ferry settlement.

Territorial authorities have numerous responsibilities relating to wastewater systems. One responsibility is the duty under the Health Act 1956 to improve, promote, and protect public health within their districts.

This implies that, in the case of the provision of wastewater systems, councils have an obligation to identify where such a service is required, and to either provide it directly themselves, or to maintain an overview of the supply if it is provided by others.

In South Wairarapa district, there are presently four wastewater systems, to which 4,209 pans are serviced and 260 properties serviceable.

The wastewater schemes are:

- » Featherston – Urban.
- » Greytown – Urban.
- » Martinborough – Urban.
- » Lake Ferry – Rural.

Featherston – Urban

A gravity system (95%) with minor pumping (5%). Wastewater flows by gravity from individual connections through the mains to a primary and secondary oxidation pond configuration.

Featherston oxidation ponds are located off Longwood Road some 1.3 km from the edge of the urban development. The ponds have a total surface area of 38,000 m² and incorporate a clay sealing

layer, polyethylene sealed sides and wavebands. The pond effluent is then treated through ultra-violet disinfection and is discharged via a trough into an open channel which flows into Donald's Creek below Longwood Road. Council have purchased 170ha of farmland adjacent to the current oxidation ponds as part of the consent process to irrigate wastewater to land. Council's goal is to discharge 100% of wastewater to land by 2039 and a process is underway to seek resource consents for the discharge of Featherston wastewater.

Greytown – Urban

A gravity system (95%) with minor pumping (5%). At present 90% of the Greytown urban area is connected to the wastewater system. Some properties are still on septic tanks.

Wastewater flows by gravity from individual connections through mains to primary and secondary ponds.

The Greytown oxidation ponds are located at the end of Pā Road, some 3km from Greytown. Pond No 1 has an area of 18,500m² and Pond No 2 has an area of 15,000m². Both ponds are clay lined and have concrete wavebands.

An internal boulder wall filter was constructed in 2000 for pond No 2. This was a requirement of the resource consent process and is aimed at improving effluent quality.

The effluent discharges into the Papawai Stream. The Papawai Stream flows into the Ruamāhanga River some 1,500 metres downstream of the effluent discharge point.

Council have purchased 116ha of farmland adjacent to the current Papawai site as part of the consent process to irrigate wastewater to land. Ultra-violet disinfection was commissioned in 2020 and irrigation to 30ha of this land to eliminate discharges to water during low flow conditions has been commissioned. The Council plan to discharge 100% of wastewater to land by 2041.

Martinborough – Urban

Martinborough operates entirely as a gravity system.

Wastewater flows by gravity from individual connections through the mains to a single oxidation pond.

The pond has an area of 16,300m² and incorporates a clay sealing layer and waveband. Mechanical aerators were installed in 1998 and four maturation ponds were constructed in 2006 to improve the quality of effluent. It is sited at the end of Weld Street, some 1.3km from Martinborough Square. There is an ultra-violet disinfection plant after the maturation ponds.

Treated effluent is discharged via an outlet structure into the Ruamāhanga River except in low flow conditions when the treated effluent is irrigated to 6ha of land adjacent to the plant. Council's goal is to discharge 100% of wastewater to land by 2041.

Lake Ferry

This small community system services properties at the Lake Ferry settlement and was commissioned in 2007.

Serviced properties retain on-site septic tank systems and the effluent from the septic tanks is either pumped or gravitated depending upon location to local pump stations and then to a centralised treatment plant and disposal field east of the settlement.



Summary of Infrastructure

The Council owns a number of structures and components for the disposal of wastewater as shown in the table below.

Underground Pipe Network			
Urban		Rural	
Featherston	25km	Lake Ferry	3km (nearly 50% rising mains)
Greytown	20km		
Martinborough	20km		

The Featherston sewer reticulation system comprises earthenware, asbestos-cement, reinforced concrete and uPVC pipe material. Approximately 90% of the total reticulation is 150mm pipe. The majority of pipeline material is earthenware and asbestos cement reflecting the age of the system and the materials that were available at the time.

The Greytown system is predominantly concrete and asbestos-cement. The use of uPVC is increasing with smaller amounts of asbestos-cement and earthenware pipe.

Most of Martinborough (approximately 99.5%) is asbestos-cement pipe. The remainder is uPVC pipe.

Currently for normal renewal applications, uPVC pipeline is the material of choice. Council is gradually replacing pipes with new uPVC pipes based on condition and criticality. Sewer pumps and aerators are controlled and monitored through Council's telemetry system.

A summary of data is held in Council's geographical information system (GIS) and other asset systems. The information held is regularly updated to incorporate additions and deletions and to improve detail accuracy.

The Council provides for the disposal of wastewater to meet the needs of urban residents and industrial, commercial, institutional, recreational, horticultural and rural users (near the urban areas) in accordance with the Wastewater Drainage Policy.

The Council operates and maintains the system for disposal of wastewater in accordance with standards established by the Ministry of Health and GWRC.

In April 2019, Council agreed to become a shareholder of Wellington Water Limited (WWL) from 1 October 2019. This change means that WWL now manages Council's three waters assets. Council retains ownership of its three waters assets

Assets we Look After

In South Wairarapa district, there are four wastewater community systems:

- » Featherston – Urban.
- » Greytown – Urban.
- » Martinborough – Urban.
- » Lake Ferry – Rural.

These systems include pipes, pumps, ponds and plant facilities to collect treat and discharge the wastewater.

Community Outcomes and Strategic Drivers to Which the Activity Contributes

The Wastewater activity primarily contributes to the following community outcomes and strategic drivers.

SOCIAL WELLBEING	ECONOMIC WELLBEING	ENVIRONMENTAL WELLBEING	CULTURAL WELLBEING
<ul style="list-style-type: none"> » Residents are active, healthy, safe, resilient, optimistic and connected » Creating better connections & social wellbeing » Provide universally accessible, safe and diverse spaces to strengthen connection between people and place 	<ul style="list-style-type: none"> » A place of destination, new business and diverse employment that gives people independence and opportunity » Supporting sustainable growth, employment, economic wellbeing & development » Encourage economic diversity and local vibrancy 	<ul style="list-style-type: none"> » Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced » Enhancing 3 waters delivery & environmental quality » Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems » Protect and replenish our natural environment and biodiversity » Minimise waste and provide environmentally sustainable Council services » Take active measures to adapt and mitigate the impacts of climate change 	<ul style="list-style-type: none"> » Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage » Nurturing and creating the District's special character, qualities and culture » Work in partnership with mana whenua, respecting tikanga (customs), kaitiakitanga (guardianship) and taha Māori (heritage)

The Activity Goal and Principal Objectives

The wastewater activity goal is:

- » to collect, treat and dispose of wastewater from the urban areas of Featherston, Greytown, Martinborough and Lake Ferry so as to provide public health protection with minimal effects on the environment.

The Council's principal objectives are:

- » to achieve defined standards of customer service;
- » to protect the health and safety of the community;

- » to minimise adverse effects on the environment;
- » to comply with legal requirements;
- » to achieve defined technical standards;
- » to implement the policies of South Wairarapa District Council;
- » to promote development throughout the district; and
- » to achieve defined standards of system management.

Significant Negative Effects

There are health and environmental risks if wastewater is not disposed of in an orderly manner. Council is implementing a wastewater system to mitigate the risks associated with wastewater. The resource consent process ensures health, environmental, and cultural considerations are taken into account.

Statement of Service Performance – Wastewater

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25 - 2027/28	
Council provides waste water services that effectively collect and dispose of waste water	Number of blockages per 1000 connections	2015 4.97	10.68	<10	<10	<10	<10	Council records
	Ratepayers and residents satisfaction with waste water services	2005 67%	No result	53%	57%	60%	70%	Customer survey
	Number of dry weather sewerage overflows per 1000 connections	2016 1.73	2.61	<10	<10	<10	<10	Breach of Consent
	Attendance time: from notification to arrival on site <1 hr	2016 54%	44% Median time: 0.83 hrs	70%	75%	80%	85%	Council records
	Resolution time: from notification to resolution of fault < 4 hours	2016 72%	89% Median Time: 55.97 hrs	75%	80%	85%	90%	Council records
Waste water disposal does not create any smells, spill or health issues and causes minimal impact on the natural environment	% of resource consent conditions complied with to mainly complying or better*	2008 90%	100%	90%	90%	90%	90%	Council records
	No. of abatement notices	0 2016	0	<2	<2	<2	<2	Council records
	No. of infringement notices	2016 0	0	0	0	0	0	Council records
	No. of enforcement notices	2016 0	0	0	0	0	0	Council records
	No. of convictions	2016 0	0	0	0	0	0	Council records
	No. of complaints per 1000 connections received about sewage odour	2016 1	0.72 (3)	< 15	< 15	< 15	< 15	Council records
	No. of complaints per 1000 connections received about sewage system faults	2016 2.24	0.24 (1)	< 15	< 15	< 15	< 15	Council records
	No. of complaints per 1000 connections received about sewage system blockages	2016 10.45	10.68 (45))	< 15	< 15	< 15	< 15	Council records
	No. of complaints per 1000 connections received about the response to issues with sewage	2016 0.2	0	< 15	< 15	< 15	< 15	Council records
	Proportion of urgent waste water service requests responded to within 6 hours of notification	2015 100%	72%	95%	95%	95%	95%	Council records

Note:

* This allows for a small number of “technical” non-conformances associated with the myriad of resource consent conditions which may be due to short-term, unplanned impacts on operating conditions, equipment failure etc. The indicator should not be read as an intention to plan for non-compliance.



Stormwater Drainage

Description

This Plan summarises the Council's strategic and long-term approach for stormwater where this is provided and maintained by Council, and also the requirements where it is provided by others.

Territorial authorities have numerous responsibilities for public stormwater management. Council has an obligation to identify where such a service is required and to either provide it directly or to maintain an overview where it is provided by others.

Design and operational considerations for the stormwater system are fundamentally different from other piped services such as water supply and wastewater. For those services, the peak loading on the system can be estimated and designed for. The stormwater system cannot provide protection against all foreseeable storm events and aims only to provide a level of protection accepted by the community as being reasonable.

An overall level of stormwater protection is provided by a combination of:

- » a primary stormwater system; and
- » a secondary stormwater system.

The primary stormwater system is the system of reticulation pipes, culverts, open drains and access chambers. It is designed to collect stormwater resulting from moderate rainfall and discharge it into watercourses. The primary stormwater system is intended to minimise what is often termed as nuisance flooding.

The secondary stormwater system generally

comprises overland flow-paths designed to convey excess floodwater with a minimum of damage when the primary stormwater system is unable to cope. Roads are often used as secondary flow-paths.

Many of the urban areas are not provided with secondary stormwater flow-paths. The provision of secondary stormwater flow-paths is a relatively recent practice in New Zealand. Secondary flow-paths are generally provided at the time of subdivision as the subsequent provision of secondary stormwater flow-paths is usually technically difficult and expensive.

Details of stormwater assets are available in Stormwater Management Plans for the three towns.

Council aims over the long term to provide protection of properties in all urban areas and to ensure stormwater is contained in channels, pipes and structures to direct the flow in a controlled manner across Council-owned/vested land to a waterway or other suitable discharge points. Council's policy is that unused stormwater from the roof of all buildings is disposed of onsite through appropriate means.

In April 2019, Council agreed to become a shareholder of Wellington Water Limited (WWL) from 1 October 2019. This change means that WWL has managed Council's three waters assets from this date. Council has retained ownership of its three waters assets. Officers are working with WWL on this transition.

Assets we Look After

This activity pertains to Council's ownership and maintenance all pipes, pits and open channels that collect and discharge stormwater in the district.

Community Outcomes and Strategic Drivers to Which the Activity Contributes

The Stormwater Drainage activity primarily contributes to the following community outcomes and strategic drivers.

SOCIAL WELLBEING	ECONOMIC WELLBEING	ENVIRONMENTAL WELLBEING	CULTURAL WELLBEING
<ul style="list-style-type: none"> » Residents are active, healthy, safe, resilient, optimistic and connected » Creating better connections & social wellbeing » Provide universally accessible, safe and diverse spaces to strengthen connection between people and place 	<ul style="list-style-type: none"> » A place of destination, new business and diverse employment that gives people independence and opportunity » Supporting sustainable growth, employment, economic wellbeing & development » Encourage economic diversity and local vibrancy 	<ul style="list-style-type: none"> » Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced » Enhancing 3 waters delivery & environmental quality » Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems » Protect and replenish our natural environment and biodiversity » Take active measures to adapt and mitigate the impacts of climate change 	<ul style="list-style-type: none"> » Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage » Nurturing and creating the District's special character, qualities and culture » Work in partnership with mana whenua, respecting tikanga (customs), kaitiakitanga (guardianship) and taha Māori (heritage)

The Activity Goal and Principal Objectives

The stormwater activity goal is:

- » to provide and maintain waterways to collect and dispose of excess surface water to protect amenities, reduce flooding, avoid erosion and establish a safe environment. The Council's principal objectives are to:
- » achieve defined standards of customer service
- » protect the health and safety of the community;
- » minimise adverse effects on the environment;
- » comply with legal requirements;
- » achieve defined technical standards;
- » implement policies of the Council;

- » promote development throughout the district; and
- » achieve defined standards of system management.

Significant Negative Effects

If our stormwater systems are not properly maintained and upgraded, flooding and contamination may impact the wellbeing of ratepayers and their dwellings, as well as the profitability of local businesses. We are investing in preventative maintenance and investigations to inform future investment strategies.

Statement of Service Performance – Stormwater Drainage

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	2019/20 RESULTS	2021/22	2022/23	2023/24	2024/25 - 2027/28	
Stormwater drains are well operated and maintained by the Council	% of ratepayers and residents satisfied with stormwater drains	50%	No result	58%	59%	60%	60%	Customer survey
	% of urgent (any blockage causing extensive flooding of buildings or other serious flooding) requests for service responded to within 5 hours	90%	100%	95%	95%	95%	95%	Council records
	No. of flooding events	2016 0	0	0	0	0	0	Council records
	No. of habitable floors affected per flooding event per 1000 properties connected	2016 0	0	0	0	0	0	Council records
Consent Compliance	No. of abatements notices	2016 0	0	0	0	0	0	Council records
	No. of infringement notices	2016 0	0	0	0	0	0	Council records
	No. of enforcement notices	2016 0	0	0	0	0	0	Council Records
	No. of convictions	2016 0	0	0	0	0	0	Council Records
	Median Response time to flooding events (Notification to personnel reaching site in hrs)	2016 0	0	3	3	3	3	Council Records
	No. of complaints about stormwater per 1000 properties connected	2016 0	No result	0	0	0	0	Council records

Note:

We have no properties connected to a stormwater system. However, the Maroa water race facilitates the movement of stormwater as it moves through Greytown.



SOUTH WAIRARAPA
DISTRICT COUNCIL
Kia Reretahi Tātau

Infrastructure Strategy

2021-2051

Date of Approval	xx June 2021
Next Review	30 June 2024

Table of Contents

Introduction	4
Summary	4
SWDC Community Outcomes and Wellbeings.....	5
Geographic context for the strategy.....	6
Population Growth.....	6
Household Growth.....	9
Regional growth framework	10
Environmental.....	11
What this might mean for Wellington and Wairarapa	13
Environmental Implications	13
Coastal vulnerability.....	13
South Wairarapa Coastal Units in Vulnerability Assessment.....	14
Political factors.....	14
Transport Priorities	18
Three Waters	21
Strategic alignment.....	22
Scope and delivery arrangements	22
Three Waters Asset Profile	27
Drinking Water.....	30
Priority Water Issues.....	30
Priority Drinking Water Issue 1: Improving network and treatment plant performance.....	30
Priority Drinking Water Issue 2: Increase renewals funding.....	32
Priority Drinking Water Issue 3: Improving water supply resilience	34
Priority Drinking Water Issue 4: Security of supply in Martinborough.....	35
Funding Approach.....	37
Our Extended View	38
Wastewater.....	39
Section summary.....	39
Priority Wastewater Issues	39
Significant Project - Featherston Wastewater Treatment Plant (WWTP)	39
Priority Wastewater Issue 1: Improving Network Performance.....	41
Priority Wastewater Issue 2: Increasing renewals funding.....	43
Priority Wastewater Issue 3: Upgrades to meet Levels of Service and growth needs	45
Priority Wastewater Issue 4: Approach	46

Stormwater	49
Summary	49
Maintenance and Operation	49
Water Races	52
Summary	52
Land Transport	54
Summary and Scope	54
Funding and Commercial Arrangements	54
Current Road Condition	55
Asset Management in Land Transport	56
Priority Roding Issues	59
Priority Roding Issue 1: Addressing deteriorating road condition	59

Infrastructure Strategy 2021-2051

Introduction

South Wairarapa District Council (SWDC) is the steward of approximately \$388m of infrastructure assets, accounting for 56% of Council's annual operating expenditure and 77% of capital expenditure¹. These assets include drinking water, wastewater, stormwater, land transport and other key community infrastructure and are the foundations on which Council provides key services to our community. The management of these assets is long-term and inter-generational.

It is therefore essential that Council invests effectively and efficiently in those assets to meet the needs of our ratepayers and promote the health, wellbeing and prosperity of our District.

The Local Government Act (LGA) requires all local authorities to prepare and adopt an Infrastructure Strategy that identifies:

- » The key issues faced by Council in managing these assets over the next 30 years (2021-2051),
- » A summary of the options identified to address these issues,
- » Council's strategic response and preferred options scenario, and
- » The cost and service delivery implications of the options

This Infrastructure Strategy is developed in conjunction with Council asset planning and will be revised every three years as part of the LTP process.

Summary

In previous LTPs and Infrastructure Strategies, SWDC has focused on:

- » Maintaining current levels of service across all assets,
- » Meeting statutory requirements, and
- » Keeping cost increases to a minimum²

While this approach has largely achieved these goals our infrastructure assets are beginning to show signs of deterioration, which, if not addressed now, will require significantly higher investment in the future to repair or replace. If our infrastructure assets are not appropriately invested in now the service levels provided by Council will also reduce.

As part of the 2020/21 Annual Plan, Council increased its investment in water, roading and amenity infrastructure, but the demands placed on our ageing assets continues to grow. To deliver on the services levels provided by these assets, enhance the wellbeing of our community and enable economic growth in our District, a further increase in investment is required over the LTP period.

¹ As valued at 30 June 2018

² SWDC 2018-2028 Infrastructure Strategy

As such, the areas of focus for this strategy are to:

- » Increase investment in asset renewal to progressively reduce the need for reactive repair,
- » Meet levels of service for ratepayers by increasing budgets for maintenance and operations,
- » Develop clear strategies for future upgrades or new infrastructure investment,
- » Identify, plan and deliver capacity upgrades to cater for growth within the District, and
- » Continue to enhance our asset knowledge and analytics to refine investment decisions.

This investment, and its phasing, requires Council to balance and consider:

- » Current asset condition, performance, and remaining or projected asset life,
- » Asset criticality,
- » An evolving Local Government environment, which includes the ongoing [Three Waters Reform Programme](#),
- » Levels of Service provided to our community,
- » Affordability for South Wairarapa ratepayers,
- » Demographics, projected growth and its infrastructure impact,
- » Sound asset management decisions based on best available data, and
- » The probable impact of climate change on our Infrastructure.

In addition, this Infrastructure Strategy has also considered:

- » the multiple impacts of the Covid-19 pandemic on our local community and beyond
- » Community feedback through ongoing engagement and from consultation on the 2021 Annual Plan
- » A constrained supply market for project delivery (e.g. contractor capacity, availability of materials), and
- » Emerging innovation and technical advancements

SWDC Community Outcomes and Wellbeings

Council infrastructure is integral to meeting the needs, and ensuring the wellbeing, of our ratepayers. As such, the key issues or projects in this Infrastructure Strategy are considered in the context of the four Wellbeings and Community Outcomes:

- » **Social wellbeing** - residents are active, healthy, safe, resilient, optimistic and connected,
- » **Economic wellbeing** - new business, jobs that give people independence and opportunity, diverse transport modes and a place of destination,
- » **Environmental wellbeing** - sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced, and
- » **Cultural wellbeing** - strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage.

The impact of investment decisions on these Community Outcomes will vary. Capital upgrades to wastewater treatment facilities will help improve the environmental wellbeing in the District, but so too will increased maintenance resources to rapidly respond to wastewater network leaks.

Meeting these needs across multiple asset types, and balancing them with affordability, requires appropriate phasing and compromise, where possible and appropriate. However, large parts of our infrastructure require greater investment now or service levels will not be met and any deferred costs are likely to be significantly higher.

Geographic context for the strategy

The South Wairarapa District is at the southern-most point of the North Island and comprises approximately 248,455 hectares. The Council covers a large land area that includes Lake Wairarapa, significant ranges, a long coastline and significant rural areas. There are three main centres in the District: Featherston, Greytown and Martinborough and a number of smaller rural and coastal settlements.

Figure 1 - SWDC Geographic Context Map



Population Growth

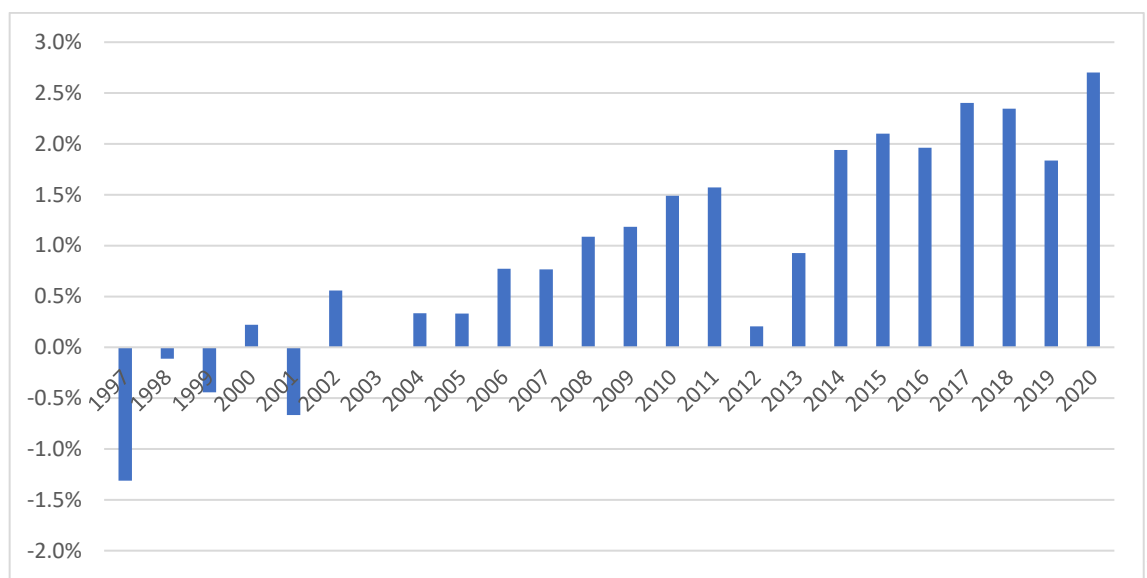
Census data shows that the population in the South Wairarapa district increased by 11% from 9,800 in 2013 to 10,900 in 2018. This represents an average annual change over the 5-year period of 2.2%. We have obtained population projections for the period 2019 to 2051 from Infometrics. South Wairarapa's population is projected to grow from 11,512 in 2021 to 12,696 in 2031 and 14,476 by 2051.

Growth in the South Wairarapa has historically been split evenly between urban and rural areas but future growth is projected to be concentrated in urban centres. Based on improvements in rail connectivity for commuters and the intent of the Regional Growth Framework, growth is expected to be concentrated largely around the Featherston and Greytown urban centres.

The strongest growth is expected in Greytown (1,001 people) followed by Featherston (796 people) and Martinborough (603 people). Tauherenikau and Aorangi Forest are expected to experience moderate growth (around 236 and 164 people respectively). The growth in Tauherenikau is expected based on development around the existing village and growth in Aorangi Forest is expected due to the development of lifestyle blocks on the fringes of Martinborough.³

Population data from Infometrics notes that growth has been strong over the last decade, aided by significant net migration flows in the past five years. In 2020, the South Wairarapa experienced an annual population growth of 2.7 percent, an increase of 300 people. This is up from prior years where population growth had previously peaked in 2017 at 2.4 percent. Of the annual population growth experienced in 2020, 17% was from a natural increase (births exceeding deaths), 47% was due to net internal migration and the remaining 37% from net international migration.

Figure 2: South Wairarapa Annual Population Change

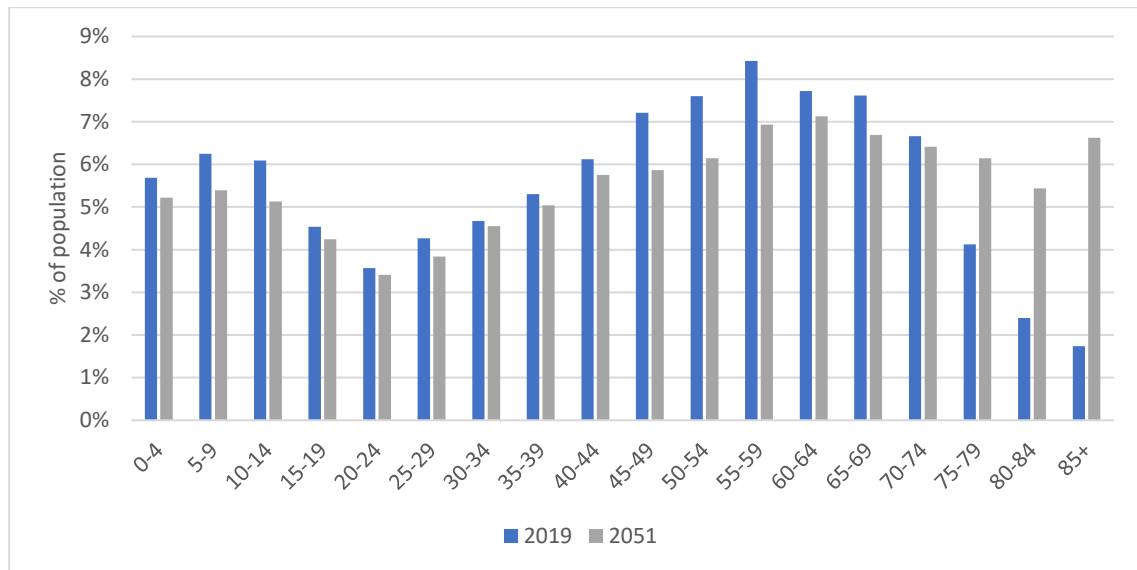


As is the case for most of New Zealand, the population in South Wairarapa is projected to see an aging population over the next 30 years. The population aged 65 years and older is projected to grow by 77% between 2019 and 2051 (from around one in four to around one in three of the district population). As a result, the average age is projected to rise from 44 in 2019 to 49 in 2051.

The under 15 years and working age population (15 – 64 years) groups are projected to grow modestly. The number of young people under 15 years is projected to grow by 12% between 2019 and 2051 and the working age population is projected to grow by 14%.

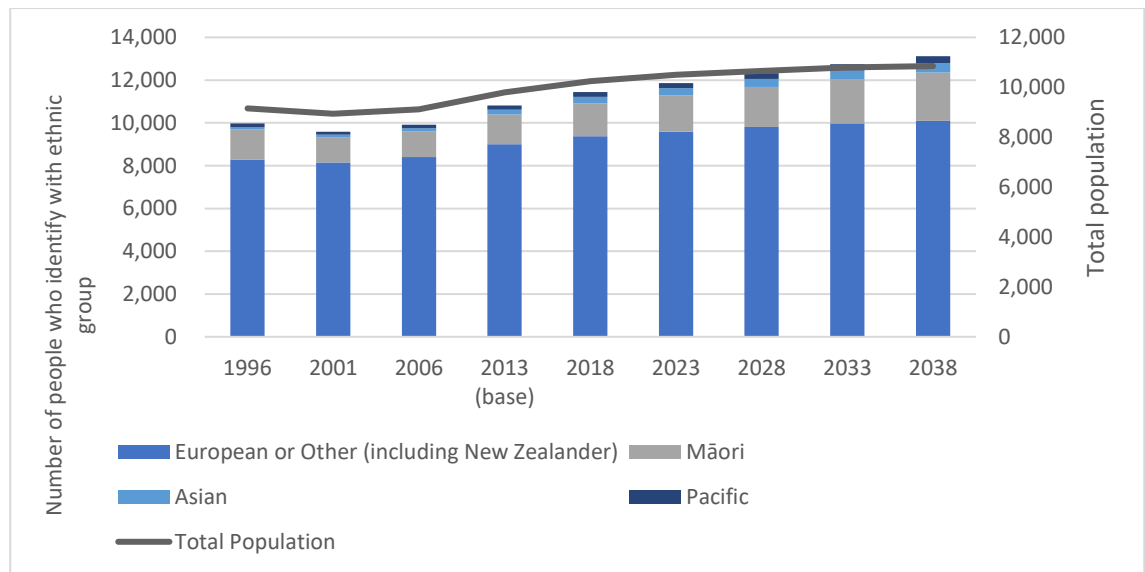
³ Population and age projections are sourced from Infometrics Population Projections 2019 – 2051.

Figure 3: South Wairarapa Age Projections, 2019 to 2051



The ethnic mix of South Wairarapa’s population is projected to continue to change in line with historical trends, with the largest change being an increase in the proportion of the population identifying as Māori – up from 15% of the South Wairarapa population in 2018 to 21% by 2038.⁴

Figure 4: South Wairarapa Ethnic Population Projections, 1996 to 2038



Note: The sum of all ethnic groups exceeds the total population because people can identify with more than one ethnicity.

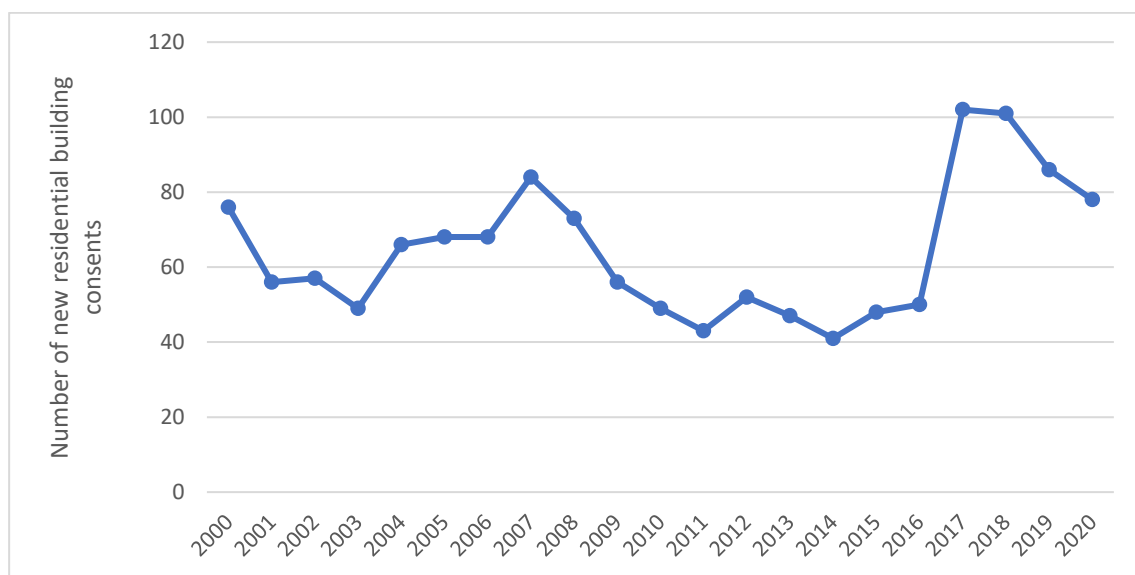
⁴ Ethnicity projections from Stats NZ: <https://www.stats.govt.nz/information-releases/subnational-ethnic-population-projections-2013base2038-update>

Household Growth

The district has recently been experiencing a new period of building growth. There was steady growth in the number of new building consents issued from 1999 to 2007, followed by a period of decline in numbers to 2011 after the global financial crisis. Numbers then stayed steady until 2017 with a doubling of the number of consents issued for new dwellings compared to the previous year (from 50 to 102). Numbers decreased slightly to 86 in 2019 and 78 in 2020.

Consenting remains strong following COVID-19 with 30 new dwelling consents issued in the first quarter of the 2020/21 financial year and 25 in the second quarter, which is consistent with the number of consents in the high growth period 2017-2018 (25 for the first quarter and 26 for the second quarter in 2017; and 30 for the first quarter and 34 for the second quarter in 2018).

Figure 5: South Wairarapa District Residential Building Consents, 2000 to 2020 (June)



In terms of future projections, Infometrics projects that the number of households in the district will increase from 4,946 in 2021 to 5,498 in 2031 and 6,371 in 2051. Infometrics notes that the growth in the number of households is due to the growing population and decreasing average household size. It is projected the average household size will reduce from 2.29 persons per household in 2021 to 2.19 by 2051.

Over the period from 2016/17 to 2020/21 there was a 5% increase in the number of rateable properties in the district. The largest growth occurred in residential properties in Greytown and Martinborough, both with a 9% increase. Commercial property numbers have remained largely unchanged and there was a 4% increase in rural properties.

Table 1: Rateable Properties in the District

RATING UNITS		2016/17	2017/18	2018/19	2019/20	2020/21
Rural		3078	3114	3094	3135	3203
Featherston	Residential	1164	1169	1174	1178	1211
	Commercial	85	86	86	86	84
Greytown	Residential	1097	1111	1132	1167	1194
	Commercial	113	111	111	110	113
Martinborough	Residential	894	917	960	968	977
	Commercial	110	106	105	106	106
Total		6541	6614	6662	6750	6888

Regional growth framework

The Wellington Regional Growth Framework (the Framework) is a spatial plan that has been developed by local government, central government and iwi partners in the Wellington-Horowhenua region to deliver on the Urban Growth Agenda (UGA) objectives of the Government. The Framework also provides councils and iwi in the region an agreed regional direction for growth and investment.

The Framework identifies how the Wellington-Horowhenua region could accommodate a future population of 760,000 people and an additional 100,000 jobs over the next 30 years. This would represent an additional 200,000 people in the region. The scenario of 200,000 people has been developed to understand what would be required to accommodate this level of growth, and consider potential infrastructure needs beyond the 30-year growth scenario.

While there is no certainty about when, how or at what rate, the region's population might reach this size, the Framework has been developed based on this scenario to give a better understanding of what would be required to support this level of growth. It is important to note that this is not a policy target. The proposed changes to urban form for the region is a mix of development in both Urban Renewal Areas (brownfield) and in Future Urban Areas (greenfield). Both are expected to have higher density development than we see at present throughout the region and include improved access to bus and rail services, which are expected to increase in frequency, capacity and reach over time.

Our current understanding is that, regionally, 88% of housing growth in the Framework is expected to come from areas we have identified in the Framework and 12% is expected to be through 'business as usual' infill throughout the region, with just over half of this infill being in Wellington City.

Of the 88% housing growth from areas identified in the Framework:

- » One-quarter is expected to be accommodated in Wellington City (excluding Tawa in the western corridor), including the Let's Get Wellington Moving corridor.
- » Nearly one-third is expected to be accommodated in the eastern corridor from Lower Hutt to Masterton, with just over one third of this corridor's growth occurring in the Wairarapa.
- » The remainder (just over 40%) is expected to be accommodated in the western corridor from Tawa to Levin.

The Framework identifies improving west-east connections as an opportunity to unlock growth, improve resilience and improve regional accessibility to economic and social opportunities. The potential housing and urban development capacity of any future west-east multi-modal corridor(s) has yet to be determined and will need consideration alongside potential transport interventions.

The Framework aligns with our work through the development of Council's Spatial Plan, Infrastructure and Financial Strategies.

Environmental

Greater Wellington Regional Council provided the Climate Change Assumptions for the Wellington region and Wairarapa combined. These projections depend on future greenhouse gas emissions. As these are uncertain, the below information includes projections based on scenarios ranging from low to high greenhouse gas concentrations.

The projected changes are calculated for 2031–2050 (referred to as 2040) and 2081–2100 (2090) compared to the climate of 1986–2005 (1995).

Table 2: Projected Environmental Changes (Temperature and Seasonality)

	RUAMĀHANGA WHAITUA 2040	WAIRARAPA COAST WHAITUA 2040	RUAMĀHANGA WHAITUA 2090	WAIRARAPA COAST WHAITUA 2090
Average annual T°C	+0.7 to +1°C above present	+0.5 to +1°C above present	+1.2 to +3°C above present	+1 to +3°C above present
Hot days (above 25°C)	Between 0 and 30 days increase	Between 5 and 30 days increase	Between 0 and 80 days increase	Between 15 and 60 days increase
Frost nights	Between 0 and 15 days reduction	Between 0 and 5 days reduction	Between 0 and 40 days reduction	Between 0 and 15 days reduction
Annual Growing Degree Days (GDD) base 10°C GDD = (T°Cmax + T°Cmin)/2 - T°Cbase <i>Measures potential for crop and pasture growth</i>	Increase of 0 to 300 GDD units	Increase of 0 to 300 GDD units	Increase of 200 to 1000 GDD units	Increase of 200 to 900 GDD units
Annual potential evapotranspiration deficit (mm) <i>Measures drought intensity</i>	+20 to +120 mm	+40 to +120 mm	+0 to +180 mm	+40 to +160 mm

Table 3: Projected Environmental Changes (Wind)

	RUAMĀHANGA WHAITUA 2040	WAIRARAPA COAST WHAITUA 2040	RUAMĀHANGA WHAITUA 2090	WAIRARAPA COAST WHAITUA 2090
Annual number of windy days	0 to 4 days increase	0 to 6 days increase	0 to 12 days increase	0 to 10 days increase
Intensity of wind during windy days (>99 th percentile of daily mean)	0% to 3% increase	0% to 3% increase	1% to 4% increase	1% to 4% increase

Table 4: Projected Environmental Changes (Rainfall Patterns and Intensity)

	RUAMĀHANGA WHAITUA 2040	WAIRARAPA COAST WHAITUA 2040	RUAMĀHANGA WHAITUA 2090	WAIRARAPA COAST WHAITUA 2090
Average annual rainfall	5% decrease to 5% increase	5% decrease to 5% increase	0% to 10% decrease	10% decrease to 5% increase
Amount of rain falling during heavy rainfall days (>99 th percentile of daily rainfall)	0% to 10% increase	0% to 15% increase	0% to 20% increase	0% to 30% increase
River mean annual low flow discharge (MAL) <i>Measures water shortage in the catchments</i>	Up to 60% decrease	Up to 60% decrease	Up to 80% decrease	Up to 80% decrease
River mean annual flood discharge (MAF) <i>Measures flood potential in the catchments</i>	20% decrease to 40% increase depending on catchment	20% decrease to 20% increase depending on catchment	20% decrease to 60% increase depending on catchment	20% decrease to 60% increase depending on catchment
Days of very high and extreme forest fire danger	100% to 150% increase	100% to 150% increase	100% to 150% increase	100% to 150% increase

Table 5: Projected Environmental Changes (Sea Level and Coastal Hazards)

	2040	2090
Permanent sea level rise	+0.12 m to +0.24 m above present	+0.68 m to +1.75 m above present

Table 6: Projected Environmental Changes (Oceanic Changes)

2040	2090
Acidification of the ocean	Acidification of the ocean
General temperature rise of sea water	General temperature rise of sea water
Marine heatwaves	Marine heatwaves

What this might mean for Wellington and Wairarapa

Table 7: Environmental Implications for Wellington and Wairarapa

Environmental Implications	
Coastal hazards	The region is particularly vulnerable to even a small rise in sea level because of its small tidal range. There may be an increased risk to coastal roads and infrastructure from coastal erosion and inundation, increased storminess and sea-level rise.
Heavy rain	The capacity of stormwater systems may be exceeded more frequently due to heavy rainfall events which could lead to surface flooding. River flooding may also become more frequent, particularly in low-lying areas. Floods are likely to become more intense.
Erosion and landslides	More frequent and intense heavy rainfall events are likely to lead to more erosion and landslides.
Droughts	More frequent droughts are likely to lead to water shortages, increased demand for irrigation and increased risk of wildfires.
Biosecurity	Climate change could lead to changes in pests and diseases over time. A likely increase in weed species and subtropical pests and diseases could require new pest management approaches. Regional biodiversity may be threatened by changing temperature and rainfall patterns, and sea level rise.
Agriculture	Warmer temperatures, a longer growing season and fewer frosts could provide opportunities to grow new crops. Farmers might benefit from faster growth of pasture and better crop growing conditions. However, these benefits may be limited by negative effects of climate change such as prolonged drought, water shortages and greater frequency and intensity of storms.

Coastal vulnerability

The Wellington Region Climate Change Working Group commissioned a report to assess the coastal vulnerability of the Wellington region to climate change, sea level rise and natural hazards⁵. The report is intended to assist Councils in working with affected communities to develop long-term strategies.

The coastal area of South Wairarapa was divided into three units – Onoke, Palliser and South Wairarapa Coast. Each unit was assessed against criteria grouped into the following areas: Community, Business, Three Waters, Lifelines Infrastructure, Māori and cultural, Ecological, Erosion, and Civil Defence and Emergency Management.

⁵ <https://www.gw.govt.nz/assets/Uploads/Wellington-Regional-Coastal-Vulnerability-AssessmentJune-2019Final.pdf>

Table 8: South Wairarapa Coastal Units in Vulnerability Assessment

South Wairarapa Coastal Units in Vulnerability Assessment	
Onoke	<p>Western point begins at Onoke beach and the Eastern point is the end of Onoke Beach</p> <p>It includes Lake Onoke and the Ruamahanga River Mouth</p> <p>The coast is characterised by a mix of sand and gravel beach and is primarily populated by baches</p> <p>There is 22.11km of coastline</p>
Palliser	<p>Western point is the end of Onoke beach where the coastline turns south and the Eastern point is Cape Palliser</p> <p>It includes Whatarangi and Ngawi</p> <p>The coast has a mix of small communities facing various degrees of hazards. The geology struggles for vegetation</p> <p>There is 30.59km of coastline</p>
South Wairarapa Coast	<p>Western point is Rocky Point and Eastern/Northern point is Honeycomb Rock</p> <p>It includes White Rock and Pahaoa</p> <p>The coast only a few small settlements (run holding stations) and limited road access</p> <p>There is 68.29km of coastline</p>

Overall, this assessment identified Palliser as the most vulnerable coastal unit within the Wairarapa. This is due to its vulnerability in relation to erosion risk and roading (a combination of single access and priority roads at risk).

While Onoke and South Wairarapa Coast were assessed as moderately vulnerable overall, this is more based on high vulnerability when considering ecological indicators. The ecological indicators considered include environmental sites, significant bird sites and coastal biodiversity.

Particular environmental impacts are discussed further in each infrastructure area as the effects are different for each.

Political factors

Three water reforms

The Three Waters Review⁶ was initiated in mid-2017 as a cross-agency initiative led by the Department of Internal Affairs (DIA) to look into the challenges facing our drinking water, wastewater and stormwater (“three waters”) and to develop recommendations for system-wide performance improvements.

Through this review, Government is seeking the following major outcomes:

- » Safe, acceptable (taste, colour and smell) and reliable drinking water
- » Better environmental performance
- » Efficient, sustainable, resilience and accountable water services
- » Achieving these aims in a way communities can afford

⁶ <https://www.dia.govt.nz/Three-waters-review>

This has seen the development of new legislation and the creation of Taumata Arowai, the new Water Services Regulator, to oversee and enforce a new drinking water regulatory framework. It also includes an oversight role for wastewater and stormwater networks.

In July 2020, the Government announced a \$761 million package to provide immediate post-COVID-19 stimulus to local authorities to maintain and improve three waters infrastructure, support reform of local government water services delivery arrangements, and support the operation of Taumata Arowai. South Wairarapa District Council signed a Memorandum of Understanding with the DIA in August 2020 to participate in the first stage of the reforms. The service delivery model will be informed by discussion with the local government sector taking into account the following design features:

- » Water service delivery entities, that are:
 - » Of significant scale (most likely multi-regional) to enable benefits from aggregation to be achieved over the medium to long-term;
 - » Asset owning entities, with balance sheet separation to support improved access to capital, alternative funding instruments and improved balance sheet strength; and
 - » Structured as statutory entities with appropriate and relevant commercial disciplines and competency-based boards;
- » Delivery of drinking water and wastewater services as a priority, with the ability to extend to stormwater service provision only where effective and efficient to do so;
- » Water entities would be publicly owned entities, with a preference for collective council ownership;

Mechanisms for enabling communities to provide input in relation to the new entities.

The Government is expected to make substantive policy decisions relating to the reforms in April/May 2021 to enable legislation to be prepared for introduction. This includes decisions on the core design features of the new water services entities and the number and boundaries of these entities.

Councils will be asked to decide about participating in the new service delivery system in late 2021. This would take the form of an 'opt out' approach meaning all councils will be included in one of the new water service delivery entities by default but can decide not to continue to participation in consultation with their communities. Central government is expecting to provide councils with a package of supporting information including details on the entity design proposals (e.g. ownership and governance arrangements), financial and other implications of participating, and which entity each council would be part of to inform the decision-making process.

Introduction of legislation to create the new service delivery system is expected in late 2021, with enactment by mid-2022. For councils that participate in the reforms, any transfer of responsibilities and assets is expected in around 2023/24.

Regulation of drinking water

The Taumata Arowai—the Water Services Regulator Act 2020 received Royal Assent on 6 August 2020. The purpose of the act is to establish Taumata Arowai – the Water Services Regulator as a Crown Agent and provide for its objectives and general functions, including:

- » administering and enforcing a new drinking water regulatory system (including the management of risks to sources of drinking water); and
- » a number of complementary functions to improving the environmental performance of wastewater and stormwater networks.

In July 2020, a complementary Bill, the Water Services Bill, was introduced to Parliament to give effect to Government's decisions on reforming the drinking water regulatory framework and Taumata Arowai's wastewater and stormwater functions. Taumata Arowai will not become fully operational until the Water Services Bill is enacted which is expected to be in end-2021⁷.

Since the last Infrastructure strategy, SWDC has invested significantly in achieving compliance with the current NZ Drinking Water Standards. This has included multi-barrier treatment (i.e. chlorination and UV treatment) and improved monitoring and communication systems. As a result, SWDC are well positioned to comply with emerging regulatory framework, with the support of Wellington Water, and continued investment in water treatment is required through this strategy and includes the operational and maintenance costs of the improved systems.

National Environmental Standards for Freshwater

The Resource Management (National Environmental Standards for Freshwater) Regulations 2020 (Freshwater NES) regulates activities that pose risks to the health of freshwater and freshwater ecosystems⁸. The standards came into force on 3 September 2020 and are designed to:

- » Protect existing inland and coastal wetlands
- » Protect urban and rural streams from in-filling
- » Ensure connectivity of fish habitat
- » Set minimum requirements for feedlots and other stockholding areas
- » Improve poor practice intensive winter grazing of forage crops
- » Restrict further agricultural intensification through to the end of 2024
- » Limit the discharge of synthetic nitrogen fertiliser to land, and require reporting of fertiliser use.

In many cases, people will need to apply for a resource consent from the regional council to continue carrying out regulated activities.

Resource Management Act 1991 Reforms

The Government is reforming the resource management system and intends to repeal and replace the Resource Management Act 1991 (RMA) which is the primary legislation governing the use of our land, water

⁷ <https://www.dia.govt.nz/Taumata-Arowai-Establishment-Unit>

⁸ <https://www.mfe.govt.nz/fresh-water/freshwater-acts-and-regulations/national-environmental-standards-freshwater>

and air resources. Its aim is for the RMA to support a more productive, sustainable and inclusive economy and be easier for New Zealanders to understand and engage with⁹.

The RMA is intended to be replaced with three new pieces of legislation – the Natural and Built Environments Act, Strategic Planning Act and Climate Change Adaptation Act.

The Natural and Built Environments Act is the core piece of legislation to replace the RMA and is intended to enhance the quality of the environment to support the wellbeing of present and future generations. The Strategic Planning Act provides a long-term strategic approach to how we plan for using land and the coastal marine area while the Climate Change Adaptation Act supports New Zealand's response to the effects of climate change and would address complex legal and technical issues associated with managed retreat and funding and financing adaptation.

Ministry for the Environment has set out the timeframes for the reform process as:

- » **May – September 2021:** An exposure draft of the Natural and Built Environment Bill will be agreed by Cabinet and then referred to a special select committee inquiry. The Strategic Planning Bill and Climate Change Adaptation Bill will be developed in a parallel process with the latter managed out of the Minister for Climate Change office.
- » **December 2021:** The Natural and Built Environments Bill and the Strategic Planning Bill will be introduced to Parliament in late 2021. A standard select committee process will consider them. The Climate Change Adaptation Act will be developed in a similar timeframe.
- » **December 2022:** It is intended the three new pieces of legislation are passed by the end of 2022.

Government Policy Statement on Land Transport

The Government Policy Statement on Land Transport (GPS) outlines the government's priorities for expenditure over the next 10 years. It sets out how funding is allocated between activities such as road safety policing, state highway improvements, local and regional roads and public transport.

The current GPS took effect on 1 July 2018 and prioritised a safer transport system free of death and injury, accessible and affordable transport, reduced emissions and value for money¹⁰.

The Ministry of Transport has released its GPS for 2021/22–2030/31¹¹ which builds on the strategic direction of GPS 2018 by maintaining the priorities but updating them to align with recent policy work. The Government is proposing to prioritise safety, better transport options, improving freight connections, and climate change. The GPS 2021 will take effect from July 2021.

Regional Land Transport Plan 2021

The process to develop the Wellington Regional Land Transport Plan 2021 (RLTP 2021) is underway. The RLTP sets the strategic direction for the region's transport network for the next 10-30 year. It describes the long-term vision, identifies regional priorities and sets out the transport projects for investment over the next 10 years.

⁹ <https://www.mfe.govt.nz/rma/resource-management-system-reform>

¹⁰ <https://www.transport.govt.nz/assets/Uploads/Our-Work/Documents/c6b0fea45a/Government-Policy-Statement-on-land-transport-2018.pdf>

¹¹ <https://www.transport.govt.nz/assets/Uploads/Paper/GPS2021.pdf>

Investment in the region's transport system will be guided by the following priorities:

Table 9: Transport Investment Priorities

Transport Priorities	
Public Transport Capacity	Build capacity and reliability into the Wellington Region's rail network and into the Wellington City public transport network to accommodate future demand
Travel Choice	Make walking, cycling and public transport a safe, sustainable and attractive option for more trips throughout the region
Strategic Access	Improve access to key regional destinations such as ports, airports and hospitals for people and freight
Safety	Improve safety, particularly at high risk intersections and on high risk rural and urban roads
Resilience	Build resilience into the region's transport network by strengthening priority transport lifelines and improving the redundancy in the system

Road to Zero Strategy

In December 2019, the Government launched 'Road to Zero,' New Zealand's Road Safety Strategy 2020 – 2030¹².

The strategy sets out the government's vision for a New Zealand where no one is killed or seriously injured in road crashes. As an intermediate target towards achieving its vision, the target is to reduce deaths and serious injuries on our roads by 40 percent by 2030 (from 2018 levels).

The strategy will be implemented through a series of separate action plans which focus on the following five key areas:

- » Infrastructure improvements and speed management
- » Vehicle safety – significantly improve the safety
- » Work-related road safety
- » Road user choices
- » System management

Funding Strategy

South Wairarapa District Council is a small rural local authority, with a relatively high infrastructural asset base per capita, and a relatively small ratepayer base. Small local authorities generally have very little discretionary expenditure and are therefore required to focus heavily on maintaining current service levels and their infrastructural asset base.

¹² <https://www.transport.govt.nz/multi-modal/keystrategiesandplans/road-safety-strategy/>

This strategy reflects this focus, while concentrating on increasing network resilience. We are confident our asset planning, LTP and infrastructure strategy will ensure the longevity of the asset base and maintenance of service levels while retaining financial health.

Debt is generally only undertaken for new assets, with replacements of existing assets made from depreciation reserves built up for that purpose.

Financial sustainability is fundamental to the long-term sustainability of the district. The forecasts have been prepared on the basis that, as a minimum, existing levels of service will be maintained. Demand is assessed against existing capacity of the network and treatment plants. Increasing demands from population growth have informed these requirements. Further modelling work form part of the LTP to assess the impacts of growth.

What we've achieved

Since the last Infrastructure Strategy, SWDC has:

- » Achieved full Drinking Water Standards compliance at all Water Treatment Plants, including the commissioning of the Manganese Reduction Plant in Martinborough to enable the chlorination of the town supply,
- » Completed the upgrades for Greytown and Martinborough Wastewater Treatment plants and gained related long-term consents,
- » Increased water supply resilience through the commissioning of a fourth bore and treated water reservoirs at the Waiohine water treatment plant,
- » Improved the automation, operating practices and Health and Safety practices at our WWTPs to improve their compliance and overall performance,
- » Enhanced compliance with Healthy Homes requirements for our Senior Housing,
- » Started a trial of the ecoreef coastal erosion solution to improve resilience of the Cape Palliser Road,
- » Completed the Waihinga Centre and Martinborough playground,
- » Updated the notable trees register, and
- » Developed Climate Change and Positive Ageing Strategies, and established a Community Development function in Council, which will help inform our future infrastructure investment.

What has changed

How we manage our infrastructure assets has also changed (or is subject to review). Since the last LTP we have:

- » Contracted for and implemented Ruamahanga Roads, a shared service for Roading with Carterton District Council (CDC) with Fulton Hogan as our contractor, from the 1st July 2019, and
- » Become a shareholder in Wellington Water Limited, a council controlled organization, and moved the management of our three waters infrastructure to it, from 1st October 2019.

Asset Management for SWDC Infrastructure

To deliver value for South Wairarapa ratepayers the Council, through this Infrastructure Strategy, is looking to optimise the investment in our assets to ensure we comply with our regulatory obligations and to meet the needs of our community, both now and in the future.

This involves having clear strategies, asset planning and activity schedules to ensure optimal performance through:

- » Ongoing operation of assets – ensure SWDC assets are used and operated in such a manner so as to prolong the asset life,
- » Preventative Maintenance – the undertaking of regular servicing of assets to minimise the likelihood of asset failure, particularly for critical infrastructure,
- » Reactive Maintenance – responding to and repairing an asset failure (i.e., broken pipe, roadside slips),
- » Renewals – the replacement or restoration of an existing asset to extend its economic life, and
- » Upgrades – to meet an increase in demand (i.e. from growth, regulatory changes or service changes).

What the right mix of investment is for each asset is derived from multiple considerations:

- » Current asset condition and projected life,
- » Asset criticality,
- » Data confidence – how sure are we that the data we have is accurate and up to date,
- » Future demand forecasts and growth indicators, and
- » Financial data – valuation and depreciation

Asset information and analytics

As part of our ongoing focus on improving our knowledge and understanding of our Infrastructure assets, we capture asset condition data through multiple sources:

- » Visual inspection
- » CCTV footage and data (most relevant for under ground assets)
- » User experience and reported issues
- » Technical or expert analysis
- » Extrapolation from other data sources (i.e. other Territorial Authorities' data for similar assets exposed to similar use and environmental impacts)
- » Sampling and testing
- » Emerging technology (i.e. use of drones to fly over Cape Palliser Road to assess coastal erosion changes)

This information is then analysed across multiple tools to inform our asset planning, which feed into this Infrastructure Strategy.

Asset Criticality

One of the key determinants for the best asset management approach to meet our service goals and comply with regulations is to proactively manage our critical assets so that the chance of failure is minimised. Critical assets are those where the consequences of failure would be significant and this needs to be avoided (even if the likelihood of failure is low). These critical assets are prioritised for preventative maintenance activity and ongoing asset condition assessment and analysis. For SWDC, they include:

- » Water Treatment Plants
- » Wastewater Treatment Plants
- » Road bridges

Council will continue to monitor the condition of these assets. Upgrades of our Water and Wastewater treatments plants have been undertaken over the last few years and preventative maintenance schedules and improved operating procedures have been designed and implemented to increase the life of the assets.

A full condition assessment for our road bridges is planned and budgeted for. Similarly, we will optimise the life of these assets through their lifecycle. Some bridges may require more than simple maintenance and this will be considered as part of the condition assessment and planning activity.

Three Waters

The Three Waters Reform programme is an ongoing process and this portion of the Infrastructure Strategy will be heavily impacted by the programme as it progresses. However, until the outcome of the review is known, Council will continue to develop the Three Waters strategy in conjunction with Wellington Water.

Similarly, the establishment of Taumata Arowai as the NZ Three Waters regulator from July 2021, is likely to see a fundamental shift in the regulation of waters services. From that time the regulator will:

- » oversee and administer, and enforce a new, expanded and strengthened drinking-water regulatory system, to ensure all New Zealand communities have access to safe drinking water, and if need be we will hold suppliers to account, and
- » provide oversight of the regulation, management, and environmental performance of wastewater and storm-water networks, including promoting public understanding of that performance.

In conjunction with WWL and their other shareholding Councils, SWDC will continue to engage with the Taumata Arowai establishment unit to ensure our activities are aligned with the emerging strategy of the new regulator.

Since the last Infrastructure Strategy, SWDC has completed a range of initiatives across the Three Waters infrastructure, including achieving compliance with the NZ Drinking Water Standards (NZ DWS), upgrades and consents for the Martinborough and Greytown Wastewater Treatment Plants (WWTPs) and improved network resilience through treated water storage and increased supply. With these improvements there is a greater need for operating and maintenance budgets to keep the new equipment operating effectively.

Resource consents have been established for our critical water assets, as shown below:

- » Greytown and Featherston WTPs to Sept 2037
- » Martinborough WTP to Sept 2037
- » Pirinoa WTP to 2025 Greytown WWTP to 2025 (upgrades required for next phase of consent and identified below)
- » Martinborough to 2051 (ongoing investment required to irrigate to land)

With improvements made to these critical assets, investment (see Water Issue 3 and wastewater issue 3 below) is increasingly required in our Drinking and Wastewater networks. It is becoming apparent that our network assets are no longer performing at a level that consistently meets the needs of our community. The focus of the Three Waters portion of this Infrastructure Strategy focuses on improving network performance through increased renewals as well as operating and maintenance funding and activities.

There are also two key areas where the SWDC approach is still being developed, the Featherston Wastewater Treatment Plant and the future of the Moroa and Longwood Water Races. This strategy outlines our current understanding, timelines for developing our approach and how we will engage our community on these two areas. Both of these projects are heavily influenced by the new Freshwater Regulations and ongoing Water Reform.

Strategic alignment

Improving Three Waters delivery and environmental quality is a key strategic driver for the Council. This is supplemented by the role that Three Waters assets play in supporting the economic, social and environmental wellbeings that underpin Council activities and also community feedback from the 2020/2021 Council Annual Plan and our pre-LTP engagement that overwhelmingly endorsed water as the priority for Council (80% of respondents supported this).

In conjunction with WWL, the following priorities have been agreed to shape and inform our (and the other WWL shareholding Councils) infrastructure strategy for Three Waters.

Priority 1. Looking after existing three waters infrastructure *(renewals, operations, maintenance and critical services)*

Looking after existing assets is foundational to a sound risk management approach – it reduces incidents that usually cost more and has less negative effects when work is planned.

Priority 2. Supporting growth without adverse env. impacts

Growth is inevitable and must be managed to ensure it does not add to existing issues for the three waters network.

Priority 3. Reducing water consumption

We are near capacity for water supply

Priority 4. Improving env. water quality

Community expects better water quality than we have now

Priority 5. Reducing carbon emissions

Carbon emissions are a key contributor to climate change

Localised issues

Individual activities associated with localised risks will be progressed as funding allows

System-wide issues that need addressed over the next 30 years

Scope and delivery arrangements

In October 2019, Wellington Water (WWL) assumed the management responsibility for our Three Waters assets (ownership of the assets remained with Council). This is the first SWDC Three Waters infrastructure strategy informed by WWL.

Network and Treatment Plant maintenance is undertaken by the WWL network maintenance alliance, which combines WWL and Fulton Hogan staff, and network renewals are designed, managed and delivered by consultant and contractor panels as well as in-house specialists.

The SWDC Three Waters assets, maintained by WWL, comprises:

Drinking Water:

- » 118km of pipes
- » Four Water Treatment Plants (WTPs):
- » Waiohine
- » Soldiers' Memorial Park
- » Martinborough
- » Pirinoa
- » 5800 Fittings (i.e. valves, hydrants)
- » 11 Reservoirs or Tanks

Wastewater:

- » 75km of pipes
- » Four Wastewater Treatment Plants:
- » Featherston
- » Greytown
- » Martinborough
- » Lake Ferry
- » 11 Pump Stations

Stormwater/Drainage:

- » 15km of pipes
- » 100 Fittings
- » 18km of channels
- » 2407 culverts
- » 574 sumps

The sumps and culverts associated with the wider stormwater network in SWDC are maintained under the Ruamahanga Roads contract.

The following map provides a high level view of the SWDC's three waters assets:

Figure 6: Council's Three Water Assets

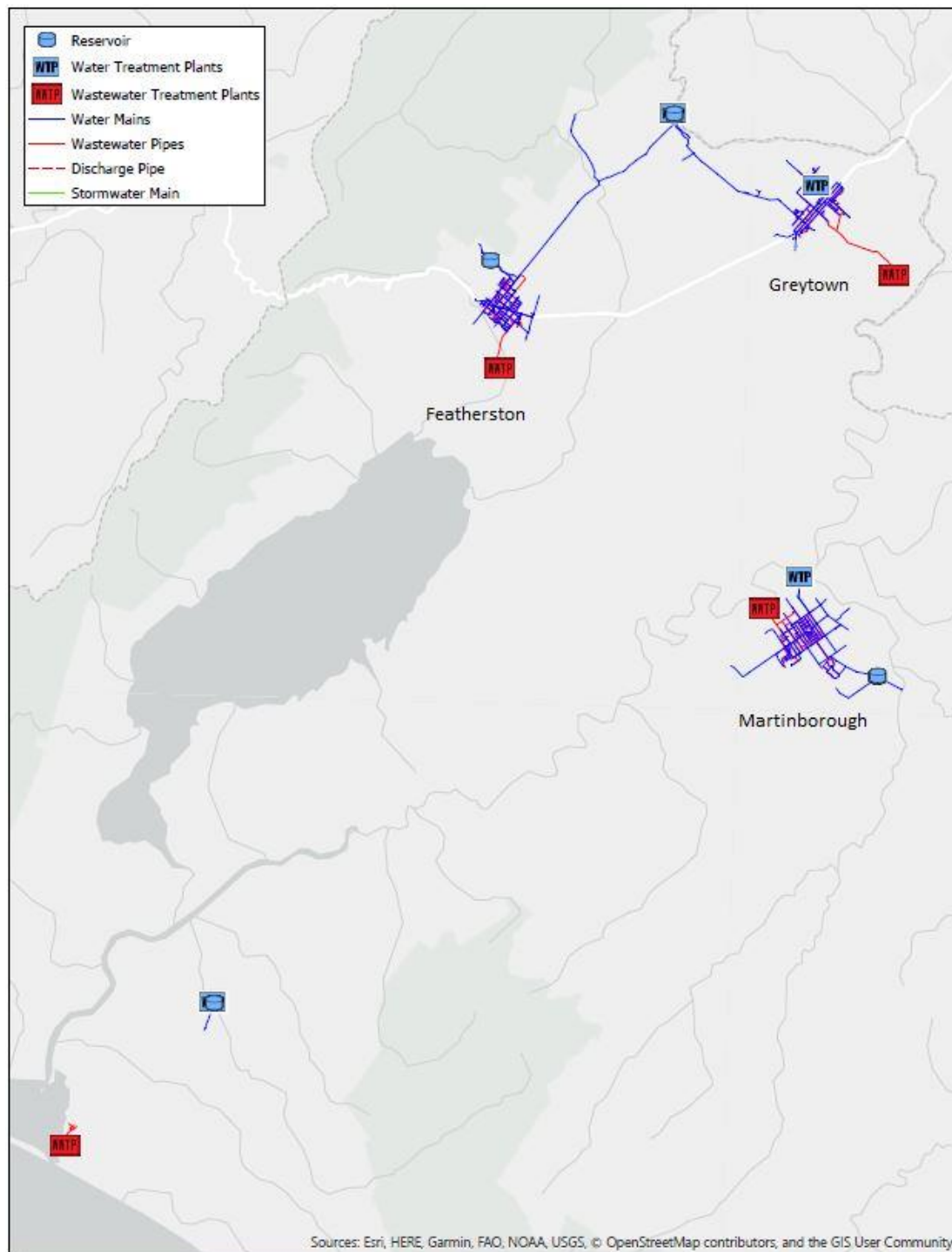
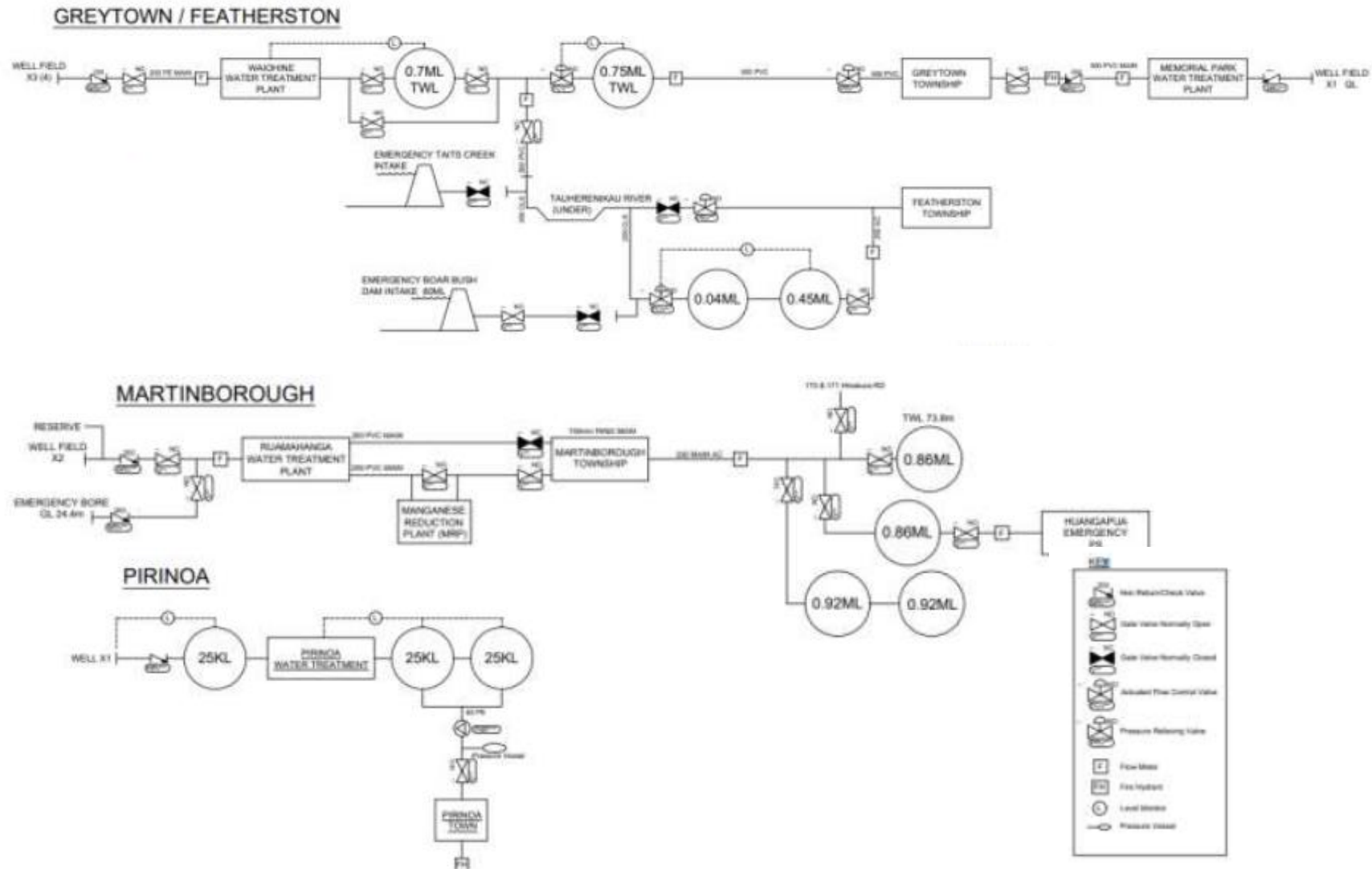


Figure 7: Council's Drinking Water Network

The following diagrams show the Drinking Water network configuration:

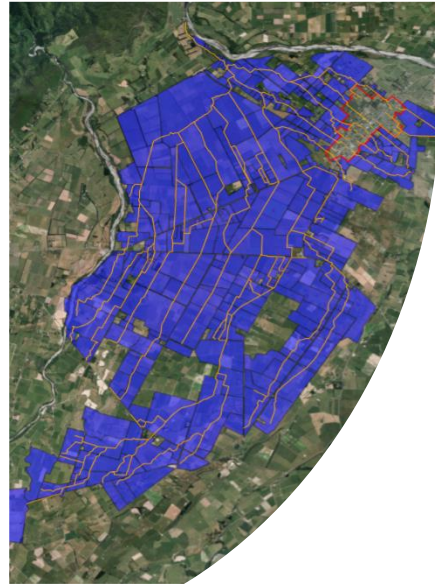


In addition, WWL also operate and maintain two water races on behalf of Council.

Moroa Water Race:

- » 240km in total length
- » Services approximately 8500ha
- » 282 ratepayers serviced
- » Water from Waiohine River

Figure 8: Moroa Water Race Network



Longwood Water Race:

- » 40km in total length
- » Services approximately 1500ha
- » 62 ratepayers serviced
- » Water from Tauherenikau River

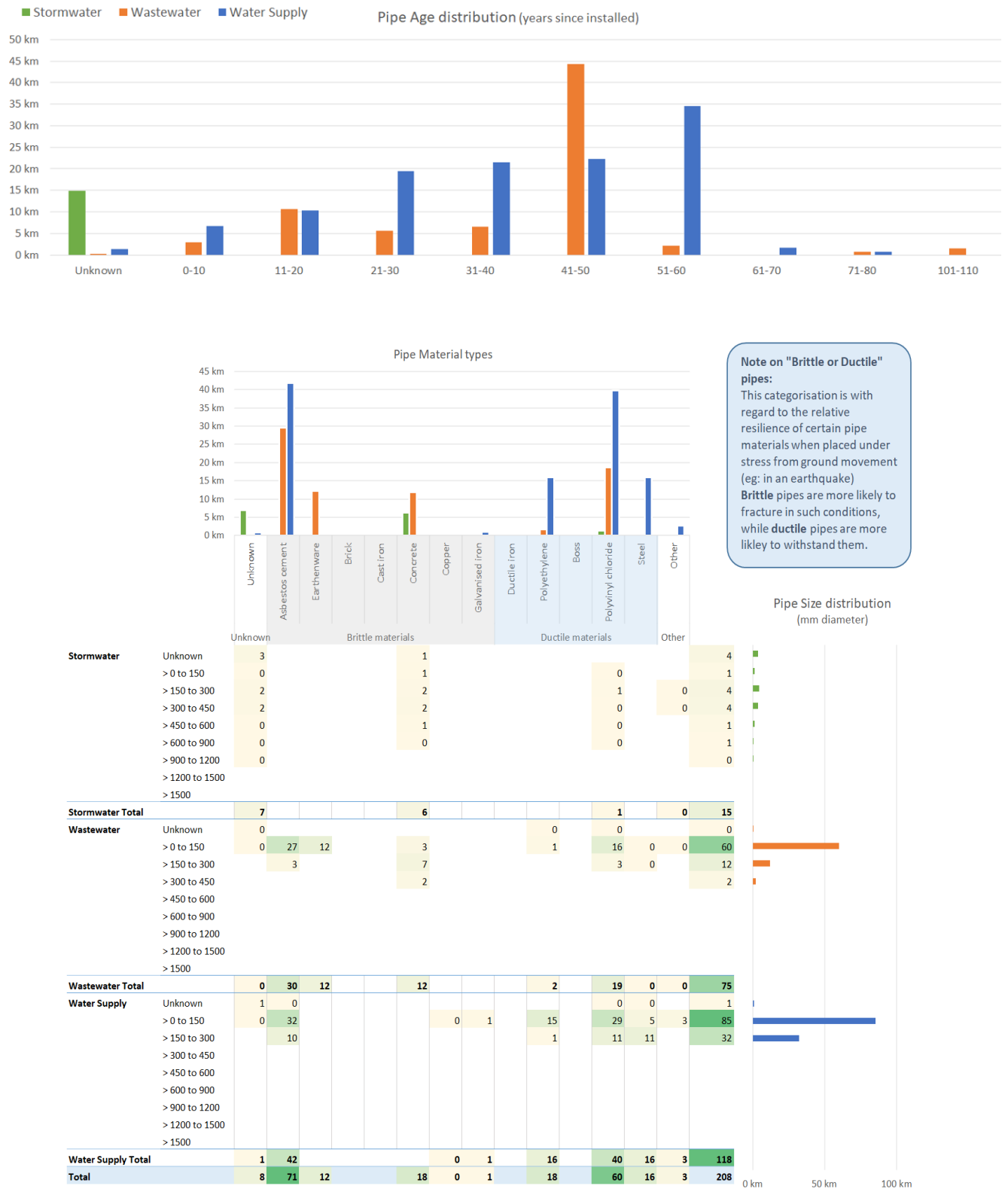
Figure 9: Longwood Water Race Network



Three Waters Asset Profile

The following tables outline the age distribution, material and size of the SWDC water networks.

Table 9: Three Waters Asset Profile



From this profile, several observations can be made:

- » Almost half of our water supply pipes and almost 60% of wastewater pipes are over 40 years old,
- » 70% of the wastewater pipes are made from brittle materials that are more vulnerable to cracking and breaking when subject to ground movement (e.g. earthquakes),
- » 35% of the water supply pipes are made from asbestos cement. It is becoming increasingly evident across the District, and the wider Region, that this material is not meeting its expected asset or design life and is failing before expected (probably exacerbated by ground movement, as per above)
- » Parts of our wastewater network are likely to be undersized to meet likely growth in the District.

Levels of Service

Below is a sample of the levels of service and key performance indicators for the Water Supply activity. A full list with future year targets can be found in the water supply significant activity section. Note that the last customer survey was carried out in October 2018 and will be carried out again in 2021.

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2019/20 RESULTS	PERFORMANCE TARGET 2021/22	HOW IT WILL BE MEASURED
Potable water demand	The average consumption of drinking water per day per resident within the territorial authority	558 Lt	<400 Lt	Council records
The Council provides reliable and safe drinking water supplies	Compliance with resource consent conditions/water permit conditions to “mainly complying” or better	100%	100%	Council records
The water provided is safe to drink	Water supply systems comply with Ministry of Health Drinking Water Standards - Bacteriological	MBA: No GTN: No FSTN: No	Yes	Council records
	Water supply systems comply with Ministry of Health Drinking Water Standards - Protozoa	MBA: No GTN: No FSTN: No	Yes	Council records
Customer satisfaction**	The total number of complaints received by the local authority about drinking water taste per 1000 connections	0	< 15	Council records
	The total number of complaints received by the local authority about drinking water odour per 1000 connections	0	<15	Council records
Fault response times where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured	Ratepayers and residents satisfied with level of service for water	69%	65%	Customer survey
	Attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site in < 1 hour	78% Median Time 1.26 hrs	75%	Council records
	Resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption in <8 hours	70% Median Time 12.47 hrs	90%	Council records
Maintenance of the reticulation network	The % of real water loss from the local authority's networked reticulation system identified by establishing and measuring night flow	49%	<30%	Council records

Key Risks to the SWDC Three Waters Strategy

This strategy is developed by considering what we know of our current Three Waters environment. There are several key risks that may impact it over time.

Table 7: Key Risks to Three Waters Strategy

Key Risk	Response
Unpredictable nature of climate change	<p>The major risk that faces most asset owners. Climate Change has the potential to impact significantly on Council's Three Waters assets and service delivery. The impacts are likely to include:</p> <ul style="list-style-type: none"> - Reduced availability of water sources (or poorer quality water requiring increased treatment to meet standards), - Increased demand, - More slips/washouts breaking pipes, - Increased power outages affecting supply. <p>Activities planned to mitigate these impacts include improved network storage, enabling and educating for household resilience and demand management, mobile power generators, more or moving water sources.</p>
Affordability and phasing of activities	<p>Our networks are showing signs of strain and the aspiration would be to rapidly increase network renewals. However, this needs to be balanced against affordability and delivering on our other community outcomes. Changes to our financial position and that of our community (e.g. because of Covid-19 resurgence) may require further phasing (pushing work out) of the renewals work. Network renewals are being phased over a number of years and assessed against other priority issues to improve affordability.</p>
Market capability and resource availability	<p>Many Councils are considering increased water infrastructure investment and the stimulus funding provided, as part of the water reform programme has further increased demand in a tight supply market.</p> <p>Capacity, capability and resources constraints can be mitigated by working with Wellington Water, industry partners and other Territorial Authorities (TAs) to improve resourcing, work scheduling and collaboration. Ongoing innovation, procurement approaches and reducing demand/reusing material, where appropriate, will help mitigate reduced supply of key materials.</p>
Featherston Wastewater Treatment Plant	<p>The investment required to establish a suitable wastewater treatment plant for Featherston is subject to ongoing discussion with the community and other relevant stakeholders and a consenting process. As a significant project for SWDC it has considerable impact on the affordability of other Council projects, including network renewals. Should the cost of this plant exceed estimates or consent not being achieved, it may have an impact on how quickly renewals can be progressed.</p>

Drinking Water

Priority Water Issues

Summary

Over the last few years Council has made significant improvements to the quality of drinking water that has been provided and full compliance with New Zealand Drinking Water Standards will be in place from July 2021. This has required significant investment from ratepayers, through Council, but was always considered an essential and priority deliverable. This work has included the chlorination of Martinborough town supply, which required the delivery of a Manganese Reduction Plant, improved control systems and a higher level of monitoring and testing.

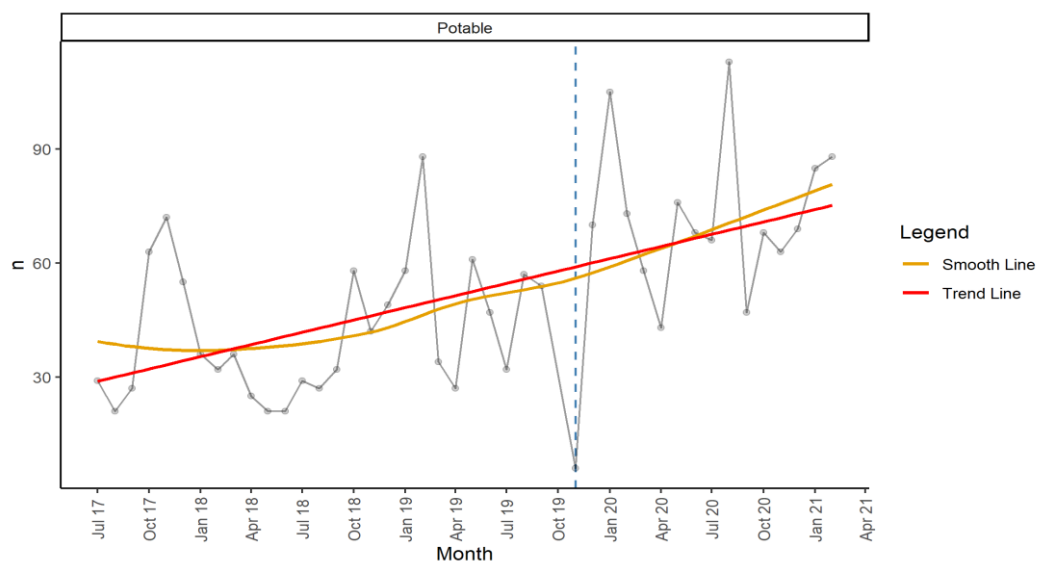
In addition, other significant investment has been made in increasing the resilience of our water supply, including commissioning a fourth bore at the Waiohine plant, introducing treated water storage and implementing back up power supplies for critical infrastructure. These improvements require ongoing maintenance and management to ensure ongoing compliance.

In parallel, Council has continued to invest in the drinking water pipe network, but shown by the increase in reported breakages (see graph, below), it is starting to show signs of deterioration. While some work to pro-actively renew this network has been undertaken, it is clear that if we are provide the service required an increase in pro-active pipe renewal and investment is required. Many of our drinking water assets are made of materials that are not performing as expected or are getting towards the end of their asset lives.

Priority Drinking Water Issue 1: Improving network and treatment plant performance

Having made significant progress in complying with the NZ Drinking Water Standards (as a public health priority) the focus of this Infrastructure Strategy is to improve the maintenance and operation of our network infrastructure. In recent years there has been a significant increase in network issues (leaking pipes, breakages, customer issues).

Figure 10: Improving the Water Network



Source – Wellington Water

While we have increased resourcing to help address this trend, to meet our service levels and community expectations, we will need to increase operational funding to respond effectively to breakages in our ageing network. The cost of each repair has also increased as a result of regulatory compliance, such as Health and Safety, and traffic management.

Also, our Water Treatment Plants are critical pieces of our infrastructure. If one of them were to suffer an outage due to equipment failure, the impact would be considerable. A preventative maintenance programme is therefore followed. Over the previous 18 months, significant upgrades have been made to ensure compliance with NZ Drinking Water Standards and this now requires additional operating budget and operator time to maintain the equipment to the right standard, given its critical nature.

Strategic Alignment

The following table outlines how addressing this issue supports the SWDC strategic drivers and Community Outcomes.

Table 8: Strategic Alignment to Council's Strategic Drivers and Community Outcomes (Issue 1)

STRATEGY	ACTIVITY ALIGNMENT
Social Wellbeing <i>Residents are active, healthy, safe, resilient, optimistic and connected</i>	Provision of reliable and safe drinking water is essential for a healthy community
Environmental Wellbeing <i>Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced</i>	Safe and secure water with no adverse environmental impact.
Economic Wellbeing <i>A place of destination, new business and diverse employment that gives people independence and opportunity</i>	Reliable provision of clean and safe drinking water is a necessity for people to want to visit or considering move to the area and for businesses to operate. Reputational damage if not provided.
Cultural Wellbeing <i>Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage</i>	Cultural importance of all water to Maori and broader community.
Water Priority 1 <i>Looking after our existing three waters infrastructure</i>	A core priority for SWDC investment in this LTP
Water Priority 3 <i>Reducing water consumption</i>	Quickly repairing leaks is essential to reduce losses in the network
Climate Change	Reduce power/resource consumption and loss by improving network performance
Enhancing 3 waters delivery & environmental quality <i>Deliver sustainable, clean, clear, safe and secure drinking water</i> <i>Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems</i>	Directly delivers this strategic driver for Council

Priority Drinking Water Issue 1: Options

The following table identifies the options considered and our preferred option to address this issue.

Table 9: Drinking Water Investment Options (Issue 1)

OPTION	ANALYSIS	Preferred Option
Low Investment Option <i>Continue with 2021 maintenance budget of \$1.4M</i>	This option is to continue with the current budgets (from the 2021 Annual Plan). Given the increase in network breakages in more equipment to maintain in the WTPs, it is considered that this option will not meet community expectations or Levels of Service.	
Mid investment Option <i>Increase O&M budgets by \$3.6m over three years</i>	Increase maintenance and operations budget to help cover increased job volume, preventative maintenance of existing and new infrastructure (including critical infrastructure in WTPs), increased asset condition assessment and planning work for future growth. This increase is more likely to enable Council and WWL to meet community expectations. This option also allows WWL to increase asset condition assessment activities to enable improved investment planning into the future. It is expected that higher investment in renewals (see Issue 2, below) will, over time, reduce the relative need for reactive maintenance on the network.	

Priority Drinking Water Issue 2: Increase renewals funding

The age of our assets is increasing, their condition deteriorating and some pipe materials (primarily asbestos cement (AC)) is not meeting its projected asset life. Some progress has been made throughout Featherston and Greytown (there are fewer AC pipes in Martinborough) in renewing those pipes but to avoid the need for increasing reactive repairs (and its costs), it is proposed to increase funding for Drinking water pipe renewals and replace those vulnerable pipes quicker. There will always be unpredictable breakages requiring reactive repair, but increased renewals will reduce gradually, and this approach smooths the financial impact. Where required, pipe size would be increased to meet future growth requirements.

Strategic alignment

The following table outlines how addressing this issue supports the SWDC strategic drivers.

Table 10: Strategic Alignment to Council's Strategic Drivers and Community Outcomes (Issue 2)

STRATEGY	ACTIVITY ALIGNMENT
Social Wellbeing <i>Residents are active, healthy, safe, resilient, optimistic and connected</i>	Provision of reliable drinking water is essential for a healthy community. Also need to avoid ongoing pipe breaks (by increasing renewals), which undermines residents' confidence in Council and WWL operations.
Environmental Wellbeing <i>Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced</i>	Safe and secure water with no adverse environmental impact.
Economic Wellbeing <i>A place of destination, new business and diverse employment that gives people independence and opportunity</i>	Reliable provision of clean and safe drinking water is a basic necessity for people to want to visit or considering move to the area and for businesses to operate. Reputational damage. Also need to avoid ongoing pipe breaks (by increasing renewals), which undermines residents' and businesses' confidence in Council and WWL operations.

STRATEGY	ACTIVITY ALIGNMENT
Cultural Wellbeing <i>Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage</i>	Cultural importance of all water to Maori and broader community.
Water Priority 1 <i>Looking after our existing three waters infrastructure</i>	A core priority for SWDC investment in this LTP
Water Priority 3 <i>Reducing water consumption</i>	Being proactive in avoiding the need for repair (and its water losses) will reduce overall network consumption.
Climate Change	Reduce power/resource consumption and water loss by improving network performance
Enhancing 3 waters delivery & environmental quality <i>Deliver sustainable, clean, clear, safe and secure drinking water</i> <i>Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems</i>	Directly delivers this strategic driver for Council

Priority Drinking Water Issue 2: Options

The following table identifies the options considered and our preferred option to address this issue.

Table 11: Drinking Water Investment Options (Issue 2)

OPTION	ANALYSIS	Preferred Option
Mid investment option <i>Drinking Water renewal budgets - \$1.1m</i>	<p>The mid-level investment option will accelerate the replacement of some known vulnerable pipes. This option will gradually improve network condition and move towards slowly reducing the need for reactive repairs of our Drinking Water network.</p> <p>This would be considered the minimum acceptable option to avoid continued and significant reactive repair costs into the future.</p>	
High Investment option <i>Increase Drinking Water renewal budgets - \$3.2m over three years (a \$2.1m increase)</i>	<p>As per the mid-level investment option but the high investment option will further accelerate the improvement in the network by renewing the water pipes and levelling of reactive repair costs over time.</p> <p>While this is the preferred option from an asset management and infrastructure viewpoint, to address a key community issue, it is considered unaffordable at this time while other infrastructure issues require investment or are unknown at this time (Featherston WWTP). As well as affordability there is some market capacity risk that would need to be addressed through pro-active market engagement.</p> <p>NB – this is subject to community consultation on increasing investment.</p>	Preferred Option

Priority Drinking Water Issue 3: Improving water supply resilience

As well as delivering compliance with the Drinking Water Standards, Council has undertaken a range of projects to improve the resilience of those supplies. Based on asset criticality, these have included:

- » Introducing a 4th bore and treated water storage at the Waiohine WTP,
- » Commissioning treated water storage at Waiohine to improve network buffering,
- » Improved power supply at critical infrastructure (e.g. WTPs, pump stations) and
- » Increased leak detection and repair (often deeper, bigger, unseen leaks).

However, the wash out of the Boar Bush water main in June 2020 and ongoing asset analysis has further emphasised that our Drinking Water infrastructure remains vulnerable to supply interruptions caused by:

- » Climate change risks – washouts, river level drops,
- » Seismic activity,
- » Excessive usage and undetected leaks, and
- » Legacy network layout challenges

To help safeguard continued water supplies it is essential that we take action to mitigate these issues. Given the variability of water source supply caused by climate change this must include minimising network losses and reducing water consumption. There is finite water available for our use and conservation and reducing demand will become an increasingly important part of Council strategy.

Strategic alignment

The following table outlines how addressing this issue supports the SWDC strategic drivers.

Table 12: Strategic Alignment to Council's Strategic Drivers and Community Outcomes (Issue 3)

STRATEGY	ACTIVITY ALIGNMENT
Social Wellbeing <i>Residents are active, healthy, safe, resilient, optimistic and connected</i>	Provision of reliable drinking water is essential for a healthy community. Also need to avoid ongoing pipe breaks (by increasing renewals), which undermines residents' confidence in Council and WWL operations.
Environmental Wellbeing <i>Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced</i>	Safe and secure water with no adverse environmental impact.
Economic Wellbeing <i>A place of destination, new business and diverse employment that gives people independence and opportunity</i>	Reliable provision of clean and safe drinking water is a necessity for people to want to visit or considering move to the area and for businesses to operate. Reputational damage. Also need to avoid ongoing pipe breaks (by increasing renewals), which undermines residents' and businesses' confidence in Council and WWL operations.
Cultural Wellbeing <i>Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage</i>	Cultural importance of all water to Maori and broader community.
Water Priority 1 <i>Looking after our existing three waters infrastructure</i>	A core priority for SWDC investment in this LTP

STRATEGY	ACTIVITY ALIGNMENT
Water Priority 3 <i>Reducing water consumption</i>	Being proactive in avoiding the need for repair (and its water losses) will reduce overall network consumption.
Climate Change	Reduce power/resource consumption and water loss by improving network performance
Enhancing 3 waters delivery & environmental quality <i>Deliver sustainable, clean, clear, safe and secure drinking water</i> <i>Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems</i>	Directly delivers this strategic driver for Council

Priority Drinking Water Issue 3: Options

The following table identifies the options considered and our preferred option to address this issue.

Table 13: Drinking Water Investment Options (Issue 3)

OPTION	ANALYSIS	Preferred Option
Do Nothing	Not taking steps to mitigate known risks to our Drinking Water supplies is not considered a viable option. This option is highly unlikely to meet Levels of Service into the future and expose Council to significant and unquantifiable costs and risks.	
Investment option Increase water supply resilience budget by \$127k for leak detection and growth; and \$3m in capital expenditure for smartmeters	Increasing budgets to deliver on a prioritised mitigation plan that would include: <ul style="list-style-type: none"> - Seismic assessment of Boar Bush and Waiohine reservoirs, - Rollout of smart metering for ratepayers across the District, - Continue the increased annual leak detection in every town (previously was completed every three years on a rotating cycle), and - Growth impact assessments. 	

Priority Drinking Water Issue 4: Security of supply in Martinborough

The water supply approach in Martinborough is not optimal. Raw water is taken from four bores that have varying levels of manganese, which reacts with the chlorine added as part of the multi-barrier treatment process used to help ensure safe drinking water. A Manganese Reduction Plant (MRP) has been installed as a short-term fix to help resolve this. The bores themselves are on private land and are situated at the opposite side of the town from the reservoirs, which can result in increased supply contamination risk and can cause difficulties in maintaining supply resilience.

As a result, it is considered prudent to explore alternative water sources and locations to safeguard Martinborough water supplies over the term of this LTP.

Strategic alignment

The following table outlines how addressing this issue supports the SWDC strategic drivers.

Table 14: Strategic Alignment to Council's Strategic Drivers and Community Outcomes (Issue 4)

STRATEGY	ACTIVITY ALIGNMENT
Social Wellbeing <i>Residents are active, healthy, safe, resilient, optimistic and connected</i>	Securing future water supplies for Martinborough will promote social wellbeing. Long term confidence in the supply will improve from previous contamination incidents.
Environmental Wellbeing <i>Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced</i>	Moving the supply point and addressing the potential contamination in the network will help secure sustainable water supply for the town.
Economic Wellbeing <i>A place of destination, new business and diverse employment that gives people independence and opportunity</i>	Reliable provision of clean and safe drinking water is a necessity for people to want to visit or considering move to the area and for businesses to operate. Avoid reputational damage.
Cultural Wellbeing <i>Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage</i>	Cultural importance of all water to Maori and broader community.
Localised Issue	A unique Martinborough issue
Enhancing 3 waters delivery & environmental quality <i>Deliver sustainable, clean, clear, safe and secure drinking water</i> <i>Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems</i>	Directly delivers this strategic driver for Council

Priority Drinking Water Issue 4: Options

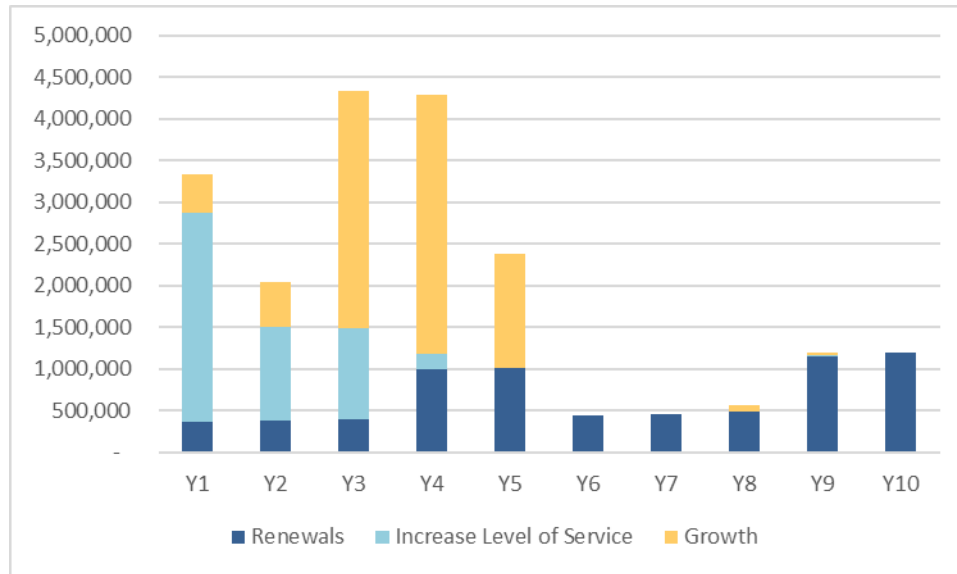
The following table identifies the options considered and our preferred option to address this issue.

Table 15: Drinking Water Investment Options (Issue 4)

OPTION	ANALYSIS	Preferred Option
Do Nothing <i>Continue as is</i>	Given the supply risks this would perpetuate this is not our preferred option.	
Investment option <i>Identify and implement alternative water supplies (\$3.5m in Years 1-3, \$2.7m in Year 4)</i>	Continuing with current approach is considered untenable from a water safety and security viewpoint. By relocating the supply and treatment points we can improve how we meet Martinborough's needs into the future.	

Funding Approach

Figure 11: 10-Year Water Supply Capital Investment



Note: graph above includes 10-year capital investment profile only.

Table 16: 30-Year Water Supply Investment

YEAR	OPERATING \$,000	CAPITAL \$,000	TOTAL \$,000
2021/22	3,440	3,334	6,775
2022/23	3,943	2,049	5,992
2023/24	4,122	4,331	8,453
2024/25	4,199	4,289	8,488
2025/26	4,731	2,376	7,107
2026/27	4,939	445	5,384
2027/28	4,973	464	5,437
2028/29	5,086	560	5,646
2029/30	5,222	1,191	6,413
2030/31	5,403	1,189	6,592
2031/36	29,111	10,470	39,581
2036/41	32,936	10,298	43,234
2041/46	37,264	10,207	47,471
2046/51	42,161	11,504	53,665

Our Extended View

In addition to the strategy areas outlined above, SWDC are aware of the following broader or longer term issues for Drinking Water:

- » **Higher Drinking Water Standards** – the implementation of higher treatment standards by the new water regulator is very possible. They are currently unknown but through Wellington Water will continue to engage with Taumata Arowai on the emerging standards and the investment required to meet them.
- » **Growth exceeds expectations** – an issue that would affect most infrastructure areas but higher summer demand when river levels are low already causes restrictions on use makes the impact even greater for the provision of Drinking Water.

Wastewater

Summary

Many of the issues facing our Drinking Water networks are also shared by our Wastewater networks. The pipes are largely made from similarly brittle materials (Asbestos cement, earthenware, and concrete) and the same performance issues exist. However, the effects are different. Breaks in these pipes have the potential to adversely impact our environment but, also, allowing inflow and infiltration (stormwater and groundwater, respectively) into the network increases the influent flows to the Wastewater Treatment Plants (WWTPs). This results in the WWTPs treating water unnecessarily, increasing costs and maintenance requirements.

In some areas, our wastewater pipes will not be big enough to handle our projected growth, particularly in Greytown. We're in the process of increasing some and others may require upgrading in later years of the LTP to account for an increase in demand.

In early 2020, we also had overflows of partially treated wastewater from the Martinborough WWTP. This was not acceptable to us or our community. Since then we have undertaken a programme of upgrades across all our WWTPs (e.g. improved automation to reduce manual interventions, better alarm systems, enhanced operating procedures). Further work is required to reduce the likelihood of future incidents and to improve how our plants operate.

Council will also be looking to Implement an improved system for the management of trade waste. Trade waste has significant impacts on network, wastewater treatment plants and environment, including network blockages causing wastewater to overflow and odour from treatment plants being unable to operate as designed.

Priority Wastewater Issues

Significant Project - Featherston Wastewater Treatment Plant (WWTP)

After requesting the withdrawal of our 2017 consent application for Featherston's wastewater treatment plant, we are currently operating the plant under the 2012 consent. The consent allows Council to discharge treated wastewater into Donald's Creek which then flows down to the Wairarapa Moana. This is not sustainable and we are working closely with Wellington Water, industry wastewater experts, key stakeholders, iwi, and the wider community to progressively identify the best long-term solution for our community and environment.

One of the challenges we face is the evolving regulatory environment which impacts the feasibility of the options we're considering. These changes have included the Climate Change Response (Zero Carbon) Amendment Act, the National Environmental Standards for Freshwater Regulations 2020, possible future national standards for wastewater, along with the new water regulator Taumata Arowai and the ongoing water reform. We are seeking a long-term solution that will take account of these changes while balancing affordability for our ratepayers.

So far, we have developed a long list of options, consulted on them with the wider community, and received valuable feedback that has enabled us to refine the options down to a shortlist to consider in more detail. There is still a lot of work required to fully understand and consider the technical dynamics of the current

options, their feasibility and affordability. This is a lengthy process and when it is complete we will develop a concept design to lodge a new resource consent application with GWRC.

This means that we are not in a position to be able to provide a fully costed solution for this LTP. However, there is still work we can do to improve the current treatment of wastewater to the waterways while progressing the consenting process.

What we have done in this LTP:

- » Allocated \$16 million in the first five years of this LTP to progress the project, gain consent from GWRC and make the agreed treatment upgrades, and
- » Taken a prudent approach to new debt and deferred unnecessary operating and capital expenditure.

The risks we are facing:

- » It's likely that the long-term solution for Featherston will cost significantly more than the \$16 million allocated in this LTP for treatment improvements and the best solution may not be affordable without taking on further risks or debt, or seeking external funding sources, and
- » We are operating under the 2012 consent at the discretion of GWRC and we must ensure that the treatment improvements and long-term solution meet environmental requirements in a timely way.

Strategic alignment of the Featherston WWTP project

Table 17: Strategic Alignment to Council's Strategic Drivers and Community Outcomes

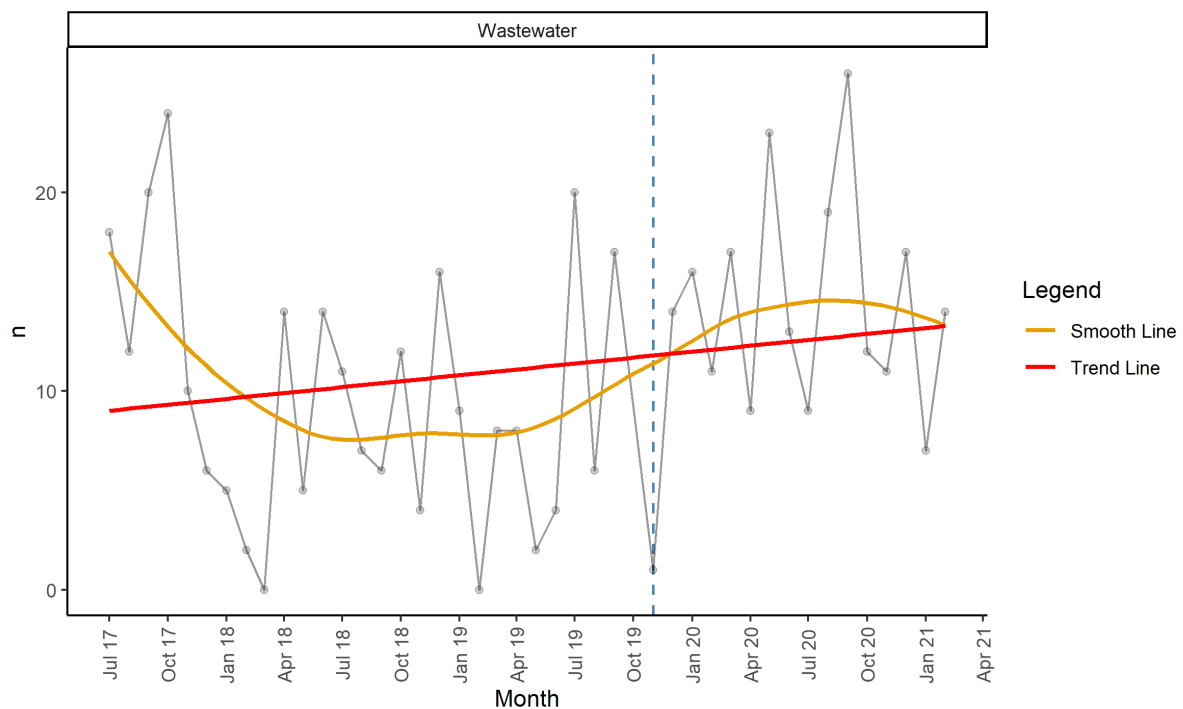
STRATEGY	ACTIVITY ALIGNMENT
Environmental Wellbeing <i>Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced</i>	Improving the treatment of Wastewater in Featherston will improve the local environment by reducing the impact of effluent. Also, an improved system will look to reduce the amount of greenhouse gases produced.
Cultural Wellbeing <i>Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage</i>	Addressing the impact of effluent on nearby waterways and Lake Wairarapa is essential to preserve and promote the cultural wellbeing of our district.
Water Priority 2 <i>Supporting growth without adverse environmental impacts</i>	Ensure the new WWTP approach has capacity to allow for growth and addresses any environmental effects.
Water Priority 4 <i>Improving environmental water quality</i>	Improving the standard of effluent produced and where it is disposed to will help improve environmental water quality.
Water Priority 5 <i>Reducing carbon emissions</i>	The current approach is known to produce high levels of greenhouse gases, which needs to be addressed through the project. The Climate Change Bill will likely increase obligations on Council to address this in the short-term.
Localised Issue	A unique Featherston issue.

STRATEGY	ACTIVITY ALIGNMENT
Climate Change	The current approach is known to produce high levels of greenhouse gases, which needs to be addressed through the project.
Enhancing 3 waters delivery & environmental quality <i>Deliver sustainable, clean, clear, safe and secure drinking water</i> <i>Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems</i>	Directly delivers this strategic driver for Council.

Priority Wastewater Issue 1: Improving Network Performance

Our Wastewater networks are requiring increasing maintenance and repair and, while more pipe renewals will reduce the need for reactive repair in the longer term (Wastewater Issue 2, below), Council needs to continue to respond effectively to the short-term problems experienced in the network to avoid having an adverse impact on our environment and our ratepayers. The increasing demand for repairs is shown below.

Figure 11: Improving Wastewater Network Performance



While we have increased resourcing to help address this trend, to meet our service levels and community expectations, we will need to increase operational funding to respond effectively to breakages in our ageing network. The cost of each repair has also increased as a result of regulatory compliance, such as Health and Safety, and traffic management.

The performance of our wastewater network will also be improved the management of the trade waste issue. The inappropriate disposal of fats, for example, causes blockages and network overflows onto property. Activities planned would include improved access control at dump sites and, site monitoring and compliance checks for equipment like grease traps in restaurants and cafes.

Strategic alignment

Table 18: Strategic Alignment to Council's Strategic Drivers and Community Outcomes (Issue 1)

STRATEGY	ACTIVITY ALIGNMENT
Social Wellbeing <i>Residents are active, healthy, safe, resilient, optimistic and connected</i>	If we don't address wastewater leaks quickly the social wellbeing of our residents will be affected through potential health impacts and odour issues.
Environmental Wellbeing <i>Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced</i>	We need to be able to respond quickly and effectively to individual breaks to avoid localised impacts on our environment, including waterways and risks to public health.
Economic Wellbeing <i>A place of destination, new business and diverse employment that gives people independence and opportunity</i>	Having unrepaired wastewater issues will adversely effect South Wairarapa being a destination area and business growth.
Cultural Wellbeing <i>Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage</i>	Similar to the above, wastewater leaks are also not desirable to our cultural wellbeing.
Water Priority 1 <i>Looking after existing three waters infrastructure</i>	Increasing investment will help us look after our existing infrastructure more effectively.
Water Priority 4 <i>Improving environmental water quality</i>	Fixing leaks quicker will avoid untreated wastewater entering our waterways.
Enhancing 3 waters delivery & environmental quality <i>Deliver sustainable, clean, clear, safe and secure drinking water</i> <i>Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems</i>	Directly delivers this strategic driver for Council

Priority Wastewater Issue 1: Options

The following table identifies the options considered and our preferred option to address this issue.

Table 19: Wastewater Investment Options (Issue 1)

Option	Analysis	Preferred Option
Low Investment Option Continue with 2021 maintenance budget of \$1.9m	This option is to continue with the current budgets (from the 2021 Annual Plan). Given the increase in network breakages it is considered that this option will not meet community expectations or Levels of Service.	
Mid investment Option Increase O&M budgets by 18% over 3 years	Increase maintenance and operations budget to help cover increased job volume and more preventative maintenance of existing WWTPs.	
Higher investment Option Increase O&M budgets by 21% over 3 years	As per Mid Investment Option, with increased budget for monitoring of overall network and plant performance, and management of trade waste issues.	

Priority Wastewater Issue 2: Increasing renewals funding

The age of our wastewater network assets is increasing, their condition deteriorating and the performance of some pipe materials, especially more brittle materials, is not satisfactory and the pipes are not meeting their projected asset life. In our wastewater network this results in increased Inflow and Infiltration (I&I) where groundwater and stormwater enters the system. High levels of I&I means we are then treating water at our WWTPs unnecessarily. This has consequential impacts on the WWTP performance and operation costs and is a particular issue in Featherston. There will always be breakages and an element of I&I in a network but increased renewals will reduce these over time.

Where required, pipe size would be increased at the time of renewal, to meet future growth requirements.

Strategic alignment

Table 20: Strategic Alignment to Council's Strategic Drivers and Community Outcomes (Issue 2)

STRATEGY	ACTIVITY ALIGNMENT
Social Wellbeing <i>Residents are active, healthy, safe, resilient, optimistic and connected</i>	We need to progressively reduce the incidence of wastewater pipe breaks by undertaking longer term renewals to avoid the social impacts of breakages and odour issues.
Environmental Wellbeing <i>Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced</i>	We need to be able to proactively renew parts of our network reduce the number of breakages that require repair. Reducing I&I will also help improve the performance of our WWTPs to better treat wastewater and reduce the environmental impact.
Economic Wellbeing <i>A place of destination, new business and diverse employment that gives people independence and opportunity</i>	Having multiple wastewater issues will adversely effect South Wairarapa being a destination area and business growth.

STRATEGY	ACTIVITY ALIGNMENT
Cultural Wellbeing <i>Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage</i>	Similar to the above, wastewater leaks are also not desirable to our cultural wellbeing.
Water Priority 1 <i>Looking after existing three waters infrastructure</i>	Increasing investment will help us look after our existing infrastructure more effectively.
Water Priority 4 <i>Improving environmental water quality</i>	Avoiding leaks will avoid untreated wastewater entering our waterways.
Enhancing 3 waters delivery & environmental quality <i>Deliver sustainable, clean, clear, safe and secure drinking water</i> <i>Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems</i>	Directly delivers this strategic driver for Council

Priority Wastewater Issue 2: Options

The following table identifies the options considered and our preferred option to address this issue.

Table 21: Wastewater Investment Options (Issue 2)

OPTION	ANALYSIS	Preferred Option
Low Investment Option Continue with 2018 LTP level - \$1.2m over 3 years	This is considered the very minimum. This approach will only allow minimal replacement of wastewater pipes. This option would incur higher maintenance costs over the term of the strategy as more pipes continue to break and reactive repairs are required. This is not considered a suitable approach.	
Mid investment option Increase wastewater renewal budgets - \$x2.3m over three years (a \$1.1 increase)	The mid-level investment option will accelerate the replacement of known vulnerable pipes. This option will gradually improve network condition and move towards slowly reducing the need for reactive repairs of our wastewater network. This would be considered the minimum acceptable option to avoid continued and significant reactive repair costs into the future.	
High Investment option Increase wastewater renewal budgets - \$3.8m over three years (a \$1.5m increase)	As per the mid-level investment option but the high investment option will further accelerate the improvement in the network by renewing the wastewater pipes and levelling of reactive repair costs over time. This is the preferred option to address a growing performance issue. The scale of the investment does have the residual risks around affordability for Council/ratepayers and delivery certainty in resource-constrained markets. These issues could be managed through effective scheduling/phasing of activities and market engagement.	

Priority Wastewater Issue 3: Upgrades to meet Levels of Service and growth needs

To meet future demand, comply with the next phases of our existing Greytown and Martinborough WWTP consents and improve the performance of our WWTPs, we'll need to invest in the following:

Greytown WWTP upgrades

- » Inlet screening,
- » Site flood mitigation, and
- » Riparian planting.

Martinborough WWTP upgrades

- » Waveband and aeration improvements to increase plant capacity,
- » Pumps,
- » Irrigation equipment, and
- » Inlet screening.

Next phase of upgrade to Wastewater main in Greytown

Strategic alignment

Table 22: Strategic Alignment to Council's Strategic Drivers and Community Outcomes (Issue 3)

STRATEGY	ACTIVITY ALIGNMENT
Environmental Wellbeing <i>Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced</i>	Upgrades to plants to allow for future growth and consent compliance will improve the environmental wellbeing of the towns.
Cultural Wellbeing <i>Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage</i>	As above
Water Priority 1 <i>Looking after existing three waters infrastructure</i>	Upgrades to existing plants will help ensure the current plants can operate more effectively.
Water Priority 2 <i>Looking after existing three waters infrastructure</i>	Upgrades to meet future demand and avoid environmental impacts.
Water Priority 4 <i>Improving environmental water quality</i>	Better performing plants and progressive upgrades will improve local water quality over time.
Enhancing 3 waters delivery & environmental quality <i>Deliver sustainable, clean, clear, safe and secure drinking water</i> <i>Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems</i>	Directly delivers this strategic driver for Council

Priority Wastewater Issue 4: Approach

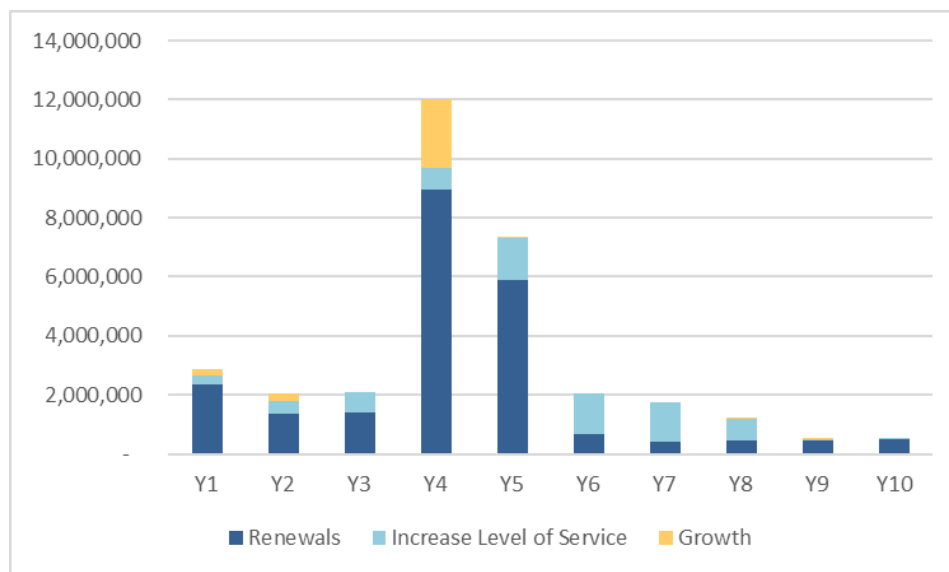
The following table identifies the options considered and our preferred option to address this issue.

Table 23: Wastewater Investment Options (Issue 4)

OPTION	ANALYSIS	Preferred Option
Do Nothing	In order to meet consent requirements and avoid impact on our environment this is not considered a viable option	
Do minimum	This would involve doing the least required to ensure compliance with consents. It is unlikely to meet future growth needs at the plants.	
Investment Option \$1.1m over Years 1-3 of LTP, \$4.1m Year 3+	This option allows Council to upgrade the plants to continue consent compliance and upgrade as required to meet growth. The work is phased to allow for affordability, need and deliverability.	

Funding Approach

Figure 12: 10-Year Wastewater Capital Investment



Note: graph above includes 10-year capital investment profile only.

Table 24: 30-Year Wastewater Investment

YEAR	OPERATING \$,000	CAPITAL \$,000	TOTAL \$,000
2021/22	2,147	2,879	5,026
2022/23	2,575	2,043	4,618
2023/24	2,510	2,098	4,609
2024/25	3,318	12,030	15,347
2025/26	3,375	7,305	10,681
2026/27	3,605	2,068	5,673
2027/28	3,649	1,763	5,411
2028/29	3,729	1,192	4,921
2029/30	3,808	505	4,313
2030/31	3,855	514	4,369
2031/36	20,770	13,098	33,868
2036/41	23,499	15,144	38,644
2041/46	26,587	9,959	36,546
2046/51	30,081	11,147	41,228

Levels of Service

Below is a sample of the levels of service and key performance indicators for the Wastewater activity. A full list with future year targets can be found in the wastewater significant activity section. Note that the last customer survey was carried out in October 2018 and will be carried out again in 2021.

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2019/20 RESULTS	PERFORMANCE TARGET 2021/22	HOW IT WILL BE MEASURED
Council provides wastewater services that effectively collect and dispose of wastewater	Number of blockages per 1000 connections	10.68	<10	Council records
	Ratepayers and residents satisfaction with waste water services	No result	53%	Customer survey
	Attendance time: from notification to arrival on site <1 hr	44% Median time: 0.83 hrs	70%	Council records
	Resolution time: from notification to resolution of fault < 4 hours	89% Median Time: 55.97 hrs	75%	Council records
Wastewater disposal does not create any smells, spill or health issues and causes minimal impact on the natural environment	% of resource consent conditions complied with to mainly complying or better*	100%	90%	Council records
	No. of abatement notices	0	<2	Council records
	No. of infringement notices	0	0	Council records
	No. of complaints per 1000 connections received about sewage odour	0.72 (3)	< 15	Council records
	No. of complaints per 1000 connections received about sewage system faults	2.24 (1)	< 15	Council records
	No. of complaints per 1000 connections received about sewage system blockages	10.68 (45)	< 15	Council records
	No. of complaints per 1000 connections received about the response to issues with sewage	0 (0)	< 15	Council records

Stormwater

Summary

Council has a limited stormwater network mostly comprising kerb and channels associated with our roading network, culverts and sumps.

In SWDC, Stormwater reticulation is managed and maintained by Wellington Water and drainage (sumps/culverts) are maintained under the Roading contract.

Maintenance and Operation

The drainage network is maintained and operational through an ongoing maintenance programme which addresses defects identified through inspections, health and safety, and public complaints. This work can be either planned or responsive maintenance.

The maintenance of drainage facilities includes the following activities:

- » Inspections
- » Drainage facility maintenance
- » Surface water channel maintenance
- » Kerb and channel repairs
- » Stream cleaning
- » High-shoulder maintenance

The renewal strategy for drainage is based on condition rather than age and asset renewal is undertaken when:

- » A depression or high point in lineal drainage that prevents flow.
- » Deterioration of the pavement adjacent to the kerb and channel.
- » Culvert collapse.
- » The asset has reached the end of its economic life.

Disposal of stormwater is generally through soak away, which is possible due to local soil type in the District and relatively low-density housing. However, this approach is likely to become increasingly untenable and be impacted by:

- » Climate change bringing more intense rainfall events that may overwhelm the limited system,
- » Growth potentially increasing housing density across the District, and
- » The environmental impact of stormwater run-off and its environmental effects potentially becoming subject to regulation.

There are also areas across the District where flooding has become an increasing hazard, especially in areas close to hillsides, such as in Ngawi and Featherston. This is further exacerbated by loose material and scree blocking culverts, and other water courses, limiting the dispersal of the stormwater away from housing and

other infrastructure. Oftentimes the material comes with the rainfall, limiting the ability of Council to pro-actively removed this material, but an improved schedule of preventative maintenance is required.

Strategic alignment

Table 25: Strategic Alignment to Council's Strategic Drivers and Community Outcomes

STRATEGY	ACTIVITY ALIGNMENT
Social Wellbeing <i>Residents are active, healthy, safe, resilient, optimistic and connected</i>	If stormwater impacts community facilities, individual properties and infrastructure, the social wellbeing of our communities will be affected.
Environmental Wellbeing <i>Sustainable living, safe & secure water and soils, waste minimised, biodiversity enhanced</i>	To avoid flooding impacting our environment we need to actively mitigate the likelihood of and impact of stormwater. There is also the issue of contaminated run-off affecting our waterways.
Economic Wellbeing <i>A place of destination, new business and diverse employment that gives people independence and opportunity</i>	Flooding damage to businesses or houses will damage our economy.
Water Priority 1 <i>Looking after existing three waters infrastructure</i>	Proactive maintenance of current infrastructure will avoid the above impacts and later, more expensive, replacements.
Water Priority 2 <i>Supporting growth without adverse environmental impacts</i>	Increased housing density or development may impact the current approach to stormwater management. Growth needs to be planned with stormwater management in mind.
Water Priority 4 <i>Improving environmental water quality</i>	Mitigating impact of run-off and contaminants.
Climate Change	With more intense rainfall events predicted we will need systems that can manage the majority of events to avoid undue impact on our community.
Enhancing 3 waters delivery & environmental quality <i>Deliver sustainable, clean, clear, safe and secure drinking water</i> <i>Design and implement innovative, sustainable, efficient and affordable wastewater and stormwater systems</i>	Directly delivers this strategic driver for Council

Stormwater: Approach

The following table identifies the options considered and our preferred option to address this issue.

Table 26: Stormwater Investment Options

OPTION	ANALYSIS	Preferred Option
Low Investment Option Continue with current operations budgets (\$300k pa)	This will maintain the network at its current standard and will allow for some growth and resilience planning. However, given the incidence of stormwater events and increasing rainfall intensity may not be enough to meet future needs.	
Higher investment option Increase operating budget to \$340k pa	This option increases preventative maintenance activities and stormwater investigations to inform future investment strategies and planning. This includes engagement with GWRC on stream management.	Preferred Option

Levels of Service

Below is a sample of the levels of service and key performance indicators for the Stormwater activity. A full list with future year targets can be found in the stormwater significant activity section. Note that the last customer survey was carried out in October 2018 and will be carried out again in 2021.

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2019/20 RESULTS	PERFORMANCE TARGET 2021/22	HOW IT WILL BE MEASURED
Stormwater drains are well operated and maintained by the Council	% of ratepayers and residents satisfied with stormwater drains	No result	58%	Customer survey
	% of urgent (any blockage causing extensive flooding of buildings or other serious flooding) requests for service responded to within 5 hours	100%	95%	Council records
	No. of flooding events	0	0	Council records
	No. of habitable floors affected per flooding event per 1000 properties connected	0	0	Council records
Consent Compliance	No. of abatements notices	0	0	Council records
	No. of infringement notices	0	0	Council records
	No. of enforcement notices	0	0	Council Records
	No. of convictions	0	0	Council Records
	Median Response time to flooding events (Notification to personnel reaching site in hrs)	0	3	Council Records
	No. of complaints about stormwater per 1000 properties connected	No result	0	Council records

Water Races

Summary

SWDC, in conjunction with Wellington Water, operate two water races in the district, Moroa and Longwood. These races are historically used for stock watering and irrigation purposes. The Moroa water race facilitates the movement of stormwater as it moves through Greytown and is consented through to 2025.

In January 2020, a new consent application was lodged with GWRC for the operation of the Longwood Water Race. It is anticipated that, if granted, this consent would bring the two water races to the same consent timeframes.

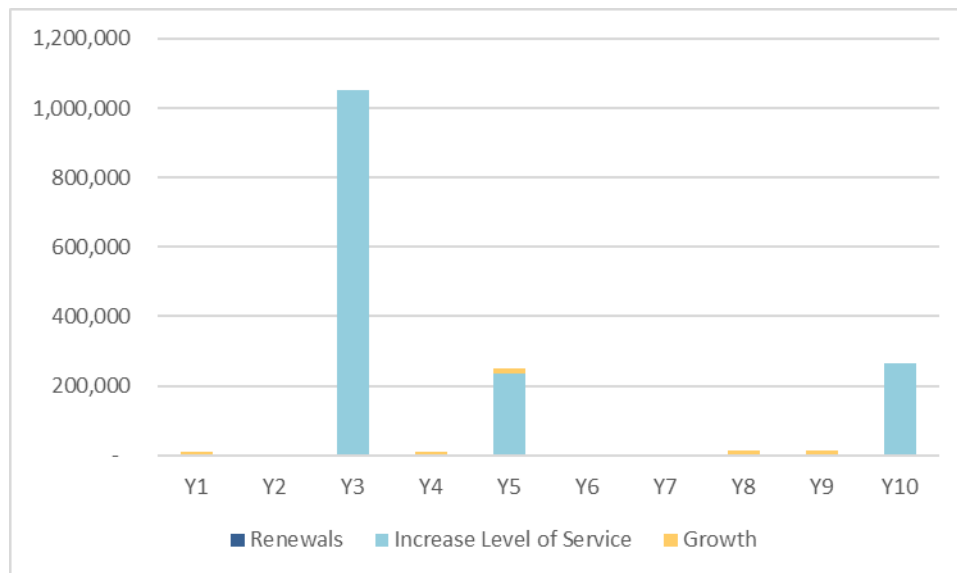
Since the water races were established, the district has changed and so may have the use and benefit of the water races. To understand whether this is the case, over the next year Council will undertake a strategic review of the water races that will be informed by water race user consultation and community engagement.

This emerging strategy will need to consider a changing regulatory landscape that will affect water races, including the Freshwater National Policy Statement 2020 and any requirements for stock exclusion, and other ecological or environmental obligations on Council. The strategy will also consider a full range of factors that includes affordability of any future solution and viability of alternative sources.

Council has allocated \$1m in Year 4 of the LTP for implementation of this strategy, to be funded through borrowing.

Funding profile

Figure 13: 10-Year Water Race Capital Investment (includes Stormwater)



Note: graph above includes 10-year capital investment profile only.

Table 27: 30-Year Water Race Investment (includes Stormwater)

YEAR	OPERATING \$,000	CAPITAL \$,000	TOTAL \$,000
2021/22	393	11	404
2022/23	414	0	414
2023/24	425	1,052	1,477
2024/25	487	12	499
2025/26	497	249	746
2026/27	558	0	558
2027/28	567	0	567
2028/29	574	13	587
2029/30	587	13	600
2030/31	602	265	867
2031/36	3,244	447	3,691
2036/41	3,670	523	4,193
2041/46	4,152	592	4,744
2046/51	4,698	649	5,347

Land Transport

Summary and Scope

Our Roding network is a key Council asset that enables social connectedness and economic growth for our region and comprises:

- » 662 km of roads
 - » 401km of sealed roads and 261km of unsealed roads, or
 - » 601kms rural roads and 61km or urban roads
- » 133 bridges excluding stock underpasses
- » 247 culverts
- » 59.4kms footpaths
- » 1042 streetlights

State Highways 2 and 53, are managed by Waka Kotahi, New Zealand Transport Agency (NZTA) and are carriageway excluded from this Infrastructure strategy scope.

Funding and Commercial Arrangements

Since July 2019, Roding services in the South Wairarapa District have been provided through Ruamahanga Roads, a shared service arrangement with Carterton District Council (CDC), with Fulton Hogan as our contractor. This contract includes maintenance, renewals and upgrades to both Council networks. The new contract has moved away from lump sum/month items to a true measure and value for all maintenance activity as well updating the RAMM data base where possible during inspections.

This contract was the first time that the works had been tendered for five years and in that time the market had shifted significantly with increased compliance costs and reducing availability of resources and materials increasing prices for roading activity. By taking a shared services approach to the work (increased volume, reduced management overheads), joint activity planning and openly tendering the work, the impact of these market changes were mitigated somewhat, but SWDC still saw a significant increase in unit costs and charges compared to the previous contract.

Cost Efficiency

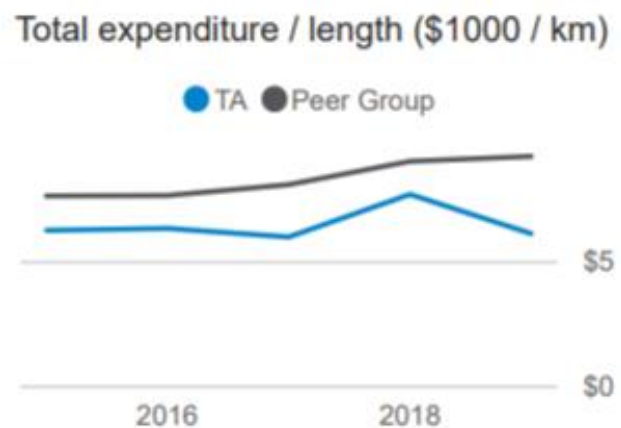


Figure 14: Roding Cost Efficiency

These cost increases and relatively static SWDC roading budgets have resulted in reduced network activity being undertaken and a backlog of work building up. In the 2020 Annual Plan, roading budgets were increased by approximately \$600k to help address this but further investment in future years is required to address a backlog of maintenance and renewals activity that has built up. This is further demonstrated by the following

graph from the Waka Kotahi, NZTA Roding Efficiency Group (REG) Report for South Wairarapa¹³ that also shows historic lower levels of investment, relative to our rural district peers.

Current Road Condition

In general terms, our roading network has been in relatively good condition. However, as the following chart from the same REG report demonstrates, it is starting to show a diminishing quality of ride quality on South Wairarapa roads, which can be linked to investment and activity not keeping pace with network requirements.

Road Condition

Ride quality (roughness of the roads)

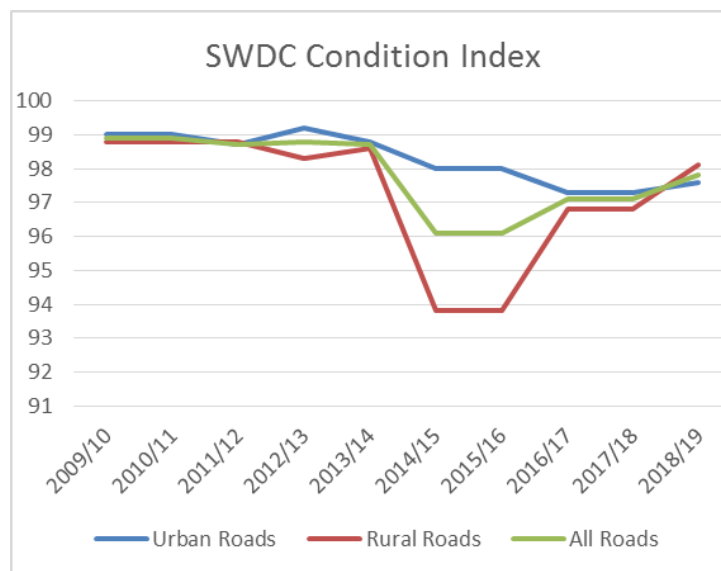


Source: Waka Kotahi Data and Tools

Figure 15: Road Condition Relative to Investment

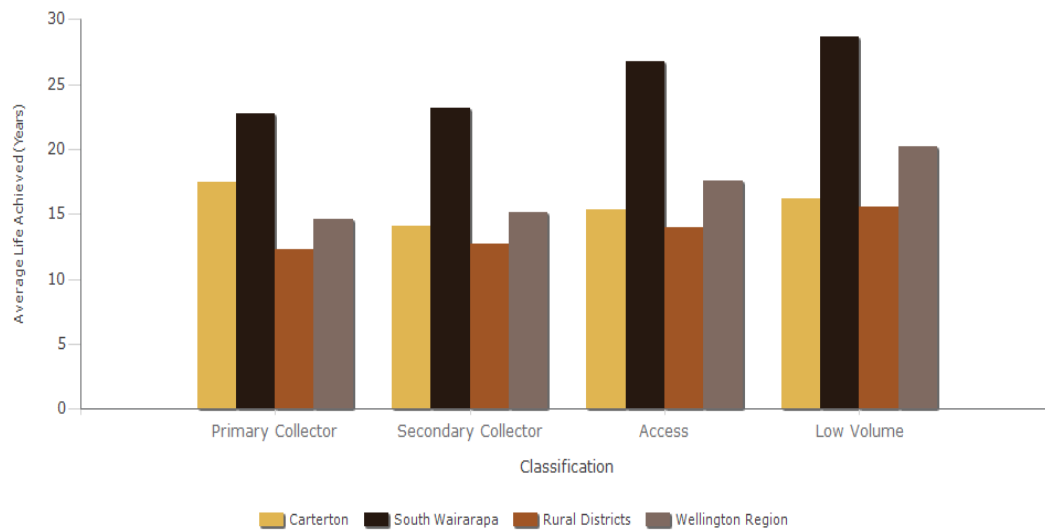
This trend is further emphasised by the following graph, which includes urban and rural roads and a general downward trend on condition.

Figure 16: Road Condition Index



Budgetary constraints have reduced the amount of reseal and rehabilitation work being undertaken, which has impacted the relative age of our roading assets, as shown in Figure 17.

¹³ <https://www.nzta.govt.nz/assets/Road-Efficiency-Group/docs/rca-reports/2018-19-RCA-Report-South-Wairarapa-District-Council.pdf>

Figure 17: Relative Age of our Roading Assets

Funding Arrangements

Waka Kotahi, NZTA, have indicated that the Financial Assistance Rate (FAR) provided to SWDC will reduce from 53% currently, reducing to 52% for the 2022/23 Financial Year (FY) and then 51% for the 2023/24 FY. To provide context for this reduction, 1% change in FAR has a net effect of reducing available funding to SWDC by approximately \$40k pa. This reduction in FAR is reflected in our LTP budgets.

For some time, NZTA have signalled a reducing contribution under the Special Purpose Road (SPR) category. This funding is for Cape Palliser Road and will progressively reduce over time.

In order to mitigate the impact of this reducing funding, SWDC are undertaking a series of renewals and maintenance activities on the Cape Palliser Road over the next three years as well as mitigating the impact of coastal erosion on this stretch of road.

Asset Management in Land Transport

Maintenance Strategy

Pavement (road) maintenance provides for the daily care and attention to the road corridor to ensure its structural integrity and safe serviceability are maintained. It addresses the maintenance needs of all materials within the pavement. Sealed and unsealed roads are considered separately, due to the differing natures and needs.

The maintenance of sealed roads includes the following activities:

- » Road Inspections,
- » Surface defect repairs,
- » Repair of localised pavement failures,
- » Repair of edge breaks,
- » Pre-seal repair work, and
- » Shoulder maintenance, including high shoulder removal.

The maintenance of unsealed roads includes the following activities:

- » Road Inspections,
- » Grading,
- » Surface and shape restoration, and
- » Spot maintenance metalling.

The forecast for maintenance expenditure is based on assessments that:

- » The overall pavement condition of the roading network will not change significantly over the next 15 years
- » Pavement renewal strategies will continue to target road condition and network priorities based on safety, use and function.
- » There will be negligible extension to the roading network through the vesting of subdivisions, and road use efficiency improvements through reprioritisation of the transport system. The footpath and cycle way network assets are likely to increase due to the development of trails within the district and connectivity to new subdivision development.
- » The level of pavement maintenance required will not increase substantially reflecting an increase in the overall condition of the roading network as a result of maintenance and well targeted asset renewal programmes.

Renewal Strategy

Renewal is the process of restoring an asset to its initial capacity or condition by repairing or replacing certain components which are not functioning. In comparison, maintenance is aimed at slowing the rate of deterioration and does not return the asset to its full capacity or condition.

Renewal activities are undertaken before routine maintenance expenditure becomes uneconomic. On an optimal lifecycle cost basis, renewals should be programmed when the net present value (NPV) of the treatment rises above zero, thus balancing future discounted maintenance costs against the cost of the treatment.

The predominant driver for renewals is to address the decline of an asset's performance; this can be assessed in two ways:

- » Level of Service Criteria (asset does not achieve the required condition or performance).
- » Economic Criteria (more cost effective to provide the required level of service by replacing the asset rather than repairing it).

Renewals Forecast

The forecast budget for sealed pavement renewals has been determined to achieve an optimal lifecycle cost basis and safe and efficient level of service. The current target lengths are seen as sufficient for the next three years even in light of the slight reduction in the Condition Index (CI). The programmed outputs have been matched to the current Ruamahanga Roads Contract rates to determine funding Forecast.

The forecast budget for unsealed pavement renewals has been determined to achieve an optimal lifecycle cost basis and safe and efficient level of service. The current target lengths are seen as sufficient for the next three years.

Unsealed resurfacing has the primary aim of restoring the wearing surface which is lost or consumed through the actions of traffic and weather, or the combination of both. The renewal of unsealed surfacing is performed on a reactive basis in conjunction with the maintenance.

Maintenance Strategy - Bridges

In addition, the Roding AMP has identified the need for further preventative maintenance is required on our bridges. These are critical assets for our community and as such require a more pro-active asset management approach.

Bridge and structure preventative maintenance strategy is to ensure the network is accessible, safe, and well maintained by reducing risks to the community and road users, and therefore managing its lifecycle costs. The preventative maintenance strategy addresses progressive deterioration, corrosion, decay, crash damage, public complaints, and defects resulting from the normal use of the structures.

The majority of the maintenance work arises through the inspection regime described below, with maintenance programmes developed from the defects identified. Priority is then given to repairing defects which constitute a risk to public safety, traffic movement, and future deferred costs. The remainder of maintenance work completed is reactive maintenance.

The type of maintenance work undertaken includes:

- » Repairing structural defects.
- » Repairing or replacing damaged components.
- » Restoring protective coatings.
- » Maintaining deck drainage
- » Clearing waterway obstructions.
- » Rectifying degraded and aggraded areas around piers, piles and abutments.

Maintenance is derived through the following inspection programme in accordance with the Transit NZ Bridge Inspection Guide;

- » Every year 50% of the bridges undergo a general inspection, and 1/3rd of these have more detailed structural inspection undertaken
- » Annual superficial inspections co-ordinated with other routine maintenance work
- » General inspections undertaken on a two year cycle
- » Full structural inspections of all bridges and culverts undertaken on a six year cycle by a
- » Bridge Inspection Engineer, taking into account such factors as structural integrity, defects, safety and appearance
- » Special inspections after specific events such as earthquakes, severe floods or instances of overloading.

The forecast budget for Structural maintenance has been derived from outstanding estimate costs for maintenance from the General inspection High to medium risks costs which have been established as being sufficient to carry out these activities and amended as necessary to allow for changes in management activities, practices and contract pricing. The historic outputs have been matched to the current Ruamahanaga Roads Contract rates to determine funding forecast.

Renewal Strategy - Bridges

Structural renewal is undertaken when structures or their components have reached the end of their economic life. Economic justification on the future savings achieved is assessed against the cost of completing the work; this will also include an assessment of the risks associated with earthquakes and floods.

The programme of renewals is driven by the structural inspections, in conjunction with engineering judgement, previous maintenance history, and perceived risk. All anticipated costs over the life of an asset are considered when evaluating designs and construction materials.

Continued implementation of the detailed structural inspection programme may reveal necessary unforeseen works on other bridges. These will be included in future budgets as appropriate.

The required level of renewal will depend on:

- » The age profile of the structures.
- » The condition profile of structures.
- » The level of on-going maintenance.
- » The economic life of the materials used.
- » Predicted increase in traffic volumes.

If maintenance of a bridge is kept up, it is not uncommon for the actual life of structures to be extended beyond their economic life – i.e. an old bridge is kept in service and the replacement value remains in place. General inspections can be increased to annual to closely monitor deterioration.

Priority Roothing Issues

Our Asset Management planning for Roothing has identified three key infrastructure issues that provide the focus of our Roothing investment within this Infrastructure Strategy.

Priority Roothing Issue 1: Addressing deteriorating road condition

As outlined above, the cost of delivering renewal and maintenance activity on the SWDC network has increased significantly and to avoid further reduction in ride quality on the network, an increase in funding is required.

An increase in funding would be used to:

- » Increase network renewals undertaken,
- » Address the backlog of road maintenance activities that has built up, and
- » Undertake more maintenance on bridges.

Strategic alignment

Table 28: Strategic Alignment to Council's Strategic Drivers and Community Outcomes

STRATEGY	ACTIVITY ALIGNMENT
Social Wellbeing <i>Residents are active, healthy, safe, resilient, optimistic and connected</i>	Better quality roads and footpaths will enable better community connectedness.
Economic Wellbeing <i>A place of destination, new business and diverse employment that gives people independence and opportunity</i>	Improved roads will enable better logistics and encourage visitors to the area.
Road to Zero strategy	Supports the achievement of NZTA's Road to Zero Strategy
Creating better connections & social wellbeing <i>Strengthen social connections within the community; Encourage civic pride and participation; Provide universally accessible, safe and diverse spaces to strengthen connection between people and place; Advocate for better transport and technology to improve social and business opportunities</i>	This is a strategic driver for Council and improving the quality of our roads aligns with its delivery.

Priority Roading Issue 1: Addressing deteriorating road condition options

The following table identifies the options considered and our preferred option to address this issue.

Table 29: Land Transport Investment Options (Issue 1)

OPTION	ANALYSIS	Preferred Options
Do Nothing	Ride quality has already started to reduce significantly and delay in renewal or maintenance will result in considerably higher cost to replace the road surface later, if not undertaken now.	
Re-allocate funding from other budget areas	Moving funding of this scale from another budget area will merely cause accelerated deterioration in other areas. It is not considered prudent asset management to do this for this activity.	
Increase maintenance funding (\$80k pa) Increase renewal funding (\$530k in Y1)	Considered necessary to address current backlog of road and bridge maintenance activities and keep assets appropriately maintained. Considered necessary to start to reduce the need for reactive maintenance. It is important to note that increasing renewals will reduce future maintenance funding but will take 5+ years to have a substantial effect on maintenance requirements.	

Priority Roding Issue 2: Improving safety on our roads

The safety of all road users is a key issue. Relative to other authorities in the Wellington Region, we have lower overall crash rates, however, the increasing crash rates on our secondary collector roads (as defined in [NZTA's One Network Road Classification](#) (ONRC)) are a key concern for Council. Based on NZTA safety network programme analysis, improved speed management could significantly reduce crash rates on our network.

In addition, SWDC has approximately 32.6km of secondary collector roads that are under the recommended width (almost 20% of secondary collector roads in SWDC). It is important that Council take action to improve the safety of our roads and widening these roads is a key step in doing so, as part of a broader programme of activity.

Speed, safety at pedestrian crossings and improving safety features

Strategic alignment

Table 30: Strategic Alignment to Council's Strategic Drivers and Community Outcomes

STRATEGY	ACTIVITY ALIGNMENT
Social Wellbeing <i>Residents are active, healthy, safe, resilient, optimistic and connected</i>	The social impact of road accidents is significant. Anything we can do to reduce their incidence should be done.
Economic Wellbeing <i>A place of destination, new business and diverse employment that gives people independence and opportunity</i>	The direct financial impact of accidents is high, as well as the indirect impacts, such as delayed travel, goods movement etc. Also, if South Wairarapa were to gain a reputation as being an area of road accidents, visitor numbers could reduce and people be unlikely to move here.
Cultural Wellbeing <i>Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage</i>	Linked to social impacts, our cultural identity could be undermined if accidents increase.
Road to Zero strategy	Supports the achievement of NZTA's Road to Zero Strategy
Tackling Unsafe Speeds Programme	Supports the achievement of NZTA's Road to Zero Strategy
Creating better connections & social wellbeing <i>Strengthen social connections within the community; Encourage civic pride and participation; Provide universally accessible, safe and diverse spaces to strengthen connection between people and place; Advocate for better transport and technology to improve social and business opportunities</i>	This is a strategic driver for Council and improving the safety of our roads is a key way Council can deliver on this.

Priority Roding Issue 2: Options

The following table identifies the options considered and our preferred option to address this issue:

Table 31: Land Transport Investment Options (Issue 2)

OPTION	ANALYSIS	Preferred Option
Do Nothing	Risk to road users and pedestrians will continue to worsen over time. Doing Nothing is not considered acceptable.	
Use funding within the LCLR category	Funding from the Low Cost, Low Risk (LCLR) category to: <ul style="list-style-type: none"> - Widen secondary collector roads at a cost of \$200k pa, - Increase funding for speed management by \$50k, - Improve traffic delineation and guard rails at key points by increasing funding by 1% cumulatively each year over the next five years, - Improve pedestrian crossing safety, - Work with Waka Kotahi, NZTA to improve network safety, including State Highway concerns, and - Continue road safety education and enforcement action 	
Increase funding	Funding can be shifted from the Low Cost, Low Risk category to cover this work to manage rates increase impact.	

Priority Roding Issue 3: Need to improve network resilience

As with many in NZ, our roading network is exposed to significant risk by the impact of climate change. Climate change is predicted to bring extended dry, hot periods with more intense, localised rain events, which have the potential to increase the frequency and severity of slips blocking roads and bridges being damaged or washed out. Coastal erosion is also a known factor impacting the District's roads and this is very likely to continue and accelerate over the LTP period.

All of these issues have the potential to adversely affect Council meeting its Levels of Service and impact the social and economic wellbeing of our district. While the exact impacts are unknown it is prudent to take action to improve the resilience of our network now.

Strategic alignment

Table 32: Strategic Alignment to Council's Strategic Drivers and Community Outcomes

STRATEGY	ACTIVITY ALIGNMENT
Social Wellbeing <i>Residents are active, healthy, safe, resilient, optimistic and connected</i>	Loss of roads and community connections will adversely impact the social wellbeing of our residents through reduced connectedness.
Economic Wellbeing <i>A place of destination, new business and diverse employment that gives people independence and opportunity</i>	The direct financial impact on Council of loss of roads or bridges is high, as well as the indirect impacts, such as delayed travel, goods movement etc. Also, if South Wairarapa were to gain a reputation as being an area of ongoing road issues, visitor numbers could reduce and people be unlikely to move here.
Climate Change	Reducing or mitigating the impact of climate change on our roads and transport infrastructure is essential maintain good connections around our community.
Creating better connections & social wellbeing <i>Strengthen social connections within the community; Encourage civic pride and participation; Provide universally accessible, safe and diverse spaces to strengthen connection between people and place; Advocate for better transport and technology to improve social and business opportunities</i>	This is a strategic driver for Council and improving the resilience of our roads is a key way Council can deliver on this.

Priority Roading Issue 3: Options

The following table identifies the options considered and our preferred option to address this issue.

Table 33: Land Transport Investment Options (Issue 3)

OPTION	ANALYSIS	Preferred Option
Do Nothing	The increasing incidence of climate change events, the high impact (socially, economically) and cost of re-establishing infrastructure renders this option unfeasible.	
Re-allocate funding from the LCLR category	Fund (\$100k) and implement a programme of resilience activity that includes: <ul style="list-style-type: none"> - Collaborating with Greater Wellington Regional Council (GWRC) to mitigate the impact of flood events at bridge sites, - Implement a road drainage improvement programme, focused on higher flooding risk areas, - The trial of alternative erosion protection and monitoring slip risks to the Cape Palliser Road and other high risk areas. 	
Increase funding	Funding can be used from the Low Cost, Low Risk category to cover this work to manage rates increase impact.	

Other issues for action

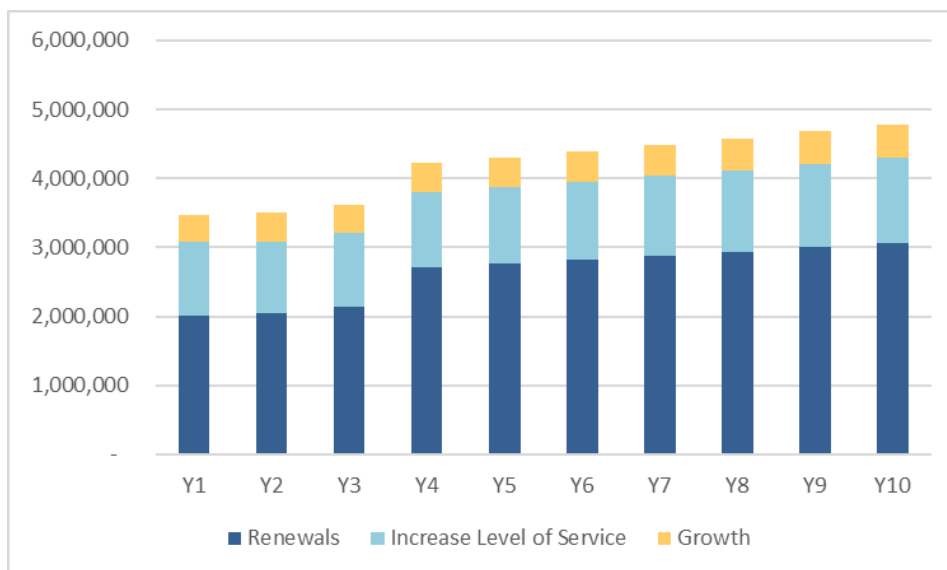
In the first three years of the LTP period, Council will also undertake the following key activities:

Table 34: Land Transport Other issues

ISSUE	ACTIVITY PROPOSED
Growth impact – increased volume, changes in use and new developments	With medium growth predicted for the District we will continue to monitor and undertake works within the works programme to manage growth. Monitoring will inform whether increased activity is required in years 4-10. This will also consider any mode shift (e.g. increased cycling demand). In addition, work will continue on the spatial plan, which will develop master plans for Martinborough and Featherston and accessibility to services and other transit hubs as a focus
Restrictions to travel of High Capacity Vehicles (HCVs)	\$50k allocated to determine condition and priority to upgrade the structures to carry 50 tonne max loads. Works will happen outside the current LTP proposed funding.
Negative environmental impact of road run-off	Complete works (e.g. swales) to reduce impact of road run-off along with network resilience activities (Priority issue 3, above).

Funding profile

Figure 18: 10-Year Roading Capital Investment



Note: graph above includes 10-year capital investment profile only.

Table 35: 30-Year Roading Investment

YEAR	OPERATING \$,000	CAPITAL \$,000	TOTAL \$,000
2021/22	6,492	3,475	9,967
2022/23	6,971	3,498	10,469
2023/24	7,466	3,621	11,087
2024/25	7,673	4,224	11,897
2025/26	7,974	4,307	12,281
2026/27	8,563	4,394	12,957
2027/28	8,483	4,485	12,968
2028/29	8,759	4,580	13,339
2029/30	9,097	4,679	13,776
2030/31	9,395	4,782	14,177
2031/36	50,617	26,817	77,434
2036/41	57,268	30,341	87,609
2041/46	64,794	34,328	99,122
2046/51	73,309	38,839	112,147

Levels of Service

Below is a sample of the levels of service and key performance indicators for the Land Transport activity. A full list with future year targets can be found in the Land Transport significant activity section. Note that the last customer survey was carried out in October 2018 and will be carried out again in 2021.

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2019/20 RESULTS	PERFORMANCE TARGET 2021/22	HOW IT WILL BE MEASURED
The roads are maintained to ensure that they are safe and comfort-able to travel on	Using the RAMM measurement system, average smooth travel exposure on urban roads to be 85% and rural roads 95% with maximum variation of 5%	95% urban 99% rural	95%	Council records
	Ratepayers and residents fairly/very satisfied with the roads	No result	75%	Customer survey
Footpaths can be safely used to get around town	Ratepayers and residents are satisfied with footpaths in the district	No result	65%	Customer survey
	Footpath Condition rating 95% compliant with SWDC AMP Standard	No result	95%	Council records
	The % of customer service requests relating to roads and footpaths responded to within 48 hours	96%	80%	Council records

Key Risks to the SWDC Roding Strategy

This strategy is developed by considering what we know of our Roding environment right now. There are several key risks that may impact it over time.

KEY RISK	RESPONSE
Unpredictable nature of climate change	Use ongoing analysis and associated actions to mitigate predicted impacts. Also continue to build up Road Reserve fund to improve Council's capacity to respond to major events.
Funding from Central Government	Work closely with Waka Kotahi to maintain funding levels to avoid undue burden on SWDC ratepayers and risks to the Cape Palliser Road. Maintain condition assessment activity to inform future needs and secure appropriate funding.
Market capability and resource availability	Reducing capability and resources can be mitigated by working with industry and other Territorial Authorities (TAs) to improve resourcing, work scheduling and collaboration. Ongoing innovation and reducing demand/reusing material, where appropriate, will help mitigate reduced supply of key materials.

Our Wider View

In addition to the strategy areas outlined above, SWDC are aware of the following broader or longer-term issues:

- » **Waihenga Bridge (SH53)** – the challenges of the bridge's width and risk of closure from high Ruamahanga River levels are an area of ongoing concern, especially given it is the main route in and out of Martinborough. However, as an NZTA asset, any activity to address this sits with the Agency. Council will continue to engage with NZTA to seek longer term resolution as means to deliver on its strategic driver of advocating for better transport and technology to improve social and business opportunities.
- » **Alternative State Highway 2 route** – with increasing traffic volumes and growth, the current route of SH2 through two South Wairarapa towns will become increasingly untenable. Any change would, again, sit with NZTA but would impact longer term SWDC Infrastructure strategies.



SOUTH WAIRARAPA
DISTRICT COUNCIL
Kia Reretahi Tātau

Financial Strategy 2021/2031

Date of Approval	xx June 2021
Next Review	30 June 2024

Financial Strategy 2021/2031

The Council's Financial Strategy aims to deliver a Long Term Plan that focuses on financial prudence and sustainability, keeping rates at an affordable level, managing long-term debt within determined limits while also taking account of intergeneration requirements.

This strategy is prepared pursuant to Section 101A of the Local Government Act 2002 and informs ratepayers, residents and other readers of the Council's Long Term and Annual Plan documents about the approach the Council will take and key self-imposed limits it intends to use to navigate its way through the next 10 years.

As a key part of Council's 2021/2031 Long Term Plan, this Strategy needs to be read in conjunction with other key documents:

- » Infrastructure Strategy
- » Revenue and Financing Policy
- » Liability Management Policy
- » Investment Policy
- » Development and Financial Contributions Policy
- » Rates Remission Policy

Overview

Asset management planning is a key tool in this strategy and forms the basis of the renewals and maintenance expenditure. Some changes to levels of service have been required in order to meet our ongoing infrastructure needs. Council are proposing that we remove the previous service of sealing 1km of road each year as it is not considered essential to road safety, we will stop mowing the berms in our urban areas, and will also close the Greytown recycling centre. It is not anticipated that any other levels of service will be affected.

Council's focus over the last two years has been on improving drinking water quality across our District. Water treatment plants have been upgraded to provide multi barrier treatment, and will comply with National Drinking Water Standards by the end of 2021. Part of this upgrade has seen a Manganese Reduction Plant commissioned to enable chlorination of Martinborough's water supply.

Wastewater treatment plants in both Greytown and Martinborough were upgraded and network resilience improved. A solution for the Featherston treatment plant remains a focus for the current Long Term Plan.

Since the last LTP a new shared service in partnership with Carterton District Council has been implemented to deliver roading network. Ruamahunga Roads was formed in 2019 to provide synergies across the two Districts with one contractor, being Fulton Hogan.

Council also decided in 2019 to become a shareholder in Wellington Water Limited, a council controlled organisation, moving the management of our three water services to them. This enabled access to specialists able to assist with delivering the required levels of service across the 3 Waters network.

Long-term historic underinvestment in infrastructure in both Roothing and Water services mean this Long Term Plan will also focus heavily on investment in our critical infrastructure. Our failing water pipes require

increased renewal investment in order to maintain service levels. Similarly, our roading network requires increased investment to address a backlog of renewal and maintenance work.

Featherston Wastewater Treatment Plant will be an investment focus for the District through the next ten years. Complexities around location of the current plant, and increasing focus on environmental and climate change impacts, along with feedback from our community to find a solution that meets long term sustainability has caused a delay in this project. Wellington Water Limited and specialist advisors have supported Council in shortlisting options. There is still a high level of uncertainty around what the best solution and affordability for this project. Consenting and investment to improve the current treatment plant have been built into this Long Term Plan however more investment will be required.

However, we need to balance this spend on infrastructure with improving our facilities and delivering on other social and community outcomes. Improvements have been made to the condition of our buildings, senior housing, and rental properties over the last two years. We need to continue this work but also focus on improving sport and recreational facilities and provide better open spaces for our communities. In 2020 Council decided to contribute funding to a full-sized gymnasium at Kuranui College. This will provide an invaluable indoor space for the community. Additional funds have been set aside in Years 2 and 4 of this LTP to purchase additional green space land with an Open Spaces Strategy help us make decisions about the intergenerational requirements of our communities.

South Wairarapa is expected to see continued growth in all three towns over the next 30 years. Forecasts show an expected increase in the population from 11,512 in 2021 to 14,476 in 2051 while rating units are expected to grow at an average rate of 1.6% over this Long Term Plan. Sustained growth means we need to think about what we want our towns and district to look like in the future. Funds have been allocated in the first three years to complete a Spatial Plan for our district. At the same time a review of the Wairarapa Combined District Plan is due to begin in 2022. Both of these projects will be funded from rates with the cost spread over the useful life of the assets.

Council raises and allocates debt on a project basis meaning the full cost of debt sits at the activity level it relates to. All long-term debt is interest only with interest costs funded from rates. Funds are also collected and accumulated in a Reserve to ensure the principal portion of the loans can be repaid at the end of the life of the associated asset. Some large capital expenditure items has been funded through new debt in this LTP include:

- » Featherston Wastewater Treatment Plant
- » Smartmeters to be rolled out over three years
- » Purchase of land for open spaces
- » Martinborough water source

The level of net debt is projected to increase from \$25M to a maximum of \$54M by Year 5 through Year 10.

Government decisions on the three water reform proposal are not expected to occur until around May 2021 and we are not being asked to decide on our participation until late 2021. This means we will not have access to a fully developed proposal in sufficient detail to be able to meaningfully engage with our community as part of this LTP. In the absence of a fully developed proposal, and as any transfer of responsibility or assets would likely not occur until 2023/24 should it proceed, this LTP has assumed the current model of delivering three water services over the life of the LTP.

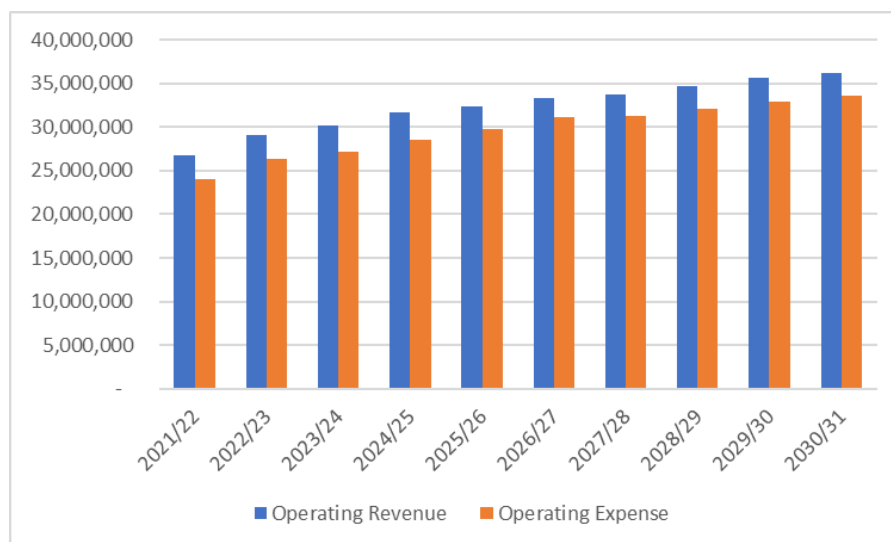
Balancing the Books

The Local Government Act requires us to run a balanced budget – a budget where operating income is greater than operating expenditure. This Plan achieves that requirement and shows consistent surpluses and cash reserves. There are accumulating cash balances through the ten years which are taken account of in reporting 'Net Debt'. Reserves built up over the last ten years have been utilised where possible to offset the burden of increasing infrastructure investment on ratepayers.

In general, we do not fund all of the depreciation expense. There are a number of reasons for this, including choosing to fund debt repayment instead, deciding not to put aside depreciation funds on certain assets and relying on financial contributions income to fund infrastructure renewals. Also, our planned use of carried forward funds and reserves for some operating costs means we risk not achieving the balanced budget. Depreciation on roading assets is only the portion of depreciation not 'funded' by NZTA through capital subsidies is collected through rates.

Assets are revalued every three years. Over the period of the LTP, revaluation of infrastructure assets have been allowed and adjusted based on the BERL Local Government Cost Indices.

Figure 1: Balancing the Budget



Statement of the Factors that are Expected to have a Significant Impact on South Wairarapa District Council

In most areas the 2021-31 Long Term Plan will be based on the existing service delivery model. However there are some levels of service that we propose to reduce, being seal extensions, closing the Greytown recycling centre, and stopping mowing of urban berms.

One of the key pressures facing all local authorities is the level of borrowing. Council is very conscious of the long term impact of debt, and has policies in place to ensure debt is managed to prudent levels.

Council continues to ensure cash reserves will more closely match the total of “special reserves”, trust funds and depreciation reserves.

Land Transport

Land Transport is Council’s largest, by dollar value, output.

Council policy is to only fund those activities that attract a subsidy from New Zealand Transport Agency (NZTA), however there is a need to improve kerb and channelling and this cost will be collected from rates.

The two key factors impacting the land transport output are oil prices, and availability of roading contractors to deliver services.

This LTP has used the BERL cost indices to inform increased cost of delivering the land transport programme (which includes projected oil prices, and contractors costs). Costs for delivering the roading programme is estimated to increase by an average of 2.09% each year for the term of this LTP.

The NZTA subsidy for local roads is currently 53%. NZTA have revised the subsidy rates on Local Roads which will see a decrease to 52% in 2021/22, and then to 51% from 1st July 2022.

NZTA continue to indicate their intention to reduce the level of subsidy on the Cape Palliser special purpose road (SPR) from 100% to 51% (to be in-line with local roads). There is a high level of uncertainty around this decision therefore it has been assumed, for the purposes of this Plan, that there will be no decrease in the subsidy rate. If this change were to occur the impact to Council would begin from Year 4 (2024-25). Based on current financial forecasts the increased cost to ratepayers would be approximately 1% additional rates required.

Water Supply

As mentioned previously, a significant amount of work has already been completed on the water network. However, there is still more to do. We need to identify an alternative water source for Martinborough and costs for this have been factored into this LTP along with the roll out over three years of smartmeters.

Wastewater

Featherston Wastewater Treatment Plant

Following the government National Policy Statement (Freshwater) signalling discharges to freshwater systems needed to be reduced and eliminated over time, the 2018 LTP indicated Council's intention for all wastewater to be irrigated to land. A new consent was submitted however this was later withdrawn due to difficulty achieving acceptable levels of water treatment along with feedback from the community asking Council to scope all possible options. As a result, the treatment plant is operating on a lapsed 2012 consent and as such is a significant risk to Council. We have been working closely with Wellington Water, industry experts, key stakeholders and the wider community to identify a short list of preferred options. There is still considerable work needed to fully understand the feasibility and affordability of these options.

What we do know is there are significant improvements that can be made at the existing plant while a new resource consent process can be established. Costs have been built into year one to five of the LTP to take account of consenting costs and plant improvements.

Open Spaces

The current and projected growth in population in the South Wairarapa district is putting increasing pressure on the open spaces available for community use. This is being addressed in the short term through allocation of costs to purchase additional land in Year two and Year four. A long-term Open Spaces Strategy will take into account anticipated population growth and will inform the intergenerational requirements of our communities.

Debt Levels

Current forecast will result in increases in debt levels for the first five years of this LTP. Debt levels will be within SWDC debt cap which states interest expense cannot exceed 12% of rates revenue. The total quantified debt cap is estimated at \$128M by year 10 of the plan and assumes an average debt interest rate of 2.5%.

With high uncertainty around the level of debt required to complete the Featherston wastewater treatment plant project Council has taken a cautious approach to new debt and deferred unnecessary operating and capital expenditure while maintaining current levels of service for infrastructure assets. We are limiting network renewal budgets in other areas of wastewater and water supply and proposing savings relating to berm mowing in urban areas, stopping the 1km per year seal extensions on our roading network, and closing the Greytown recycling centre.

Climate Change

Greater Wellington Regional Council has provided the climate change assumptions for the Wellington region and Wairarapa combined. Physical risk to Council is anticipated to be driven by sea level rise, increased frequency of severe weather events causing flooding, droughts, extreme winds. We have considered the impact of climate change on the wellbeing of our community and the services we provide and have subsequently built contingency into our asset plans and budgets. Council also continues to build its Roding Reserve to help offset the cost of increased emergency works.

Water Reform

Government decisions on the three water reform proposal are not expected to occur until around May 2021 and we are not being asked to decide on our participation until late 2021. This means we will not have access to a fully developed proposal in sufficient detail to be able to meaningfully engage with our community as part of this LTP.

In the absence of a fully developed proposal, and as any transfer of responsibility or assets would likely not occur until 2023/24 should it proceed, this LTP has assumed the current model of delivering three water services over the life of the LTP.

Expected Changes in Population (Growth)

Census data shows that the population in the district increased by 11% from 9,800 in 2013 to 10,900 in 2018. This represents an average annual change over the 5-year period of 2.2%. By comparison, population projections used for our last LTP indicated an average annual change of 1.2% over the period. Population data from Infometrics notes that growth has been strong over the last decade, aided by significant net migration flows in the past five years. Growth slowed from 2017 (2.4%) with a spike in 2020 of 2.7% likely due to New Zealanders returning due to COVID-19. Statistics New Zealand estimates the 2020 annual change to be made up of 17% natural increase, with 47% net internal migration and 37% net international migration.

We have obtained population projections for the period 2019 to 2051 from Infometrics. Forecast information projects how the population, age structure and household types will change between now and 2051. The projections were compiled in July 2020 and took into account the impact of COVID-19 in its economic and population forecasts. Due to the rapidly changing economic and social environment, in November 2020 Infometrics provided refreshed projections for population and household numbers, incorporating revised migration forecasts and population estimates from Statistics New Zealand.

The number of rateable properties is assumed to be 7,006 by 2030; this is an average growth rate of 1.6% per year from the 2020 year (6,660).

Table 1: Forecast Rating Units by Year

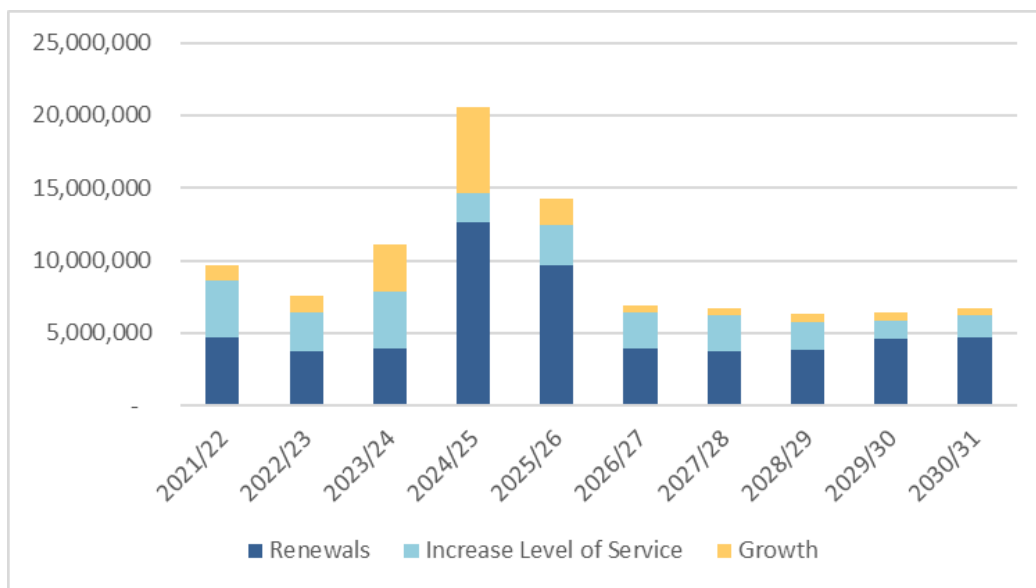
YEAR	FORECASTING RATING UNIT
2020	6,290
2021	6,372
2022	6,440
2023	6,508
2024	6,577
2025	6,646
2026	6,717
2027	6,788
2028	6,860
2029	6,933
2030	7,006

Land Development for Growth

The South Wairarapa district has seen a recent change in demand for land and housing. In previous years development had been restricted to dairy conversions and rural subdivisions which put less pressure on infrastructure. While rural subdivisions are still occurring at an increasing rate, Featherston, Greytown and Martinborough townships are now being affected by the wider Wellington market, with limited land available to accommodate growth. The National Policy Statement on Urban Development Capacity 2020 requires Council to provide sufficient development capacity to meet the different needs of people and communities which is why a Spatial Plan is currently being prepared which will look at growth options for all three towns and provide direction for the next 30 years. While this Spatial Plan has not yet been completed, it is anticipated that 1,425 new households will be required within the next 30 years. These households will place additional demand on or infrastructure.

The chart below is an estimation of new capital expenditure over the period of this Long Term Plan to service this growth.

Figure 2: Capital Expenditure on Infrastructure



Purchasing and Maintaining Infrastructure Assets (2021/2031)

Growing our Assets

Most capital expenditure over the next 10 years is driven by increased renewals and maintaining levels of service in the three waters and roading. Growth has put pressure on our water network and additional investment is required for Greytown and Featherston.

Demands on spending as a result of growth will be funded through a combination of development contributions and debt funding.

Levels of Service

We are planning on providing the same level of service at the same standard across most of our activities, but there are some areas where we will be reducing our service and other where we are investing in assets. Adding to our assets will increase operating costs while reductions in levels of service are aimed at reducing costs.

As previously mentioned significant investment is required for the Featherston Wastewater Treatment Plant. A review of the two water race systems, Moroa and Longwood, is being undertaken and additional funds have been allocated to implement the strategy in year three of this LTP. Water assets will also see investment with a rollout of smartmeters across the network along with additional upgrades to the Greytown water supply.

We are proposing to reduce the level of service we previously provided in the following areas:

- » No longer sealing 1km of road each year (this activity is not subsidised by NZTA)
- » Closing the Greytown recycling centre
- » Stop mowing urban berms

How much will it cost?

Council sets limits on rate increases. While the Local Government Rates Inquiry suggests that around 50% of a council's operating revenue should be taken from rates, Council draws about 71% from rates because it does not have alternative revenue streams; for example, significant financial investment funds or investments in corporate enterprises, and has taken a fairly low risk approach to borrowing.

In order to balance rates affordability challenges with the need to provide services to our community, Council has set the following limits on rates for the duration of this LTP.

- » Council's Rates Revenue will not exceed 75% of Total Revenue

Growth Adjusted Rates increases will not exceed the mid-scenario Local Government Cost Index plus 2%.

Figure 3: Future Rates Required

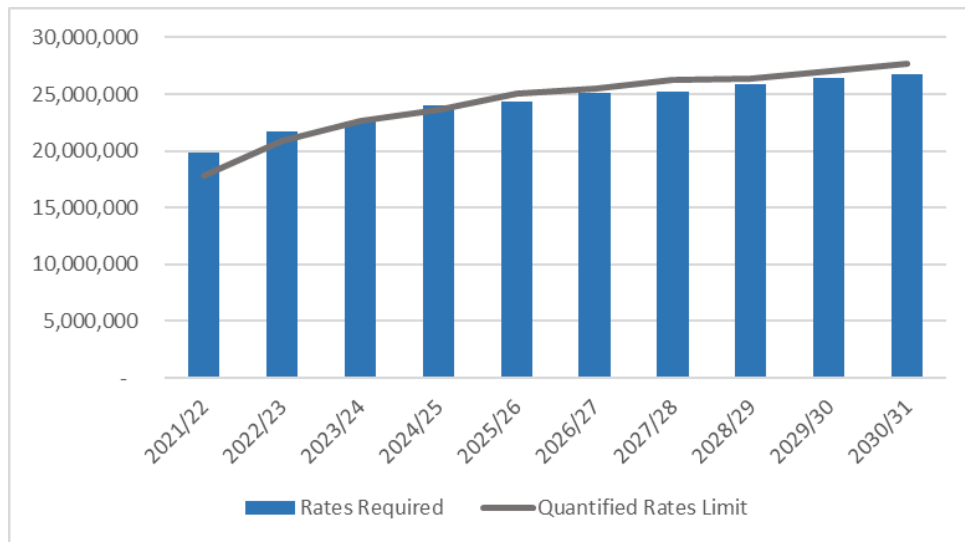


Figure 4: Rates (Income) Affordability

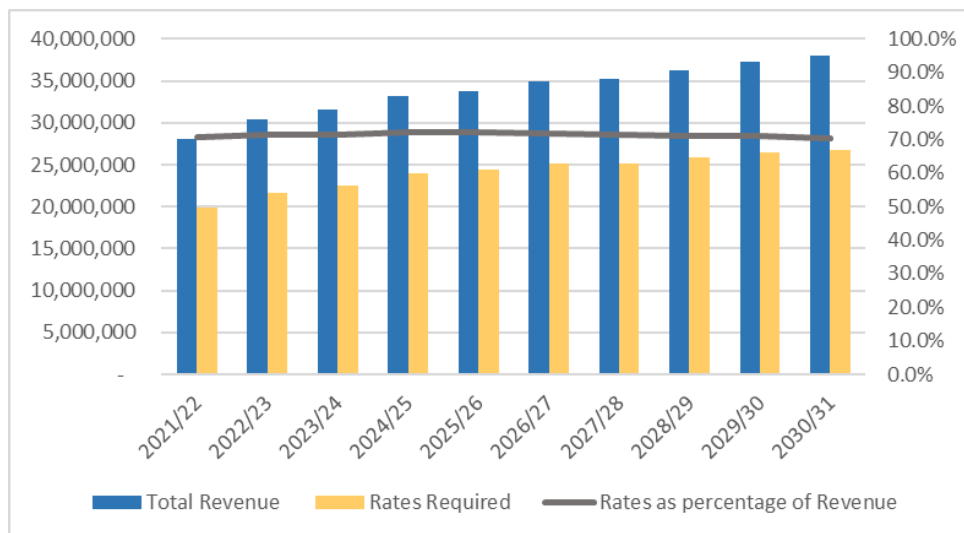
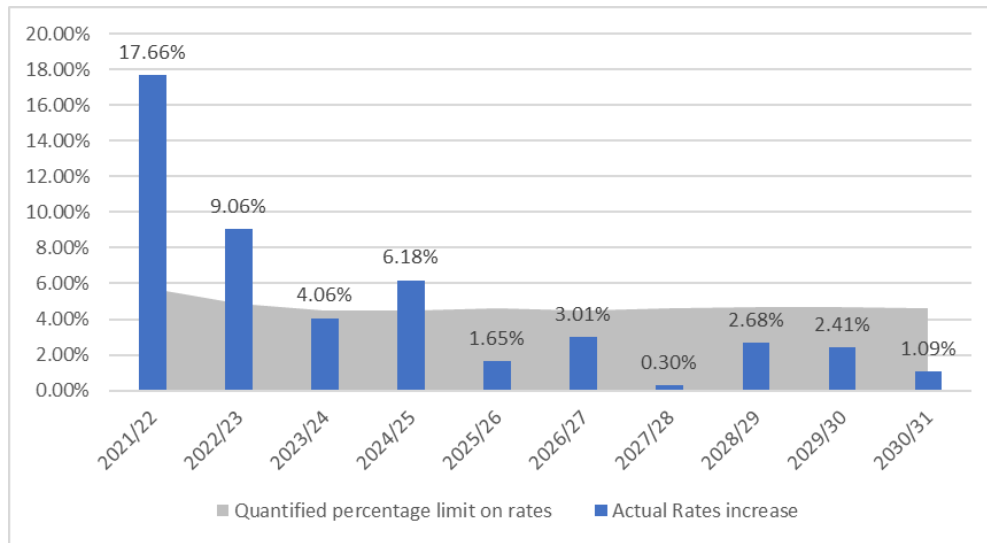


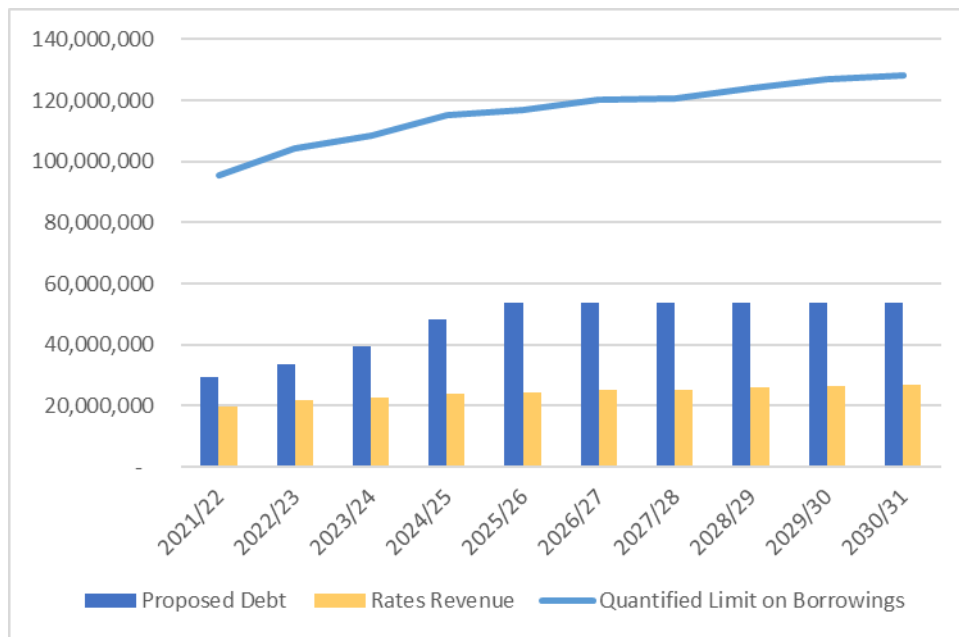
Figure 5: Quantified Limit on Rates

Council sets its quantified limit on the average level of rates increase over the plan. The average rate increase over the 10-year period is 4.8% which sits at the upper quantified limit. There will be three instances of exceedances in the quantified limit council has set in the first four years of the 10-year plan. All are due to an uplift required on the water network and also phasing of some programmed work.

Borrowings

As with rates Council is required to set a limit on borrowings for the duration of this LTP. Council has capped the debt limit at an interest cost no greater than 12% of rates revenue. The graph below assumes an average borrowing rate of 2.5%.

Council does not offer assets as security for borrowings.

Figure 6: Quantified Limit on Debt

Investments

Refer to Councils Investment Policy for the objectives for holding and managing financial investments.

Council holds financial investments for the purposes of operational liquidity and for the long term accumulation of funds held in Special Reserves. Additions and withdrawals from these Reserves have been accounted for each year throughout the Plan.

Council holds a very limited portfolio of equity investments. These are held for strategic purposes only and are not held for specific investment and as such no quantified target has been set.



SOUTH WAIRARAPA
DISTRICT COUNCIL
Kia Reretahi Tātau

Financial Assumptions and Statements

Date of Approval	xx June 2021
Next Review	30 June 2024

Financial Information and Statements

Forecasting Assumptions

Significant forecasting assumptions and risks underlying the financial estimates in this Long Term Plan 2021/2031 cover the following.

1. General Forecasting Assumptions

Preamble

The Long Term Plan (LTP), along with all forward planning documents, are subject to the risks associated with making assumptions about the future.

Council has taken care to ensure the forecasts are as accurate as possible; the significant forecasting assumptions are discussed below.

In light of the above observations, actual results may vary from that forecast.

Users should note that the information contained in this LTP may not be suitable for other purposes.

Impact of Covid-19

COVID-19 will have long lasting impacts across New Zealand and the uncertainty surrounding the impact on the New Zealand economy makes planning for the future more challenging. In June 2020, BERL developed projections on how the New Zealand economy could respond over the short to medium term. BERL created three economic scenarios to illustrate how the recovery might unfold, depending on a different mix of time spent under lockdown levels, time for vaccine development and distribution, as well as a general idea of the spread of COVID-19.

BERL predicted that the “Best Case” scenario would be the most likely scenario. This assumes that New Zealand’s eradication strategy is successful following one month at level 4 and one month at level 3. The critical trend is that cases grow slowly or decrease. The LTP is based on this being the most likely scenario with the assumption that New Zealand will generally remain at Alert Level 1 with the potential for sporadic but localised community clusters and an associated rise in alert levels; that the uptake in vaccines and strict border controls will reduce the risk of transmission; and that the national and international economy gradually recovers throughout the life of the LTP.

BERL has also modelled three scenarios for economic recovery looking to how GDP and employment might recover over the period 2020 to 2031 for the purposes of local government cost adjusters. The mid scenario is considered to be the likely scenario with the “stalled rebuild scenario” and “faster rebuild scenario” applying to councils whose local circumstances significantly skew the forecast to the negative or positive. The district meets a number of the criteria for a faster rebuild scenario, including the high proportion of employment in agriculture and professional, scientific and technical services, but we do not consider that, on balance, these factors outweigh the risks if a slower growth scenario eventuates, given the uncertainty. We are therefore basing this LTP on BERL’s mid-scenario.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
The prevalence and impact of COVID-19 varies from the assumptions.	High	COVID-19 and its impacts continue to evolve. More transmissible variants are emerging.
The economic recovery varies from the assumptions		If vaccines, containment and elimination measures are effective, economic recovery to pre-COVID-19 levels may be more rapid. The increase in skilled and seasonal labour, international tourism and subsequent impact on the hospitality sector will benefit the district.
		If management measures are not effective, further lockdowns, continued border closures and a slower international economic recovery will negatively impact the district's economy and raise concerns of rates affordability.

Population Growth

Census data shows that the population in the district increased by 11% from 9,800 in 2013 to 10,900 in 2018. This represents an average annual change over the 5-year period of 2.2%. By comparison, population projections used for our last LTP indicated an average annual change of 1.2% over the period. Population data from Infometrics notes that growth has been strong over the last decade, aided by significant net migration flows in the past five years. Growth slowed from 2017 (2.4%) with a spike in 2020 of 2.7% likely due to New Zealanders returning due to COVID-19. Statistics New Zealand estimates the 2020 annual change to be made up of 17% natural increase, with 47% net internal migration and 37% net international migration.

We have obtained population projections for the period 2019 to 2051 from Infometrics. Forecast information projects how the population, age structure and household types will change between now and 2051. The projections were compiled in July 2020 and took into account the impact of Covid-19 in its economic and population forecasts. Due to the rapidly changing economic and social environment, in November 2020 Infometrics provided refreshed projections for population and household numbers, incorporating revised migration forecasts and population estimates from Statistics New Zealand.

The LTP is based on the Infometrics medium growth scenario. We are not a high or medium growth district for the purposes of the National Policy Statement for Urban Development and in terms of local economic growth. The medium growth scenario is therefore more likely over the life of this LTP taking into account the impact of COVID-19 in the short to medium term, previous trends and the local economy.

Infometrics projections indicate that the district's resident population will grow from 11,512 in 2021 to 12,696 in 2031 and 14,476 by 2051. This represents an average annual growth of 1.1% from 2021 to 2031 over the life of this LTP and 0.8% from 2021 to 2051.

By comparison, projections used for our last LTP indicated a population of 12,733 by 2043 and an average annual growth rate of 0.9 % from 2018 to 2028 and 0.7% from 2018 to 2043.

Infometrics anticipates growth to slow in the near term with international net migration falling away due to COVID-19. Net migration is expected to return to the long-term forecasts from 2025 onwards. Sustained levels

of net migration are anticipated over the next 15 years as migrants fill retirees' jobs, with an ease down to low, but positive levels after this.

Migration to the district is influenced by the local and national housing market and development potential. Housing is becoming increasingly unaffordable in the district and is less affordable than the New Zealand average. The Housing Affordability Percentage Measure tells us whether households are spending more or less than 30 percent of their income on housing costs. In December 2018, the share of potential first home buyer households in the South Wairarapa who would be spending over 30 percent of their income on housing costs was 79%, higher than the national level of 75%. This compares to 38% of South Wairarapa renter households spending over 30 percent of their income on housing costs, again higher than the national level of 31%.

The average property value to average annual household income ratio has also increased to 5.5 in Q2 2020 compared to the district average of 4.0 over the period 2004-2020. The district is the least affordable in the Wairarapa with Masterton's Q2 2020 value to income ratio of 5.0 and Carterton's of 5.2. The district's population is increasingly influenced by migration from the wider Wellington region and affordability is worse in the Kapiti Coast with a ratio of 7.1 and Wellington City and Lower Hutt City with a ratio of 6.0.

The Council's 30-year Spatial Plan identifies areas for future growth across the district's three towns to respond to issues of housing affordability and to provide choice for existing and future residents.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Growth occurs at a different rate than assumed	Medium to High	<p>The population growth assumption is based on the Infometrics medium growth projections. There is inherent uncertainty in the base assumptions for population movement, labour market, economic conditions, and development potential. This uncertainty is exacerbated by COVID-19.</p> <p>Growth may occur at a faster rate than assumed due predominantly to the proximity to Wellington for employment and relative housing affordability. Net migration may increase as people are attracted to the lifestyle the district offers and as future growth opportunities are opened up.</p> <p>We are investing heavily in our infrastructure over the life of this LTP to address previous under-investment. This extra capacity will accommodate a degree of growth higher than anticipated. Higher growth will increase the rating database and lower the cost per household. However, significant growth may require investment to be brought forward resulting in increases in debt and/or rates. Higher growth may also impact our ability to deliver services to the same level and we may need to reduce service levels and/or increase debt, rates or fees.</p> <p>Although unlikely to stall, growth may occur at a slower rate than assumed. This is not likely to have a significant impact on our service or funding levels.</p>

Household Growth

Past trends indicate that household growth in the district has fluctuated over the last 10 to 20 years but the district's growth has generally been slow and steady.

The Greater Wellington Regional Council NRV values indicate that in the ten financial years from 2010/11 the number of rural and residential rateable properties has increased from 5532 to 6569, an increase of 18.7%. The annual growth rate over the period ranges from -1.7 in 2016/17 to 6.6% in 2014/15 with a median annual growth rate of 1.5% and an average annual growth rate of 1.75%.

The district has recently been experiencing a new period of building growth. There was steady growth in the number of new building consents issued from 1999 to 2007, followed by a period of decline in numbers to 2011 after the global financial crisis. Numbers then stayed steady until 2017 with a doubling of the number of consents issued for new dwellings compared to the previous year (from 50 to 102). Numbers decreased slightly to 86 in 2019 and 78 in 2020.

Consenting remains strong following COVID-19 with 30 new dwelling consents issued in the first quarter of the 2020/21 financial year and 25 in the second quarter, which is consistent with the number of consents in the high growth period 2017-2018 (25 for the first quarter and 26 for the second quarter in 2017; and 30 for the first quarter and 34 for the second quarter in 2018).

In terms of future projections, Infometrics' medium growth scenario indicates that the number of households in the district will increase from 4,946 in 2021 to 5,498 in 2031 and 6,371 in 2051. This represents an average annual growth of 1.2% from 2021 to 2031 over the life of this LTP and 0.9% from 2021 to 2051. Household growth is projected to be concentrated in the three urban areas, in particular Greytown and Featherston due their desirability for commuting by rail, with lesser growth in Martinborough. This is consistent with the planning direction proposed in the Wellington Regional Growth Framework which encourages Transit Oriented Developments around existing train stations. The Framework identifies Featherston as a "growth node" and an area around Woodside Station in Greytown as a longer-term growth option.

Note that the number of households will be lower than the number of dwellings or rateable properties as "households" are the permanent population and the latter includes second and holiday homes and other unoccupied properties.

Infometrics notes that the growth in the number of households is due to the growing population and decreasing average household size. As is the case for most of New Zealand, the population in South Wairarapa is projected to see an aging population over the next 30 years. The population aged 65 years and older is projected to grow by 77% between 2019 and 2051 (from around one in four to closer to around one in three of the district population). As a result, the average age is projected to rise from 44 in 2019 to 49 in 2051. The working age population is projected to grow by 14%.

The aging population is one component of the increase in smaller households, along with increasing life expectancy and societal trends towards smaller families. Infometrics projects a decline in the average household size going from 2.3 in 2019 to 2.19 in 2051. The strongest growth in household types takes place in one person households and couples without children but growth is expected in every household type as the overall population grows. One person households make up 25% of all households in 2019 and 29% in 2051 and couples without children make up 34% of all households in 2019 and 34% in 2051. The proportion of couples with children declines over the period with 26% of all households in 2019 and 23% in 2051.

The combined population growth and demographic changes have implications for the district's infrastructure and housing needs and the social and cultural wellbeing of our ageing community. The Council's 30-year Spatial Plan identifies areas for future growth across the district's three towns to provide choice for existing and future residents.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Growth and demographic change occur at a different rate than assumed	Medium to High	<p>The population growth assumption is based on the Infometrics medium growth projections. There is inherent uncertainty in the base assumptions for population movement, labour market, economic conditions, and development potential. This uncertainty is exacerbated by COVID-19.</p> <p>Growth may occur at a faster rate than assumed due predominantly to the proximity to Wellington for employment and relative housing affordability. Net migration may increase as people are attracted to the lifestyle the district offers and as future growth opportunities are opened up.</p> <p>We are investing heavily in our infrastructure over the life of this LTP to address previous under-investment. This extra capacity will accommodate a degree of growth higher than anticipated. Higher growth will increase the rating database and lower the cost per household. However, significant growth may require investment to be brought forward resulting in increases in debt and/or rates. Higher growth may also impact our ability to deliver services to the same level and we may need to reduce service levels and/or increase debt, rates or fees.</p> <p>Although unlikely to stall, housing growth may occur at a slower rate than assumed. This is not likely to have a significant impact on our service or funding levels.</p>

Number of Rateable Properties Growth

The number of rateable properties is assumed to be 7,006 by 2030; this is an average growth rate of 1.6% per year from the 2020 year (6,660).

FORECASTING RATING UNITS BY YEAR	
YEAR	FORECASTING RATING UNIT
2020	6,290
2021	6,372
2022	6,440
2023	6,508
2024	6,577
2025	6,646
2026	6,717
2027	6,788
2028	6,860
2029	6,933
2030	7,006

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Growth does not meet assumption	Medium	The growth has been based on figures from ID consultants and takes into account ongoing development in the district. Should such growth not continue then some projects will not go ahead and expenditure will be lower than forecast. If the growth is greater than predicted, then some projects will go ahead earlier than forecast, and expenditure will be higher than forecast.

New Zealand Transport Agency

Subsidies from New Zealand Transport Agency (NZTA) have been included at the approved rates for the three years from July 2021 to June 2024. NZTA confirmed the subsidy rate for most roads local roads will decrease from 53% in 2021 to 52% in 2022 and 51% onwards. An assumption has been made that Special Purpose Roads will remain at 100%.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Changes in subsidy rate and variation in criteria for inclusion in subsidised works programmes.	Medium	<p>The government has increased petrol tax to provide additional funding for roading and this commitment is unlikely to change.</p> <p>A reduction in the Special Purposes Road subsidy, while maintain the planned level of service, would result in expenditure higher than forecast. If this occurs some maintenance may be deferred.</p>

Water Metering

Charging for water use through universal metering of the district's urban water supply is in place. Prices for water used in excess of the current threshold of 350m³ will be charged per cubic metre at a rate of \$1.84 (including GST).

There are a number of external factors that impact delivery of water services, particularly in changes of legislation. Changes of this nature are usually flagged well in advance and are able to be incorporated in planning documents.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Water meters do not generate the level of revenue anticipated.	Low	<p>As the overall fixed charge for water is high, the impact of water by meter revenue being low will not have a material impact on water supply</p> <p>Legislative changes are hard to predict, however the length of time prior to enacting legislation allows the organisation to plan adequately.</p> <p>External Factors</p> <p>There will be no unexpected changes to legislation or other external factors that alter the nature of services provided by Council.</p> <p>Most changes to legislation are phased and known about in advance.</p> <p>Only in extraordinary circumstances would unexpected changes to legislation be made.</p>

Levels of Service

Unless otherwise stated in these assumptions or individual activity sections, service levels are assumed to remain the same through the life of the LTP. Any changes to the services other than those forecast in the LTP will impact on costs.

Three water reforms

Government decisions on the three water reform proposal are not expected to occur until around May 2021 and we are not being asked to decide on our participation until late 2021. This means we will not have access to a fully developed proposal in sufficient detail to be able to meaningfully engage with our community as part of this LTP.

In the absence of a fully developed proposal, and as any transfer of responsibility or assets would likely not occur until 2023/24 should it proceed, this LTP has assumed the current model of delivering three water services over the life of the LTP. There is however a high degree of uncertainty with this assumption and as a major change to the structure of service delivery could be costly and disruptive to services during the transition phase the full impacts will be assessed as part of our analysis of the proposal once further details are received. Financially it is likely to impact on operating revenue, running costs, overhead cost allocations, value of the three water assets, the value of any debt incurred, and any implications that movement of assets, debts of revenue might have. There will also be probable second order impacts.

As information about the basic design parameters for the reform is already available and any changes will be developed with long lead in times and in consultation with our communities, this will allow us to influence the outcome and plan accordingly.

Resource Management Reforms

The reforms of the resource management system involves repealing the Resource Management Act (RMA) and replacing it with three new pieces of legislation. The drafting of the three new pieces of legislation will commence from May – September 2021 and are not expected to be passed until December 2022. As there is a high degree of uncertainty around the proposals coming into force, together with a significant lead-in time to

make the transition to any new arrangements, we have assumed we will continue with existing provisions for the life of this LTP.

We do however anticipate that the review of the Wairarapa Combined District Plan will be adapted to reflect the existence of the RMA reforms. Should the district plan review need to be slowed or suspended as a result of the reforms being pursued by Government there may be some cost savings or overspend dependent on whether our contract for service needs to be suspended or extended. It is also expected that any urgent matters could be addressed through a Plan Change while the reforms are being progressed in which case the costs of the Plan Change would be covered by the existing district plan review budget. The district plan budget also allows for a certain degree of flexibility to ensure that the Plan remains relevant in the future.

2. Financial Forecasting Assumptions

Revaluation of Non-Current Assets

Revaluation assumptions have been included in the Plan. These have been done following the Business & Economic Research Limited (BERL) forecasts of price level change adjusters.

Revaluation movements will be shown in the statement of financial position and the statement of other comprehensive revenue and expense. Revaluations are carried out at three-year intervals.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Actual revaluation results differ from those in the forecast.	Medium	Where the actual inflation rate is different from that forecast, the actual revaluation will be different from that forecast. The LTP for each subsequent year is reviewed by way of the Annual Plan round and a new LTP is produced every three years.

Interest Rates

The range of interest rates on term debt is calculated at 0.81% to 3.49%. To allow for anticipated timing of capital expenditure, on selected loans interest expenditure is provided for on only 50% of forecast new loan amounts each year.

Interest on investments is calculated at 1.00% for 2021/22 increasing incrementally to 3.50% by 2030/31.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
That the interest rate will differ from those used in the calculations.	Medium	This will be managed through the Liability Management Policy and Investment Policy. The financial impact is not able to be measured. A 1% movement in interest rates (on a \$1M loan) increases/decreases total loan repayments by \$10,000. On the total forecast portfolio of \$20M, this would result in an increase/decrease of \$200,000. Council would have the option of mitigating this impact by altering the term of the loans.

Depreciation

Over the term of the Plan, Council has elected to fully fund depreciation on most assets with the exception of land transport (where approximately 50% of depreciation is funded).

For water and wastewater assets, we currently fund 72% of depreciation.

Depreciation has been calculated on asset values at their latest revaluation date, and on additions at cost afterwards.

It is assumed that:

- » existing depreciation will continue;
- » replacement assets (renewals) affect depreciation as follows:
 - » asset renewal will equal that of the assets being replaced;
 - » new assets' depreciation will be the result of their estimated lives and values; and
 - » depreciation on new and renewal programmes will impact in the year following the capital programme.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
That more detailed analysis of planned capital works once complete may alter the depreciation expense. That asset lives may alter due to new technology improving asset lives.	Medium	Council has asset management planning and upgrade programmes in place. Asset capacity and condition is monitored with replacement works being planned in accordance with standard asset management and professional practices. Depreciation is calculated in accordance with normal accounting and asset management practices.

Asset Lives

Useful lives of assets are based on professional advice. These are summarised in the depreciation note within the accounting policies.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
That assets wear out earlier than estimated.	Medium	Asset life is based on estimates of engineers, valuers and asset managers. Capital projects can be brought forward in event of early expiration of assets (this would affect depreciation and interest of which the amounts are unknown).

Asset Condition

Activity and asset management plans have been prepared for all major activities, and include renewal and capital programmes for all major infrastructural assets. These plans include assessments of asset condition, lifecycle and demand management. This planning information is considered by Council to be reasonable and supportable. There are no substantial asset disposals or acquisitions that will impact significantly on the plan.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Asset Management Plans are incomplete. Condition ratings and life cycle demand assumptions are erroneous.	Low to Moderate	Asset management plans are updated annually following 'best practice' as prescribed by the New Zealand Infrastructure Asset Management Manual. For instance, for roading asset inventories and condition ratings are stored and maintained in the RAMM database and in the AMP. The new AMP was audited by NZTA in 2019/20 and found to be adequately maintained.

Sources of Funds for Future Replacement of Assets

This is detailed in Part 3 Significant Activities under each significant activity. Sources of funding are also included in the Revenue and Financing Policy. The funding of the replacement of future assets is based on the following assumptions:

The funding for the replacement of any individual asset will be funded from the following sources in the following order of priority:

- » from prior year credit depreciation reserve balances;
- » from the current year's cash arising from the funding of depreciation;
- » loan funding; and
- » special funds set aside for specific purposes identified by Council.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
That a particular funding source is unavailable.	Low	As the Council operates a central treasury function, should one source of funding be unavailable for asset replacement, a further option would be available.

Inflation

Inflation – Operating Revenues and Expenses

2021/22 revenues and expenses have been predicted. Beyond this, inflation has been included in the LTP. Inflation has been predicted using the mid-scenario BERL (Business & Economic Research Limited) forecasts of price level change adjusters and are as follows.

YEAR	LOCAL GOVT ADMINISTRATION, SALARIES	ROADING	WATER SUPPLY WASTE-WATER STORM-WATER	PLANNING AND REGULATION
2021/22	3.2%	3.3%	6.0%	2.7%
2022/23	2.7%	3.1%	3.5%	2.5%
2023/24	2.5%	3.0%	2.6%	2.3%
2024/25	2.4%	2.9%	2.7%	2.2%
2025/26	2.5%	2.9%	2.9%	2.2%
2026/27	2.4%	2.9%	2.8%	2.2%
2027/28	2.5%	2.9%	3.2%	2.2%
2028/29	2.6%	2.9%	3.3%	2.2%
2029/30	2.6%	2.9%	3.4%	2.2%
2030/31	2.4%	2.9%	3.1%	2.2%

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
That actual inflation differs to that predicted. That decisions are made based on predicted inflation levels.	Moderate	Where the actual inflation rate is different from that forecast, the cost of projects and expenditure will be different from that forecast. The LTP for each subsequent year is reviewed by way of the annual plan round and a new 10-year plan is produced every three years.

Investments and Return on Investments

The Council's long-term special funds will be retained in their present form throughout the Plan. Additions and withdrawals from the funds have been accounted for each year through the Plan where identified and required.

RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
That the actual return on investment differs to that budgeted.	Moderate	Movement in the investment fund is difficult to predict but best efforts have been used, using past results. The financial effect is unknown.

Commitments and Contingencies

There are no commitments or contingencies that the Council is aware of that have not been included in this Annual Plan.

Opening Balance Sheet

To provide a more accurate forecast, the opening balance sheet figures are based on a forecast closing balance sheet, not the closing 2019/20 Annual Plan figures.

Rounding Differences

Due to the complexities of the financial model, there is a number of insignificant one dollar rounding differences in the financial statements.

Insurance

The assumption used in the LTP is that insurance cover will be available at similar levels (cost and coverage). Any significant change in the insurance market may impact both the forecast insurance cost, and potentially the level of coverage. Council may alter the level of coverage if circumstances deem this to be the best course of action.

Climate Change

Greater Wellington Regional Council has provided the climate change assumptions for the Wellington region and Wairarapa combined. These projections depend on future greenhouse gas emissions. As these are uncertain, the below information includes projections based on scenarios ranging from low to high greenhouse gas concentrations.

The projected changes are calculated for 2031–2050 (referred to as 2040) and 2081–2100 (2090) compared to the climate of 1986–2005 (1995).

Projected Environmental Changes (Temperature and Seasonality)

	RUAMĀHANGA WHAITUA 2040	WAIRARAPA COAST WHAITUA 2040	RUAMĀHANGA WHAITUA 2090	WAIRARAPA COAST WHAITUA 2090
Average annual T°C	+0.7 to +1°C above present	+0.5 to +1°C above present	+1.2 to +3°C above present	+1 to +3°C above present
Hot days (above 25°C)	Between 0 and 30 days increase	Between 5 and 30 days increase	Between 0 and 80 days increase	Between 15 and 60 days increase
Frost nights	Between 0 and 15 days reduction	Between 0 and 5 days reduction	Between 0 and 40 days reduction	Between 0 and 15 days reduction
Annual Growing Degree Days (GDD) base 10°C GDD = (T°Cmax + T°Cmin)/2) - T°Cbase <i>Measures potential for crop and pasture growth</i>	Increase of 0 to 300 GDD units	Increase of 0 to 300 GDD units	Increase of 200 to 1000 GDD units	Increase of 200 to 900 GDD units
Annual potential evapotranspiration deficit (mm) <i>Measures drought intensity</i>	+20 to +120 mm	+40 to +120 mm	+0 to +180 mm	+40 to +160 mm

Projected Environmental Changes (Wind)

	RUAMĀHANGA WHAITUA 2040	WAIRARAPA COAST WHAITUA 2040	RUAMĀHANGA WHAITUA 2090	WAIRARAPA COAST WHAITUA 2090
Annual number of windy days	0 to 4 days increase	0 to 6 days increase	0 to 12 days increase	0 to 10 days increase
Intensity of wind during windy days (>99 th percentile of daily mean)	0% to 3% increase	0% to 3% increase	1% to 4% increase	1% to 4% increase

Projected Environmental Changes (Rainfall Patterns and Intensity)

	RUAMĀHANGA WHAITUA 2040	WAIRARAPA COAST WHAITUA 2040	RUAMĀHANGA WHAITUA 2090	WAIRARAPA COAST WHAITUA 2090
Average annual rainfall	5% decrease to 5% increase	5% decrease to 5% increase	0% to 10% decrease	10% decrease to 5% increase
Amount of rain falling during heavy rainfall days (>99 th percentile of daily rainfall)	0% to 10% increase	0% to 15% increase	0% to 20% increase	0% to 30% increase
River mean annual low flow discharge (MAL) <i>Measures water shortage in the catchments</i>	Up to 60% decrease	Up to 60% decrease	Up to 80% decrease	Up to 80% decrease
River mean annual flood discharge (MAF) <i>Measures flood potential in the catchments</i>	20% decrease to 40% increase depending on catchment	20% decrease to 20% increase depending on catchment	20% decrease to 60% increase depending on catchment	20% decrease to 60% increase depending on catchment
Days of very high and extreme forest fire danger	100% to 150% increase	100% to 150% increase	100% to 150% increase	100% to 150% increase

Projected Environmental Changes (Sea Level and Coastal Hazards)

	2040	2090
Permanent sea level rise	+0.12 m to +0.24 m above present	+0.68 m to +1.75 m above present

Projected Environmental Changes (Oceanic Changes)

2040	2090
Acidification of the ocean	Acidification of the ocean
General temperature rise of sea water	General temperature rise of sea water
Marine heatwaves	Marine heatwaves

What this might mean for Wellington and Wairarapa

Environmental Implications

Coastal hazards	The region is particularly vulnerable to even a small rise in sea level because of its small tidal range. There may be an increased risk to coastal roads and infrastructure from coastal erosion and inundation, increased storminess and sea-level rise.
Heavy rain	The capacity of stormwater systems may be exceeded more frequently due to heavy rainfall events which could lead to surface flooding. River flooding may also become more frequent, particularly in low-lying areas. Floods are likely to become more intense.
Erosion and landslides	More frequent and intense heavy rainfall events are likely to lead to more erosion and landslides.
Droughts	More frequent droughts are likely to lead to water shortages, increased demand for irrigation and increased risk of wildfires.
Biosecurity	Climate change could lead to changes in pests and diseases over time. A likely increase in weed species and subtropical pests and diseases could require new pest management approaches. Regional biodiversity may be threatened by changing temperature and rainfall patterns, and sea level rise.
Agriculture	Warmer temperatures, a longer growing season and fewer frosts could provide opportunities to grow new crops. Farmers might benefit from faster growth of pasture and better crop growing conditions. However, these benefits may be limited by negative effects of climate change such as prolonged drought, water shortages and greater frequency and intensity of storms.

Impact on the four wellbeings

The expected direct impacts of climate change on the four wellbeings include:

- » Effects on environmental wellbeing:
 - » Biodiversity losses
 - » Increased pests such as wasps and rodents
 - » Reduced soil fertility
 - » High potential for fruit fly establishment
 - » Increased inundations (coastal and rivers)
- » Effects on social wellbeing:
 - » Increased pressure on water storage
 - » Groundwater quality and availability pressures
 - » Impact on human health (physical and psychological health)
- » Effects on economic wellbeing:
 - » Reduced workplace productivity (including for agriculture, forestry and fisheries)
 - » Increased damage on property and infrastructure

- » Effects on cultural wellbeing:
 - » Loss of cultural identity
 - » Loss on taonga species
 - » Loss of important cultural activities (e.g. mahinga kai)
 - » Impact Ko wai, mo wai, no wai (waterways connect communities) – cultural value
 - » Loss in archaeological sites

Impact on our activities

We have identified the following likely impacts of climate change on our activities over the next decade:

- » Physical risks – built environment:
 - » Risks on the 3 waters (increased pressure on potable water, stormwater network etc)
 - » Risks on the roads and buildings due to sea level rise, flooding, landslide and wildfire
 - » Increased pressure to protect communities from climate events
- » Physical risks – natural environment:
 - » Increased risk of climate events (flood, erosion, wildfire, extreme winds, droughts)
- » Governance risks:
 - » Risks of broader impact on local democracy and participation
 - » Risks of maladaptation to climate change
 - » Risk of decreased level of service over time
- » Legal risks:
 - » Risk of non-compliance with legislation
- » Litigation risks:
 - » Increased risk of litigation against the Council's climate change actions (or inaction)
- » Financial risks:
 - » Risk of loss of income due to climate events
 - » Risk of increased pressure on the council's budget (increased price of insurance, etc)
 - » Reputational risk
 - » Risk that the council's reputation drops over time due to maladaptation, lack of engagement and failure to achieve carbon targets.

Coastal vulnerability

The Wellington Region Climate Change Working Group commissioned a report to assess the coastal vulnerability of the Wellington region to climate change, sea level rise and natural hazards.¹ The report is intended to assist Councils in working with affected communities to develop long-term strategies.

¹ <https://www.gw.govt.nz/assets/Uploads/Wellington-Regional-Coastal-Vulnerability-AssessmentJune-2019Final.pdf>

The coastal area of the district was divided into three units – Onoke, Palliser and South Wairarapa Coast. Each unit was assessed against criteria grouped into the following areas: Community, Business, Three Waters, Lifelines Infrastructure, Māori and cultural, Ecological, Erosion, and Civil Defence and Emergency Management.

South Wairarapa Coastal Units in Vulnerability Assessment

Onoke	<p>Western point begins at Onoke beach and the Eastern point is the end of Onoke Beach</p> <p>It includes Lake Onoke and the Ruamahanga River Mouth</p> <p>The coast is characterised by a mix of sand and gravel beach and is primarily populated by baches</p> <p>There is 22.11km of coastline</p>
Palliser	<p>Western point is the end of Onoke beach where the coastline turns south and the Eastern point is Cape Palliser</p> <p>It includes Whatarangi and Ngawi</p> <p>The coast has a mix of small communities facing various degrees of hazards. The geology struggles for vegetation</p> <p>There is 30.59km of coastline</p>
South Wairarapa Coast	<p>Western point is Rocky Point and Eastern/Northern point is Honeycomb Rock</p> <p>It includes White Rock and Pahaoa</p> <p>The coast only a few small settlements (run holding stations) and limited road access</p> <p>There is 68.29km of coastline</p>

Overall, this assessment identified Palliser as the most vulnerable coastal unit within the Wairarapa. This is due to its vulnerability in relation to erosion risk and roading (a combination of single access and priority roads at risk).

While Onoke and South Wairarapa Coast were assessed as moderately vulnerable overall, this is more based on high vulnerability when considering ecological indicators. The ecological indicators considered include environmental sites, significant bird sites and coastal biodiversity.

Maintenance, Renewal and Capital Programme

The maintenance, renewal and capital expenditure programme for Council's core assets is based on the information in Council's asset/activity management plans. This information is the best information available to Council about these assets. For some assets, (e.g. underground pipes) the information around age, type and quality is reliable, however, it is acknowledged that information around condition has some limitations. Where these limitations exist, the information will be reviewed as new information becomes available updated information could result in changes to the costs of timing of planned expenditure.

Authorisation for Issue

The Council is responsible for the prospective financial statements, underlying assumptions and other related disclosures. This document was authorised by Council on Wednesday 30 June 2020.

Statement of Accounting Policies for the year ended 30 June 2020

Reporting Entity

South Wairarapa District Council (SWDC) is a territorial local body governed by the Local Government Act 2002 (LGA 2002 and Local Government Rating Act 2002) and is domiciled in New Zealand.

The SWDC is a separate legal entity and does not have any subsidiaries.

The SWDC has designated itself as a public benefit entity for financial reporting purposes.

Basis of Preparation

The financial reports have been prepared on the going concern basis and the accounting policies have been applied consistently throughout the period.

Statement of Compliance

The financial statements of the SWDC have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements have been prepared in accordance with Public Benefit Standards with reduced disclosure requirements (Tier 2). The SWDC qualifies for Tier 2 reporting tier as the SWDC has less than \$30 million of expenditure.

These financial statements comply with PBE Accounting Standards.

Measurement Base

The financial statements have been prepared on a historical cost basis, except where modified by the revaluation of land and buildings, certain infrastructure assets, investment property, playground assets, library books and certain financial instruments.

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000) and this could result in rounding differences. The functional currency of the SWDC is New Zealand dollars.

Changes in Accounting Policies

There have been no changes in accounting policies during the year.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2021-2031

	CARRIED FORWARD	NEW EXPENDITURE	TOTAL	TOTAL ESTIMATED CAPITAL EXPENDITURE									
	30 JUNE 2021	30 JUNE 2021	30 JUNE 2021	30 JUNE 2022	30 JUNE 2023	30 JUNE 2024	30 JUNE 2025	30 JUNE 2026	30 JUNE 2027	30 JUNE 2028	30 JUNE 2029	30 JUNE 2030	30 JUNE 2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CORPORATE SERVICES													
Council offices	500,000	10,610	510,610	5,000	5,105	5,210	5,300	5,395	5,495	5,600	5,710	5,825	5,945
Furniture		56,671	56,671	12,000	12,252	12,504	12,720	12,948	13,188	13,440	13,704	13,980	14,268
GIS			-	10,000	10,210	10,420	10,600	10,790	10,990	11,200	11,420	11,650	11,890
Intangible		30,000	30,000	20,000	-	-	-	-	-	-	-	-	-
IT hardware		46,684	46,684	50,000	51,050	52,100	53,000	53,950	54,950	56,000	57,100	58,250	59,450
IT software	60,000	33,952	93,952	128,000	60,239	52,100	53,000	53,950	54,950	56,000	57,100	58,250	59,450
Motor vehicles	130,000		130,000	140,000	61,260	62,520	63,600	64,740	65,940	67,200	68,520	69,900	71,340
Office equipment		94,488	94,488	10,000	10,210	10,420	10,600	10,790	10,990	11,200	11,420	11,650	11,890
	690,000	272,405	962,405	375,000	210,326	205,274	208,820	212,563	216,503	220,640	224,974	229,505	234,233
GOVERNANCE, LEADERSHIP & ADVOCACY													
Combined District Plan			-	150,000	153,300	156,600	-	-	-	-	-	-	-
Spatial Plan			-	265,000	122,640	135,720	159,750	-	-	-	-	-	-
	-	-	-	415,000	275,940	292,320	159,750	-	-	-	-	-	-
AMENITIES													
Campgrounds		10,610	10,610	15,000	15,315	15,630	15,900	16,185	16,485	16,800	17,130	17,475	17,835
Cemeteries		35,013	35,013	110,000	35,735	36,470	37,100	37,765	38,465	39,200	39,970	40,775	41,615
Community buildings		30,915	30,915	1,240,000	20,420	177,140	21,200	21,580	21,980	22,400	22,840	23,300	23,780
Community housing		111,830	111,830	60,000	61,260	62,520	31,800	32,370	32,970	33,600	34,260	34,950	35,670
Investment buildings		10,610	10,610	20,000	20,420	20,840	21,200	21,580	21,980	22,400	22,840	23,300	23,780
Library books		101,856	101,856	110,000	112,310	114,620	116,600	118,690	120,890	123,200	125,620	128,150	130,790
Parks & reserves		265,915	265,915	120,000	1,551,920	20,840	1,611,200	21,580	21,980	22,400	22,840	23,300	23,780
Playgrounds		90,185	90,185	50,000	51,050	52,100	53,000	53,950	54,950	56,000	57,100	58,250	59,450
Swimming pools		132,625	132,625	50,000	51,050	52,100	53,000	53,950	54,950	56,000	57,100	58,250	59,450
Toilets		51,050	51,050	50,000	51,050	52,100	53,000	53,950	54,950	56,000	57,100	58,250	59,450
	-	840,609	840,609	1,825,000	1,970,530	604,360	2,014,000	431,600	439,600	448,000	456,800	466,000	475,600
LAND TRANSPORT													
Bridges			-	-	-	-	533,500	544,000	555,000	566,500	578,500	591,000	604,000
Drainage		116,870	116,870	170,000	177,562	185,181	188,718	192,432	196,324	200,391	204,636	209,058	213,656
Footpath additions		72,000	72,000	400,000	409,600	418,800	426,800	435,200	444,000	453,200	462,800	472,800	483,200
Footpath renewals		45,000	45,000	150,000	156,672	163,395	166,516	169,793	173,227	176,816	180,561	184,463	188,520
Other minor works		459,658	459,658	887,500	870,144	892,044	909,084	926,976	945,720	965,316	985,764	1,007,064	1,029,216
Rehabilitation		261,399	261,399	250,000	261,120	272,325	277,527	282,989	288,711	294,693	300,936	307,438	314,201
Reseals		808,617	808,617	860,000	835,584	871,439	888,086	905,565	923,875	943,018	962,994	983,802	1,005,442
Road metalling		335,452	335,452	405,000	423,014	441,166	449,594	458,442	467,712	477,403	487,516	498,050	509,005
Seal extentions		125,829	125,829	-	-	-	-	-	-	-	-	-	-
Signs, guardrails, & safety		30,825	30,825	170,000	174,080	177,990	181,390	184,960	188,700	192,610	196,690	200,940	205,360
Structures		20,538	20,538	130,000	135,782	141,609	144,314	147,154	150,130	153,241	156,486	159,868	163,384
Traffic services		4,890	4,890	52,500	54,836	57,188	58,281	59,428	60,629	61,886	63,196	64,562	65,982
	-	2,281,078	2,281,078	3,475,000	3,498,394	3,621,137	4,223,810	4,306,939	4,394,028	4,485,074	4,580,079	4,679,045	4,781,966

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2021-2031

	CARRIED FORWARD	NEW EXPENDITURE	TOTAL	TOTAL ESTIMATED CAPITAL EXPENDITURE									
	30 JUNE 2021	30 JUNE 2021	30 JUNE 2021	30 JUNE 2022	30 JUNE 2023	30 JUNE 2024	30 JUNE 2025	30 JUNE 2026	30 JUNE 2027	30 JUNE 2028	30 JUNE 2029	30 JUNE 2030	30 JUNE 2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
PUBLIC PROTECTION													
Dog pound			-	100,000	-	-	-	-	-	-	-	-	-
IT hardware			-	14,000	4,084	4,168	4,240	4,316	4,396	4,480	4,568	4,660	4,756
IT software			-	15,000	1,021	1,042	-	-	-	-	-	-	-
Liquifaction modelling for building regulations			-	140,000	-	-	-	-	-	-	-	-	-
	-	-	-	269,000	5,105	5,210	4,240	4,316	4,396	4,480	4,568	4,660	4,756
SOLID WASTE MANAGEMENT													
Transfer station renewals			-	10,000	10,210	-	-	-	-	-	-	-	-
	-	-	-	10,000	10,210	-	-	-	-	-	-	-	-
WATER SUPPLY													
Consents, models, & plans			-	21,600	102,700	-	649,555	616,075	-	-	75,946	673,358	662,580
Infrastructure growth			-	-	-	-	144,990	1,332,855	-	-	-	12,949	-
Infrastructure renewals		1,500,124	1,500,124	358,000	375,882	393,448	409,194	426,733	445,037	464,130	484,036	504,779	526,383
Smart meters			-	1,000,000	1,027,000	1,052,000	-	-	-	-	-	-	-
Water supply & treatment - Featherston		460,000	460,000	-	99,824	45,446	57,996	-	-	-	-	-	-
Water supply & treatment - Greytown		452,000	452,000	1,458,000	-	-	127,591	-	-	-	-	-	-
Water supply & treatment - Martinborough		258,000	258,000	496,800	443,664	2,840,400	2,899,800	-	-	-	-	-	-
	-	2,670,124	2,670,124	3,334,400	2,049,070	4,331,294	4,289,126	2,375,663	445,037	464,130	559,982	1,191,086	1,188,963
WASTE WATER													
Consents, models, & plans		515,520	515,520	226,800	-	-	11,599	11,848	242,136	-	12,658	12,949	-
Health & safety upgrades			-	108,000	110,916	113,616	23,198	23,695	24,214	24,754	25,315	25,898	26,503
Infrastructure growth	400,000		400,000	-	-	-	-	-	-	-	-	-	-
Infrastructure renewals	2,580,000	540,200	3,120,200	329,000	567,931	361,888	2,696,814	392,726	409,165	427,458	446,532	466,411	487,119
Wastewater treatment & disposal - Featherston			-	1,800,000	1,027,000	1,055,977	8,939,976	5,485,000	-	-	-	-	-
Wastewater treatment & disposal - Greytown			-	307,500	59,771	494,230	68,154	59,238	30,267	-	707,560	-	-
Wastewater treatment & disposal - Martinborough			-	108,000	277,290	72,672	289,980	1,332,855	1,362,015	1,310,703	-	-	-
	2,980,000	1,055,720	4,035,720	2,879,300	2,042,908	2,098,383	12,029,721	7,305,362	2,067,797	1,762,915	1,192,065	505,258	513,622
STORMWATER DRAINAGE													
Consents, models, & plans			-	10,800	-	-	11,599	248,800	-	-	12,658	12,949	265,032
Water races	100,000	57,566	157,566	-	-	1,052,000	-	-	-	-	-	-	-
	100,000	57,566	157,566	10,800	-	1,052,000	11,599	248,800	-	-	12,658	12,949	265,032
TOTAL CAPITAL EXPENDITURE	3,770,000	7,177,503	10,947,503	12,593,500	10,062,483	12,209,978	22,941,066	14,885,243	7,567,361	7,385,239	7,031,126	7,088,503	7,464,172

PROSPECTIVE STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 30 JUNE 2021-2031										
	30 JUNE 2022 \$000	30 JUNE 2023 \$000	30 JUNE 2024 \$000	30 JUNE 2025 \$000	30 JUNE 2026 \$000	30 JUNE 2027 \$000	30 JUNE 2028 \$000	30 JUNE 2029 \$000	30 JUNE 2030 \$000	30 JUNE 2031 \$000
CASH FLOWS FROM OPERATING ACTIVITIES										
Cash was received from:										
Rates	20,003	21,812	22,695	24,093	24,493	25,230	25,309	25,988	26,615	26,907
Government grants & subsidies	3,509	3,745	3,801	3,911	4,024	4,141	4,261	4,385	4,515	4,646
Petrol tax	85	91	94	97	100	103	105	109	112	115
Other income	4,378	4,635	4,748	4,865	4,988	5,110	5,242	5,381	5,525	5,667
Regional council rates	4,969	4,969	4,969	4,969	4,969	4,969	4,969	4,969	4,969	4,969
Income from investments	109	139	254	194	201	318	383	458	538	608
	33,053	35,392	36,561	38,129	38,774	39,870	40,270	41,289	42,274	42,912
Cash was applied to:										
Payments to suppliers & employees	18,851	20,320	20,631	21,294	21,550	22,008	22,214	22,798	23,467	23,939
Regional council rates	4,969	4,969	4,969	4,969	4,969	4,969	4,969	4,969	4,969	4,969
Interest paid	614	771	916	1,225	1,370	1,318	1,310	1,310	1,310	1,310
	24,434	26,059	26,515	27,487	27,889	28,294	28,493	29,077	29,745	30,218
Net cash flow from operating activities	8,619	9,332	10,045	10,642	10,886	11,576	11,777	12,213	12,528	12,694
CASH FLOW FROM INVESTING ACTIVITIES										
Cash was received from:										
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-
Term investments & shares	-	-	-	-	-	-	-	-	-	-
Investments in loan redemption deposits	-	-	-	2,162	-	-	-	-	-	-
				2,162						
Cash was applied to:										
Purchase of fixed assets	12,594	10,062	12,210	22,941	14,885	7,567	7,385	7,031	7,089	7,464
Term investments & shares										
Investments in loan redemption deposits	1,187	1,641	1,833	-	515	1,456	1,776	1,771	1,771	1,771
	13,781	11,703	14,043	22,941	15,400	9,023	9,161	8,802	8,859	9,235
Net cash flow from investing activities	(13,781)	(11,703)	(14,043)	(20,779)	(15,400)	(9,023)	(9,161)	(8,802)	(8,859)	(9,235)
CASH FLOW FROM FINANCING ACTIVITIES										
Cash was received from:										
Drawdown of public debt	3,947	4,147	5,996	13,227	6,818	-	-	-	-	-
	3,947	4,147	5,996	13,227	6,818					
Cash was applied to:										
Repayment of public debt	-	-	-	4,271	1,271	315	-	-	-	-
				4,271	1,271	315				
Net cash flow from financing activities	3,947	4,147	5,996	8,956	5,547	(315)				
Net increase/(decrease) in cash held	(1,216)	1,776	1,999	(1,181)	1,033	2,238	2,616	3,410	3,669	3,459
Add cash at start of year (1 July)	4,821	3,605	5,381	7,380	6,199	7,232	9,470	12,085	15,496	19,164
BALANCE AT END OF YEAR (30 June)	3,605	5,381	7,380	6,199	7,232	9,470	12,085	15,496	19,164	22,623
REPRESENTED BY:										
Cash and cash equivalents	(260)	(218)	118	334	927	1,543	2,036	2,737	3,360	4,196
Short term deposits and investments	3,865	5,599	7,262	5,865	6,305	7,926	10,049	12,759	15,805	18,428
	3,605	5,381	7,380	6,199	7,232	9,470	12,085	15,496	19,164	22,623

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEARS ENDING 30 JUNE 2021-2031

	30 JUNE 2022 \$000	30 JUNE 2023 \$000	30 JUNE 2024 \$000	30 JUNE 2025 \$000	30 JUNE 2026 \$000	30 JUNE 2027 \$000	30 JUNE 2028 \$000	30 JUNE 2029 \$000	30 JUNE 2030 \$000	30 JUNE 2031 \$000
OPERATING INCOME										
Rates	19,882,686	21,684,509	22,564,350	23,959,915	24,355,954	25,089,262	25,165,110	25,840,410	26,462,834	26,751,348
Rates Penalty	120,000	127,080	130,320	133,560	136,920	140,280	143,880	147,720	151,680	155,640
Interest	109,205	139,205	253,808	193,808	201,308	318,410	383,410	458,410	538,410	608,410
Fees & Licences	1,528,000	1,616,624	1,653,296	1,689,968	1,728,168	1,766,368	1,806,096	1,845,824	1,887,080	1,929,864
User Levies	771,950	814,865	835,352	857,749	881,486	905,223	932,261	961,880	992,889	1,022,040
Commissions	78,000	82,524	84,396	86,268	88,218	90,168	92,196	94,224	96,330	98,514
NZ Transport Agency Subsidy	1,727,025	1,845,924	1,830,809	1,883,732	1,938,309	1,994,539	2,052,424	2,111,963	2,174,809	2,237,655
Petrol Tax	85,000	91,375	94,095	96,815	99,620	102,510	105,485	108,545	111,775	115,005
Grants, Donations & Subsidies	4,000	4,232	4,336	4,444	4,552	4,660	4,776	4,900	5,028	5,148
Rental / Hire	622,500	657,942	674,348	691,819	709,731	727,644	747,464	768,972	791,323	812,208
Miscellaneous Income	80,300	85,544	87,751	89,960	92,248	94,570	96,974	99,417	101,975	104,572
NZTA CAPEX Subsidy	1,778,100	1,895,010	1,965,960	2,022,790	2,081,396	2,141,778	2,203,935	2,267,869	2,335,355	2,402,840
Grants, Donations & Subsidies	-	-	-	-	-	-	-	-	-	-
Contributions	1,297,000	1,377,925	1,413,279	1,449,683	1,487,734	1,526,182	1,567,327	1,610,269	1,655,255	1,699,741
Total Operating Income	28,083,766	30,422,759	31,592,099	33,160,510	33,805,643	34,901,594	35,301,339	36,320,402	37,304,742	37,942,985
OPERATING COSTS										
Governance, Leadership & Advocacy	1,982,672	2,158,825	2,124,719	2,127,089	2,245,451	2,239,578	2,278,226	2,399,385	2,389,275	2,431,762
Public Protection	2,080,622	2,161,345	2,231,821	2,253,842	2,332,210	2,372,774	2,431,987	2,453,196	2,553,884	2,561,742
Resource Management	1,013,372	1,068,121	1,019,897	1,045,847	1,204,936	1,234,107	1,220,842	1,243,642	1,272,707	1,156,890
Economic, Cultural & Community Development	786,411	799,194	881,335	901,199	922,060	945,839	966,007	988,045	1,012,841	1,034,628
Amenities	3,915,773	4,302,608	4,393,559	4,540,071	4,378,968	4,489,018	4,523,629	4,582,309	4,654,462	4,732,504
Land Transport	6,503,783	6,982,932	7,478,661	7,686,487	7,987,400	8,576,826	8,497,584	8,773,671	9,111,846	9,410,334
Water Supply	3,440,488	3,943,550	4,121,981	4,199,094	4,731,357	4,939,414	4,972,890	5,085,789	5,222,341	5,403,415
Solid Waste Management	1,775,455	1,958,205	1,999,902	2,003,211	2,057,336	2,114,987	2,168,089	2,232,210	2,304,295	2,363,626
Sewerage	2,140,675	2,568,822	2,504,063	3,311,091	3,368,489	3,598,145	3,641,452	3,721,228	3,800,441	3,847,227
Stormwater Drainage	392,613	414,018	424,669	486,973	496,705	557,894	566,747	573,766	586,970	601,547
Rate Debtors Written Off	20,000	21,180	21,720	22,260	22,820	23,380	23,980	24,620	25,280	25,940
Bad Debts	-	-	-	-	-	-	-	-	-	-
Loss on Sale of Assets	-	-	-	-	-	-	-	-	-	-
Total Operating Costs	24,051,863	26,378,800	27,202,326	28,577,163	29,747,733	31,091,961	31,291,433	32,077,861	32,934,342	33,569,615
Total Operating Surplus/(deficit)	4,031,903	4,043,959	4,389,773	4,583,347	4,057,911	3,809,633	4,009,906	4,242,541	4,370,400	4,373,370
Assets Vesting in Council	-	-	-	-	-	-	-	-	-	-
Gain on Asset Revaluations	417,327	339,197	300,891	308,413	328,769	324,343	345,749	368,383	378,329	374,153
Total Surplus/(deficit) after tax	4,449,230	4,383,156	4,690,664	4,891,760	4,386,679	4,133,976	4,355,655	4,610,924	4,748,729	4,747,523
Note: Total Operating Costs include;										
Depreciation	4,586,601	5,288,328	5,655,722	6,058,613	6,827,820	7,766,414	7,766,966	7,969,974	8,157,626	8,320,741
Interest	613,870	770,914	916,050	1,224,888	1,369,723	1,317,990	1,310,115	1,310,115	1,310,115	1,310,115

PROSPECTIVE STATEMENT OF FINANCIAL POSITION FOR THE YEARS ENDING 30 JUNE 2021-2031

	30 JUNE 2022 \$000	30 JUNE 2023 \$000	30 JUNE 2024 \$000	30 JUNE 2025 \$000	30 JUNE 2026 \$000	30 JUNE 2027 \$000	30 JUNE 2028 \$000	30 JUNE 2029 \$000	30 JUNE 2030 \$000	30 JUNE 2031 \$000
ASSETS										
Current assets										
Cash and Bank	(260,360)	(218,336)	118,225	334,103	927,169	1,543,330	2,036,163	2,737,240	3,359,712	4,195,762
Short Term Deposits	11,252,520	14,627,567	18,122,925	14,563,989	15,518,484	18,596,011	22,494,811	26,975,123	31,792,172	36,186,058
Prepayments and Receivables	2,300,283	2,300,283	2,300,283	2,300,283	2,300,283	2,300,283	2,300,283	2,300,283	2,300,283	2,300,283
Inventories	54,418	54,418	54,418	54,418	54,418	54,418	54,418	54,418	54,418	54,418
Properties Intended for Sale	-	-	-	-	-	-	-	-	-	-
Total current assets	13,346,861	16,763,933	20,595,851	17,252,793	18,800,354	22,494,042	26,885,675	32,067,064	37,506,585	42,736,521
Non-current assets										
Intangible Assets	227,556	355,336	323,115	704,804	1,173,082	958,249	775,417	592,584	409,752	363,541
Investment Properties	11,696,442	12,035,639	12,336,530	12,644,943	12,973,712	13,298,055	13,643,804	14,012,187	14,390,516	14,764,669
Properties Intended for Sale	-	-	-	-	-	-	-	-	-	-
Investments	508,298	508,298	508,298	508,298	508,298	508,298	508,298	508,298	508,298	508,298
Property Plant and Equipment	494,645,151	499,291,527	549,760,110	566,260,872	573,850,017	617,061,275	616,862,380	616,106,364	663,572,916	662,762,559
Total non-current assets	507,077,448	512,190,800	562,928,053	580,118,918	588,505,109	631,825,877	631,789,899	631,219,434	678,881,482	678,399,068
Total assets	520,424,309	528,954,733	583,523,904	597,371,712	607,305,463	654,319,919	658,675,574	663,286,498	716,388,067	721,135,589
LIABILITIES										
Current liabilities										
Payables and Accruals	3,654,554	3,654,554	3,654,554	3,654,554	3,654,554	3,654,554	3,654,554	3,654,554	3,654,554	3,654,554
Employee Entitlements	404,341	404,341	404,341	404,341	404,341	404,341	404,341	404,341	404,341	404,341
Public Debt - Current Portion	-	-	-	-	-	-	-	-	-	-
Provisions - Current Portion	34,578	34,578	34,578	34,578	34,578	34,578	34,578	34,578	34,578	34,578
Total current liabilities	4,093,473	4,093,473	4,093,473	4,093,473	4,093,473	4,093,473	4,093,473	4,093,473	4,093,473	4,093,473
Non-current liabilities										
Public Debt - Non Current Portion	29,246,500	33,393,769	39,390,169	48,346,216	53,893,289	53,578,289	53,578,289	53,578,289	53,578,289	53,578,289
Provisions - Non Current Portion	407,538	407,538	407,538	407,538	407,538	407,538	407,538	407,538	407,538	407,538
Total non-current liabilities	29,654,038	33,801,307	39,797,707	48,753,755	54,300,827	53,985,827	53,985,827	53,985,827	53,985,827	53,985,827
EQUITY										
Public Equity	154,863,958	154,414,805	153,903,365	160,677,832	162,032,503	161,072,653	159,666,378	157,764,112	155,783,823	154,042,103
Special Separate and Trust Funds	28,165,495	32,997,804	38,199,909	36,317,202	39,349,210	44,443,036	50,204,966	56,718,156	63,447,174	69,936,416
Asset Revaluation Reserve	303,647,099	303,647,099	347,529,206	347,529,206	347,529,206	390,724,685	390,724,685	390,724,685	439,077,525	439,077,525
Other Reserves	245	245	245	245	245	245	245	245	245	245
Total equity	486,676,798	491,059,953	539,632,724	544,524,484	548,911,163	596,240,619	600,596,275	605,207,199	658,308,767	663,056,290
Total liabilities and equity	520,424,309	528,954,733	583,523,904	597,371,712	607,305,463	654,319,919	658,675,574	663,286,498	716,388,066	721,135,589

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDING 30 JUNE 2021-2031

	30 JUNE 2022 \$000	30 JUNE 2023 \$000	30 JUNE 2024 \$000	30 JUNE 2025 \$000	30 JUNE 2026 \$000	30 JUNE 2027 \$000	30 JUNE 2028 \$000	30 JUNE 2029 \$000	30 JUNE 2030 \$000	30 JUNE 2031 \$000
EQUITY										
Public Equity	151,215,494	154,863,958	154,414,805	153,903,365	160,677,832	162,032,503	161,072,653	159,666,378	157,764,112	155,783,823
Special Separate and Trust Funds	27,364,730	28,165,495	32,997,804	38,199,909	36,317,202	39,349,210	44,443,036	50,204,966	56,718,156	63,447,174
Asset Revaluation Reserve	303,647,099	303,647,099	303,647,099	347,529,206	347,529,206	347,529,206	390,724,685	390,724,685	390,724,685	439,077,525
Other Reserves	245	245	245	245	245	245	245	245	245	245
Equity at start of year	482,227,568	486,676,798	491,059,953	539,632,724	544,524,484	548,911,163	596,240,619	600,596,275	605,207,199	658,308,767
Total Surplus/(deficit) before tax	4,449,230	4,383,156	4,690,664	4,891,760	4,386,679	4,133,976	4,355,655	4,610,924	4,748,729	4,747,523
Asset Revaluation	-	-	43,882,107	-	-	43,195,480	-	-	48,352,840	-
Total Comprehensive Surplus/(deficit) before tax	4,449,230	4,383,156	48,572,771	4,891,760	4,386,679	47,329,456	4,355,655	4,610,924	53,101,568	4,747,523
Public Equity	154,863,958	154,414,805	153,903,365	160,677,832	162,032,503	161,072,653	159,666,378	157,764,112	155,783,823	154,042,103
Special Separate and Trust Funds	28,165,495	32,997,804	38,199,909	36,317,202	39,349,210	44,443,036	50,204,966	56,718,156	63,447,174	69,936,416
Asset Revaluation Reserve	303,647,099	303,647,099	347,529,206	347,529,206	347,529,206	390,724,685	390,724,685	390,724,685	439,077,525	439,077,525
Other Reserves	245	245	245	245	245	245	245	245	245	245
Equity at end of year	486,676,798	491,059,953	539,632,724	544,524,484	548,911,163	596,240,619	600,596,275	605,207,199	658,308,767	663,056,290

HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

[illegible]

FUNDING IMPACT STATEMENT FOR Amenities

HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

[illegible]

HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

[illegible]

HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

[illegible]

FUNDING IMPACT STATEMENT FOR Land Transport

HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

[illegible]

FUNDING IMPACT STATEMENT FOR Public Protection

HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

[illegible]

HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

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HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

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HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

[illegible]

FUNDING IMPACT STATEMENT FOR Wastewater

HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

[illegible]

FUNDING IMPACT STATEMENT FOR Water Supply

HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

[illegible]

FUNDING IMPACT STATEMENT FOR Corporate Services

HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

[illegible]

HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDING 30 JUNE 2021 - 2031

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SOUTH WAIRARAPA
DISTRICT COUNCIL

Kia Reretahi Tātau

Summary of Environmental Scan 2021

Date of Report	1 March 2021
Next Review	March 2024

Environmental scanning is a fact-based interpretation of the political, social, economic, environmental, cultural and regulatory issues and trends which influence SWDC. It looks at where the community is heading and what Council should be doing about it. The information gained through the scan will input into the community outcomes, priorities and activities for the next 10-30 years as captured in the Long-Term Plan and its supporting strategies and the Spatial Plan.

Contents

Population and households 3

Economic..... 8

Social 16

Environmental..... 20

Government legislation, proposals and national trends 27

Population and households

Population Growth

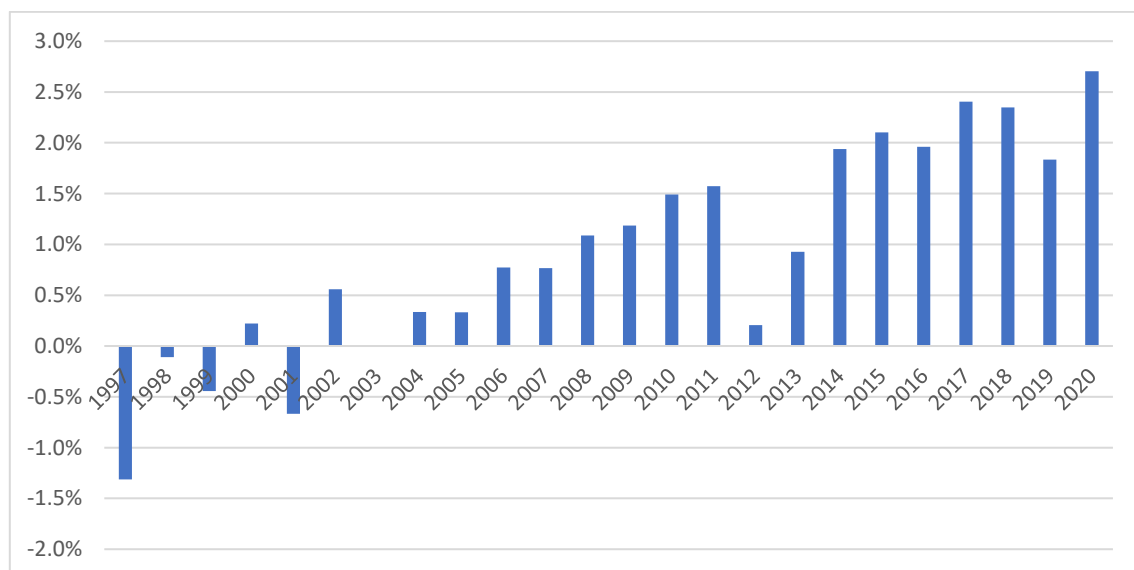
Census data shows that the population in the South Wairarapa district increased by 11% from 9,800 in 2013 to 10,900 in 2018. This represents an average annual change over the 5-year period of 2.2%. We have obtained population projections for the period 2019 to 2051 from Infometrics. South Wairarapa's population is projected to grow from 11,512 in 2021 to 12,696 in 2031 and 14,476 by 2051.

Growth in the South Wairarapa has historically been split evenly between urban and rural areas but future growth is projected to be concentrated in urban centres. Based on improvements in rail connectivity for commuters and the intent of the Regional Growth Framework, growth is expected to be concentrated largely around the Featherston and Greytown urban centres.

The strongest growth is expected in Greytown (1,001 people) followed by Featherston (796 people) and Martinborough (603 people). Tauherenikau and Aorangi Forest are expected to experience moderate growth (around 236 and 164 people respectively). The growth in Tauherenikau is expected based on development around the existing village and growth in Aorangi Forest is expected due to the development of lifestyle blocks on the fringes of Martinborough.¹

Population data from Infometrics notes that growth has been strong over the last decade, aided by significant net migration flows in the past five years. In 2020, the South Wairarapa experienced an annual population growth of 2.7 percent, an increase of 300 people. This is up from prior years where population growth had previously peaked in 2017 at 2.4 percent. Of the annual population growth experienced in 2020, 17% was from a natural increase (births exceeding deaths), 47% was due to net internal migration and the remaining 37% from net international migration.

South Wairarapa Annual Population Change

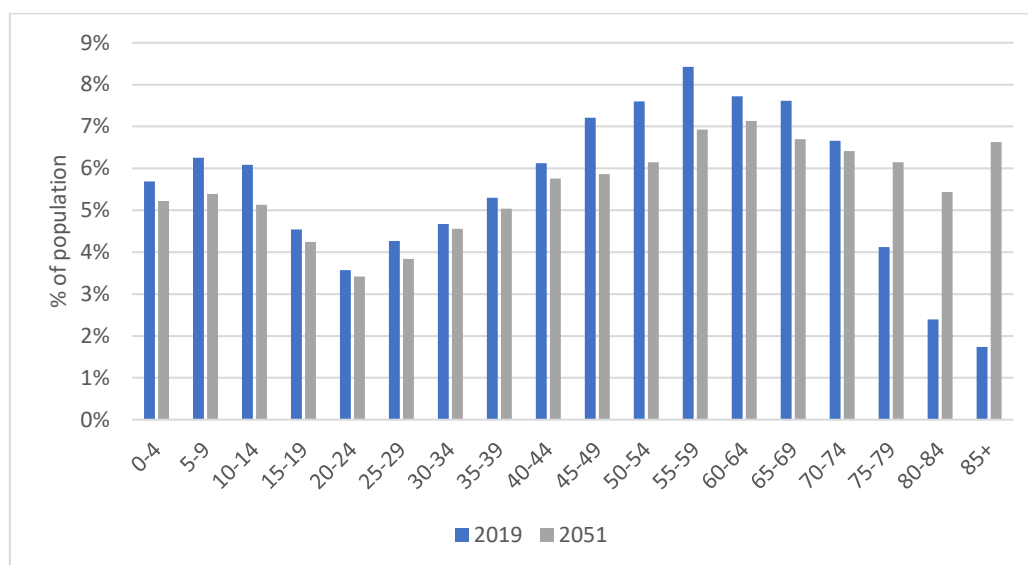


¹ Population and age projections are sourced from Infometrics Population Projections 2019 – 2051.

As is the case for most of New Zealand, the population in South Wairarapa is projected to see an aging population over the next 30 years. The population aged 65 years and older is projected to grow by 77% between 2019 and 2051 (from around one in four to around one in three of the district population). As a result, the average age is projected to rise from 44 in 2019 to 49 in 2051.

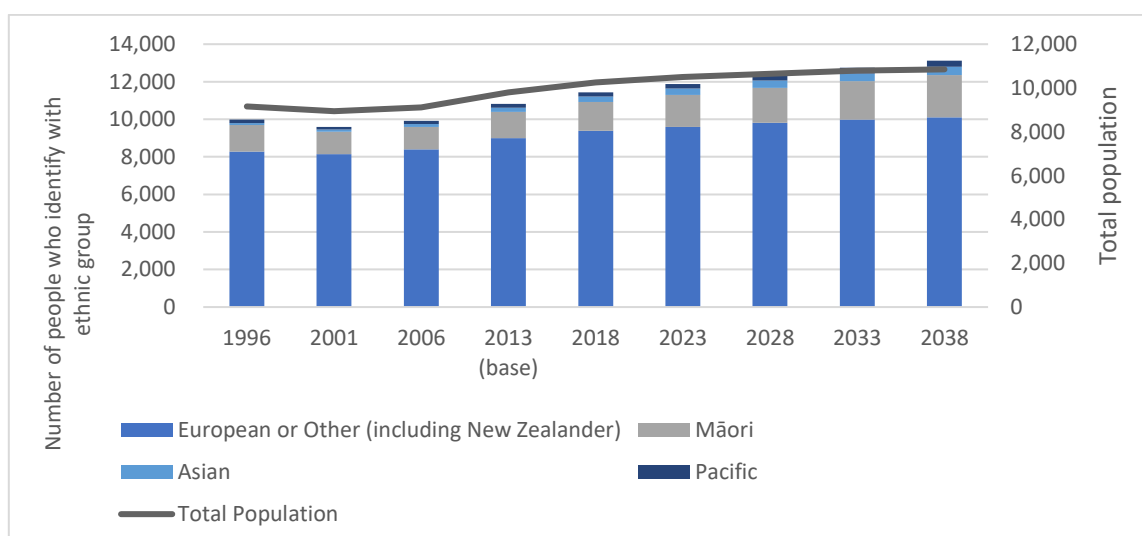
The under 15 years and working age population (15 – 64 years) groups are projected to grow modestly. The number of young people under 15 years is projected to grow by 12% between 2019 and 2051 and the working age population is projected to grow by 14%.

South Wairarapa Age Projections, 2019 to 2051



The ethnic mix of South Wairarapa's population is projected to continue to change in line with historical trends, with the largest change being an increase in the proportion of the population identifying as Māori – up from 15% of the South Wairarapa population in 2018 to 21% by 2038.²

South Wairarapa Ethnic Population Projections, 1996 to 2038



² Ethnicity projections from Stats NZ: <https://www.stats.govt.nz/information-releases/subnational-ethnic-population-projections-2013base2038-update>

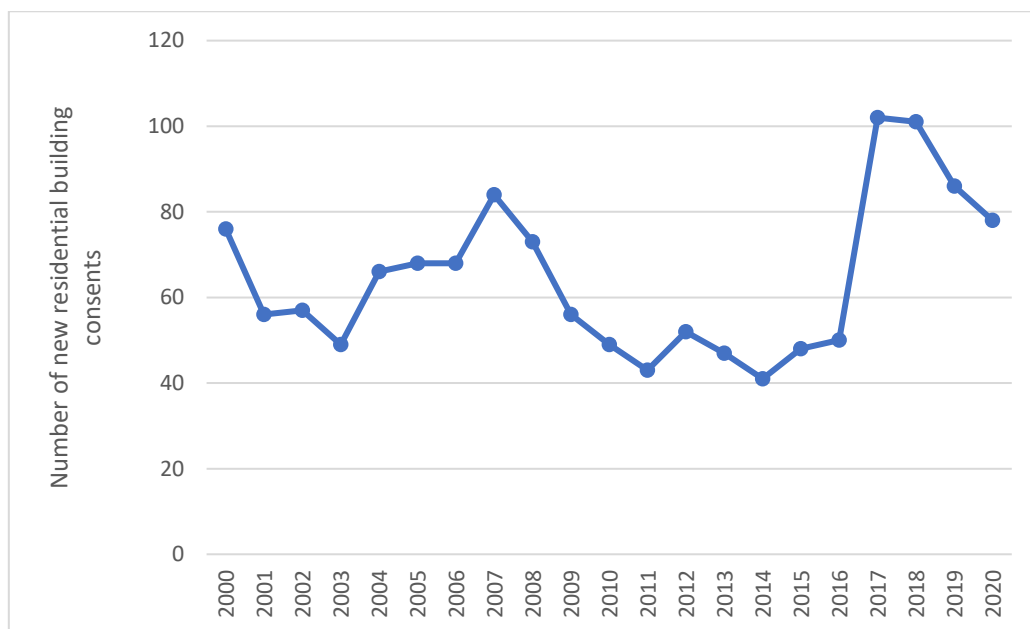
Note: The sum of all ethnic groups exceeds the total population because people can identify with more than one ethnicity.

Household Growth

The district has recently been experiencing a new period of building growth. There was steady growth in the number of new building consents issued from 1999 to 2007, followed by a period of decline in numbers to 2011 after the global financial crisis. Numbers then stayed steady until 2017 with a doubling of the number of consents issued for new dwellings compared to the previous year (from 50 to 102). Numbers decreased slightly to 86 in 2019 and 78 in 2020.

Consenting remains strong following COVID-19 with 30 new dwelling consents issued in the first quarter of the 2020/21 financial year and 25 in the second quarter, which is consistent with the number of consents in the high growth period 2017-2018 (25 for the first quarter and 26 for the second quarter in 2017; and 30 for the first quarter and 34 for the second quarter in 2018).

South Wairarapa District Residential Building Consents, 2000 to 2020 (June)



In terms of future projections, Infometrics projects that the number of households in the district will increase from 4,946 in 2021 to 5,498 in 2031 and 6,371 in 2051. Infometrics notes that the growth in the number of households is due to the growing population and decreasing average household size. It is projected the average household size will reduce from 2.29 persons per household in 2021 to 2.19 by 2051.

Over the period from 2016/17 to 2020/21 there was a 5% increase in the number of rateable properties in the district. The largest growth occurred in residential properties in Greytown and Martinborough, both with a 9% increase. Commercial property numbers have remained largely unchanged and there was a 4% increase in rural properties.

Rating Units		2016/17	2017/18	2018/19	2019/20	2020/21
Rural		3078	3114	3094	3135	3203
Featherston	Residential	1164	1169	1174	1178	1211
	Commercial	85	86	86	86	84
Greytown	Residential	1097	1111	1132	1167	1194
	Commercial	113	111	111	110	113
Martinborough	Residential	894	917	960	968	977
	Commercial	110	106	105	106	106
Total		6541	6614	6662	6750	6888

Regional growth framework

The Wellington Regional Growth Framework (the Framework) is a spatial plan that has been developed by local government, central government and iwi partners in the Wellington-Horowhenua region to deliver on the Urban Growth Agenda (UGA) objectives of the Government. The Framework also provides councils and iwi in the region an agreed regional direction for growth and investment.

The Framework identifies how the Wellington-Horowhenua region could accommodate a future population of 760,000 people and an additional 100,000 jobs over the next 30 years. This would represent an additional 200,000 people in the region. The scenario of 200,000 people has been developed to understand what would be required to accommodate this level of growth, and consider potential infrastructure needs beyond the 30-year growth scenario.

While there is no certainty about when, how or at what rate, the region's population might reach this size, the Framework has been developed based on this scenario to give a better understanding of what would be required to support this level of growth. It is important to note that this is not a policy target. The proposed changes to urban form for the region is a mix of development in both Urban Renewal Areas (brownfield) and in Future Urban Areas (greenfield). Both are expected to have higher density development than we see at present throughout the region and include improved access to bus and rail services, which are expected to increase in frequency, capacity and reach over time. .

Our current understanding is that, regionally, 88% of housing growth in the Framework is expected to come from areas we have identified in the Framework and 12% is expected to be through 'business as usual' infill throughout the region, with just over half of this infill being in Wellington City.

Of the 88% housing growth from areas identified in the Framework:

- One-quarter is expected to be accommodated in Wellington City (excluding Tawa in the western corridor), including the Let's Get Wellington Moving corridor.
- Nearly one-third is expected to be accommodated in the eastern corridor from Lower Hutt to Masterton, with just over one third of this corridor's growth occurring in the Wairarapa.
- The remainder (just over 40%) is expected to be accommodated in the western corridor from Tawa to Levin.

The Framework identifies improving west-east connections as an opportunity to unlock growth, improve resilience and improve regional accessibility to economic and social opportunities. The

potential housing and urban development capacity of any future west-east multi-modal corridor(s) has yet to be determined and will need consideration alongside potential transport interventions.

The Framework aligns with our work through the development of Council's Spatial Plan, Infrastructure and Financial Strategies.

Economic

GDP

In 2019, South Wairarapa's GDP per capita was \$27,000, compared to \$62,000 for New Zealand. Our GDP is low relative to other districts in the Wairarapa, with Carterton and Masterton having a GDP per capita of \$41,000 and \$44,000 respectively.

There has also been slow growth in South Wairarapa's GDP. In the five years from April 2014 to March 2019, nominal GDP in South Wairarapa grew at a rate of 2.7%. This was slower than the rate of growth for New Zealand which grew at a rate of 5.4% and the slowest of all districts in the Wairarapa. Carterton's growth rate was 3.1% and Masterton's growth rate was 6.0%.³

In terms of industry, agriculture accounts for the greatest share of South Wairarapa's GDP, followed by manufacturing. Respectively they shared 22% and 12% of the district's GDP in 2018.

Employment

In 2018, prior to the impact of Covid-19, South Wairarapa had low rates of unemployment. The South Wairarapa had an unemployment rate of 4.0% which was lower than the rate of 5.2% in 2013. It was also lower than the national unemployment rate of 5.8% in 2018⁴.

Employment status	2018			2013			Change 2013 to 2018
	Number	South Wairarapa	New Zealand	Number	South Wairarapa	New Zealand	
Employed	5,685	96.0%	94.2%	4,785	94.8%	92.9	+900
Employed full-time	4,239	71.6%	72.9%	3,525	69.9%	71.5	+714
Employed part-time	1,446	24.4%	21.3%	1,260	25.0%	21.4	+186
Unemployed	237	4.0%	5.8%	261	5.2%	7.1	-24
Total labour force	5,922	100.0%	100.0%	5,046	100.0%	100.0%	+876

Agriculture is also the largest industry in the South Wairarapa in terms of employment, accounting for 23% of the district's employment in 2019. Other industries that are prominent in the South Wairarapa are the accommodation and food services (11%) and construction (10%) industries.

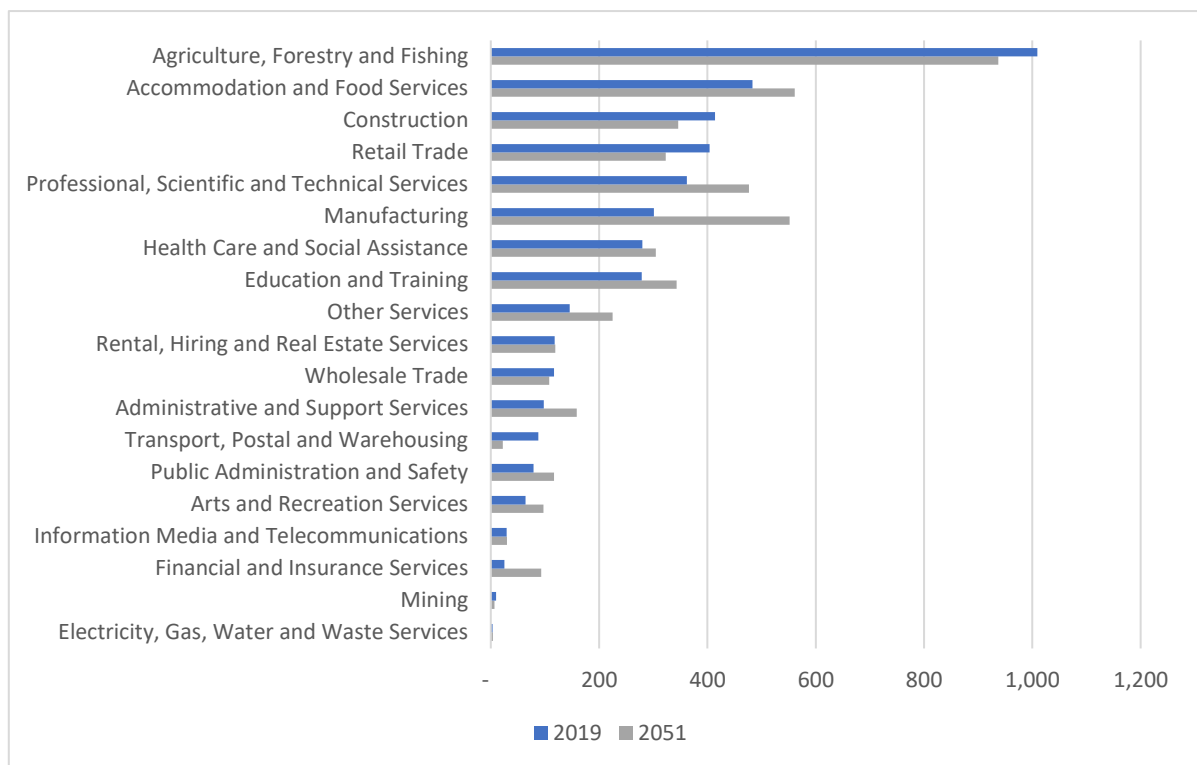
While the agriculture and accommodation and food services industries are projected to remain the largest industries by 2051, the manufacturing and the professional, scientific and technical services industries are expected to become more prominent.⁵

³ <https://www.mbie.govt.nz/business-and-employment/economic-development/regional-economic-development/modelled-territorial-authority-gross-domestic-product/modelled-territorial-authority-gdp-2020-release/>

⁴ <https://profile.idnz.co.nz/south-wairarapa>

⁵ Data sourced from Infometrics.

South Wairarapa Employment by Industry, 2019 to 2051



Impact of COVID-19

Key economic trends are now heavily impacted by COVID-19 and the above projections are therefore highly uncertain. COVID-19 will have long lasting impacts across New Zealand and the uncertainty surrounding the impact on the New Zealand economy makes planning for the future more challenging.

BERL developed early projections prior to the COVID-19 resurgence on how the New Zealand economy could respond over the short to medium term. BERL created three economic scenarios to illustrate how the recovery might unfold.

Each scenario assumed a different mix of time spent under lockdown levels, time for vaccine development and distribution, as well as a general idea of the spread of COVID-19. BERL predicted that Scenario 1, the “Best case” scenario, which assumes that NZ’s elimination strategy would be successful following one month at level 4 and one month at level 3. The critical trend is that cases grow slowly or decrease. Given the localised and short time spend in higher alert levels, as well as increased border controls, we anticipate the “Best case” scenario remains the most likely recovery scenario.

As shown in the graphs below, BERL predicts the recovery being spread over a five to eight-year horizon.

Figure 3.1 New Zealand unemployment rate for COVID-19 recovery scenarios.

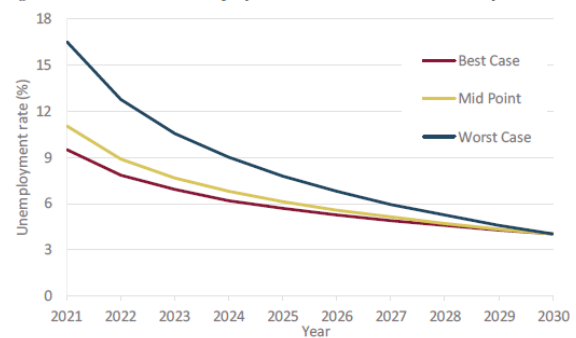
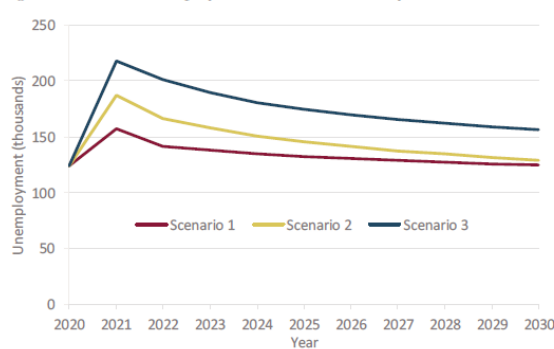


Figure 3.2 Number unemployed for COVID-19 recovery scenarios

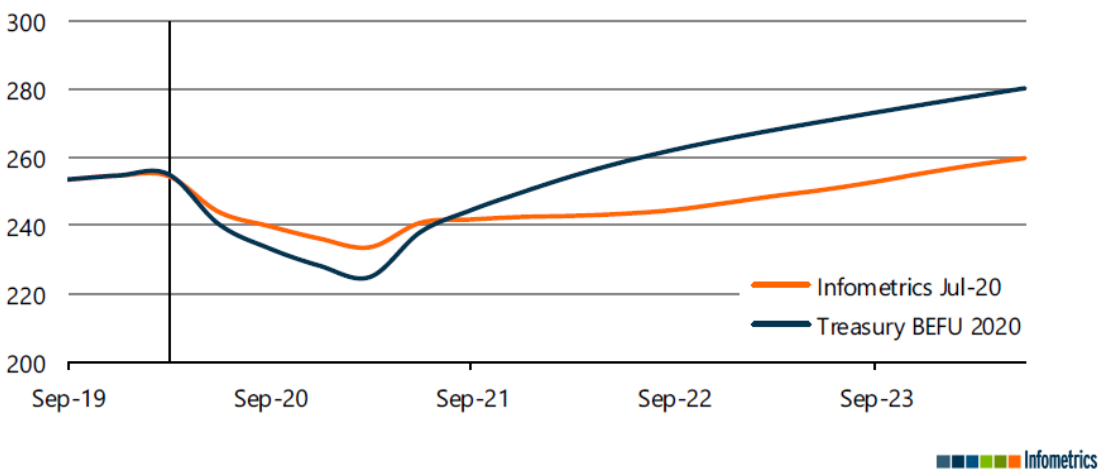


Infometrics forecast from July 2020 also highlighted that the recovery will take time.

A U-shaped recovery

This recovery will take time

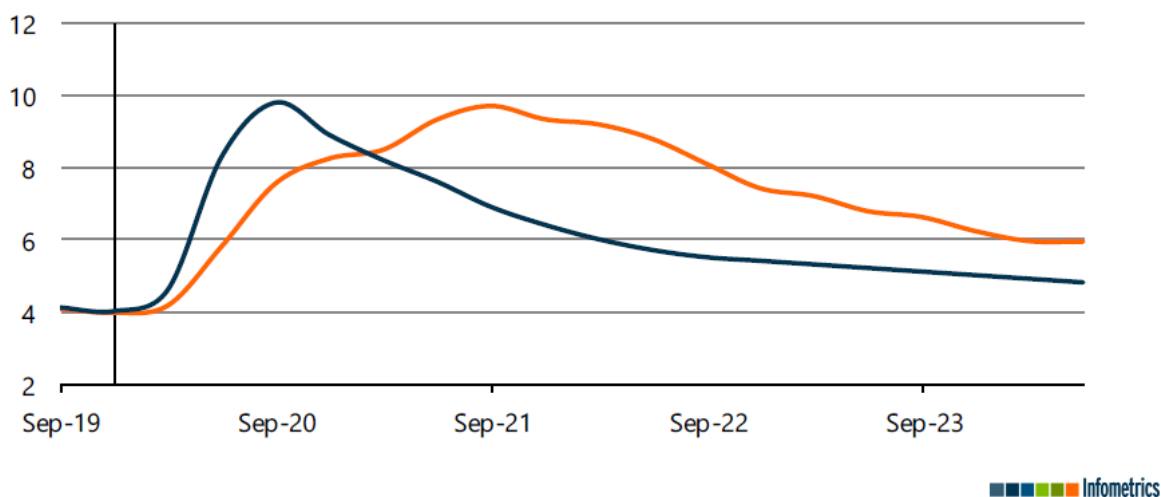
GDP forecast comparison, annual running totals, 2009/10 \$b



Job losses will rise

How big is the labour market hit?

Unemployment rate forecasts, %, seasonally adjusted



Industry outlook

Agriculture is the largest industry in the South Wairarapa in terms of both GDP and number of people employed and is one of the industries BERL expects to recover considerably by 2030. Other industries expected to recover considerably by 2030 are manufacturing, construction, education, and health care and social assistance.

The accommodation and food services industry is unlikely to recover employment back to pre-COVID levels by 2030. This industry, along with arts and recreation, and some of retail, make up the tourism sector. This sector is the hardest hit and will experience a more prolonged period of lower activity.

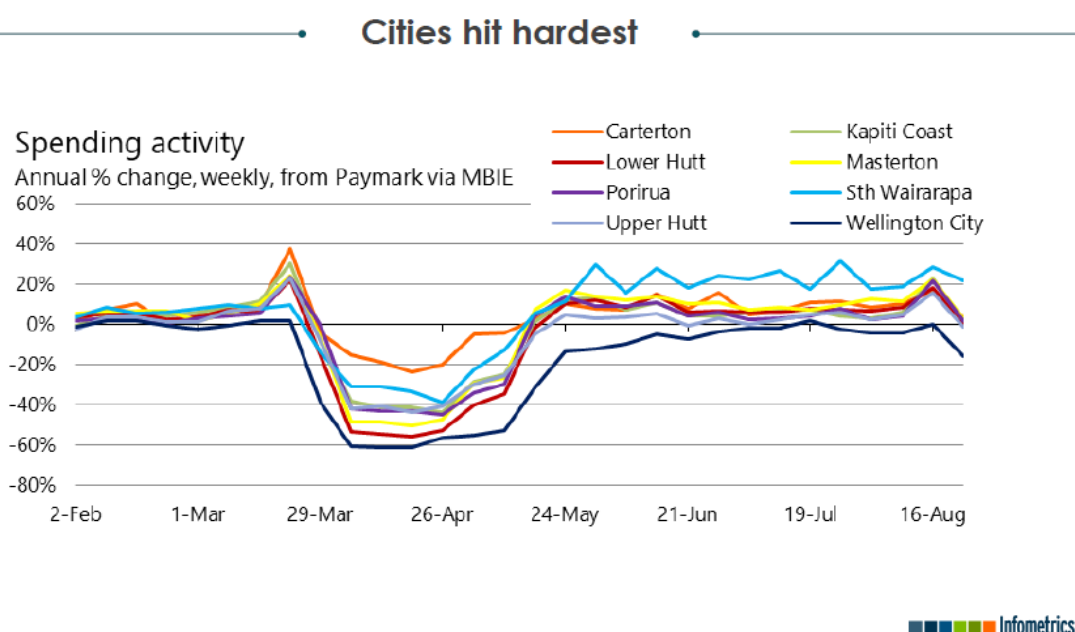
On the global level, in a survey of experts by the World Tourism Organisation, 45% thought domestic tourism would start to recover by July-September and 39% thought international tourism would start to recover by 2021. However, there is no certainty as it is unclear how quickly all borders can be reopened and how quickly airlines can get back to operating normally. Increased unemployment generally will also reduce demand for domestic tourism in the short term.

At a local level, Infometrics forecasts from July 2020 show that tourism is projected to recover to 60% of its pre-COVID-19 level by 2025 in terms of visitor arrivals. While New Zealand can look to build tourism back, it is expected the opportunity will be under more of a high value (low volume) model.

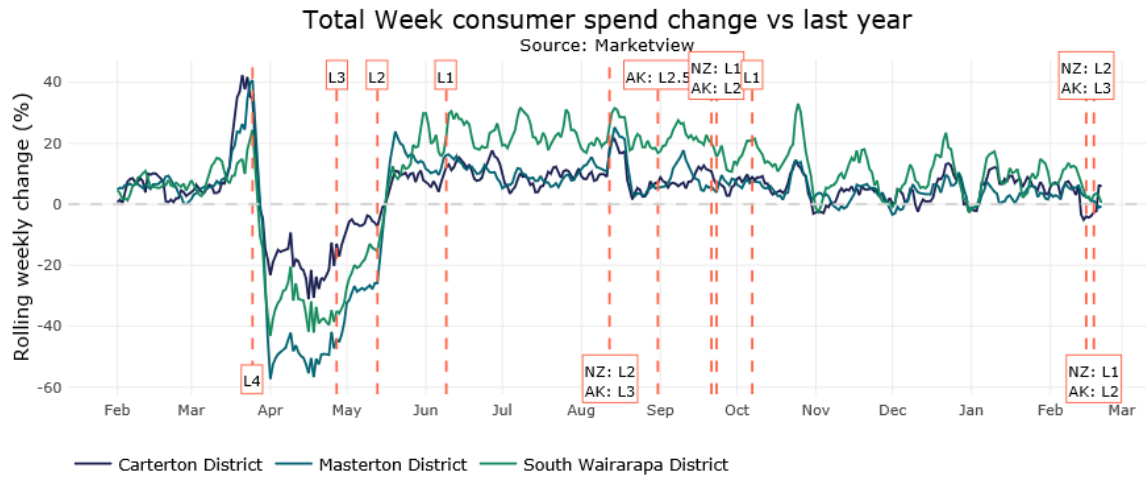
Apart from tourism, the construction industry was also greatly affected by the COVID-19 lockdown however the impact on jobs has not lasted. In alert level 1 it is expected there will be no lasting job losses in construction.

Spending

Another impact of COVID-19 is a decline in spending as people cut back on discretionary spending. This is also reflected in spending activity each time the COVID-19 levels are increased. While spending in the city is impacted the most, impacts are also seen in the South Wairarapa.



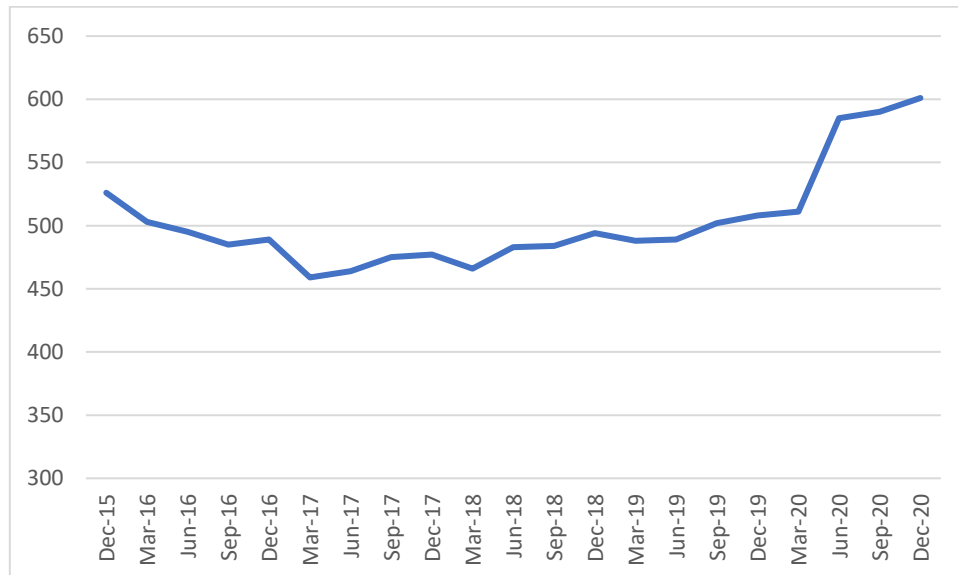
The below graph shows that South Wairarapa's consumer spending has recovered well following a return to alert level 1.



Government Support

The below graph shows the number of benefits distributed within the South Wairarapa over the last five years, with the impact of COVID-19 evident in the increased numbers from March 2020. There were 601 benefits received in December 2020 compared to 508 the same time last year⁶.

South Wairarapa – Total Number of Benefits, June 2015 – December 2020



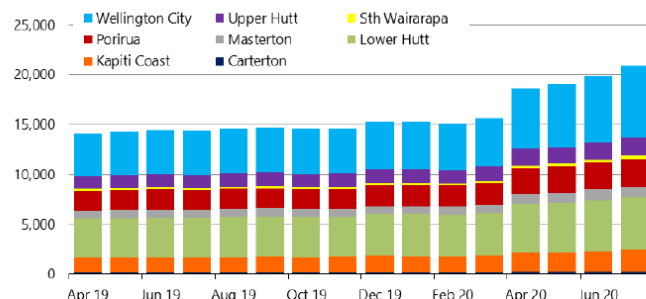
⁶ <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/benefit/index.html>

Rising job losses due to COVID-19 has seen an increase in demand for Jobseeker Support. Over the year to June 2020 there was a 29% increase in Jobseeker Support numbers in the South Wairarapa.

Jobseekers

Rising job losses pushes support up 45%

Jobseeker Support and CIRP recipients

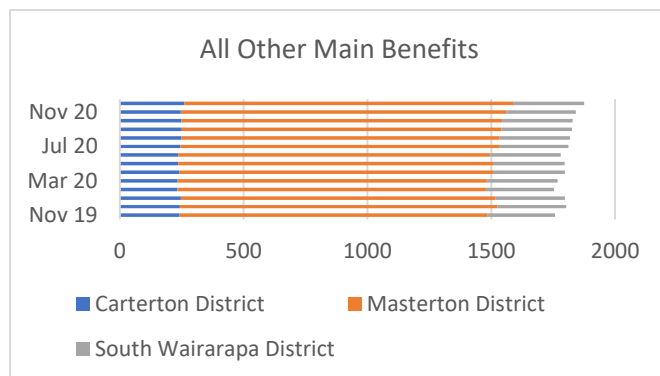
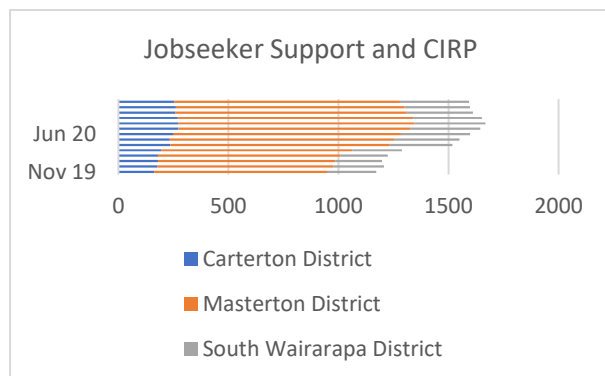
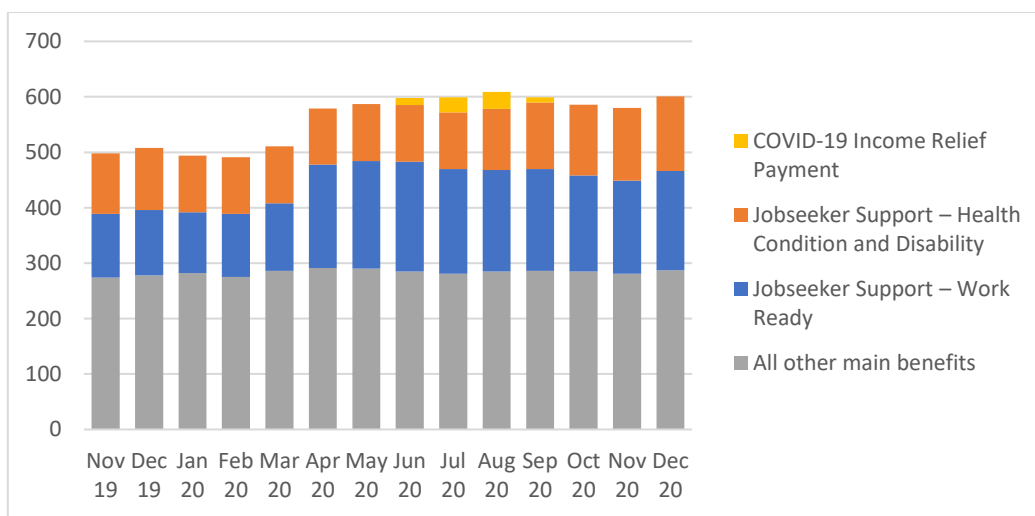


Annual change Jul 20	Number	% change
Carterton	99	57%
Kapiti Coast	604	39%
Lower Hutt	1,349	34%
Masterton	249	31%
Porirua	866	44%
Sth Wairarapa	72	29%
Upper Hutt	511	40%
Wellington City	2,778	63%

Infometrics

Displayed below is further information on the composition, distribution and growth of Job Seeker Support, the Covid-19 Income Relief Payment (CIRP), and other main benefits distributed within the Wairarapa⁷.

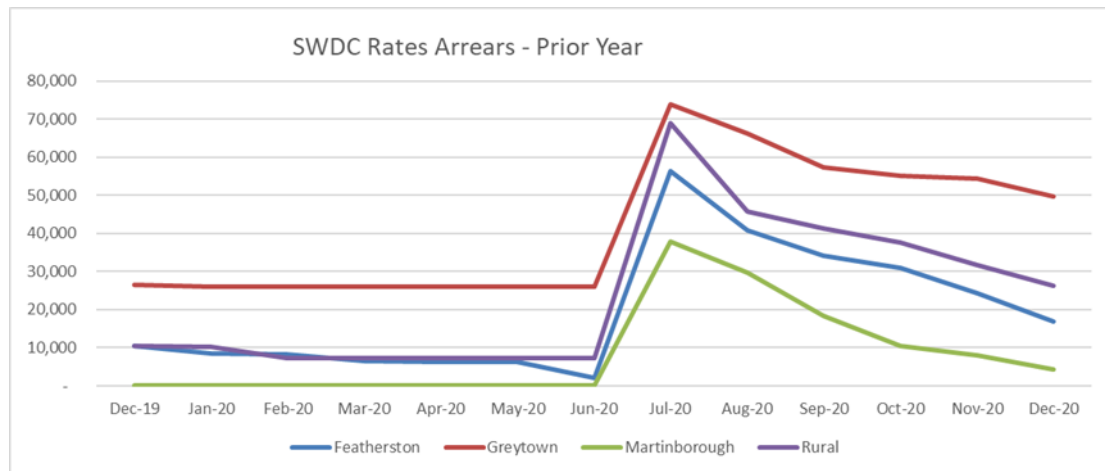
South Wairarapa Benefit Composition



⁷ <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/monthly-reporting/index.html>

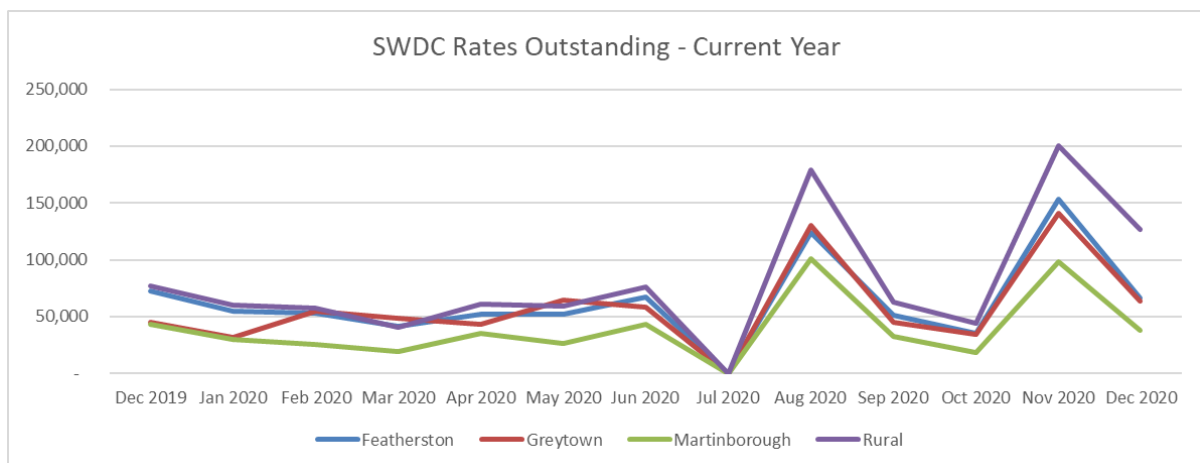
Rates

The following rates arrears graph shows an increase in amount of unpaid rates carried forward from the previous year (2019/20). Prior years arrears have increased \$49k from the same time last year.



The table below shows the dollar value of prior year rates arrears by town/area.

Town/Area	December 2019	December 2020	Difference
Featherston	\$10,587	\$16,999	\$6,412
Greytown	\$26,570	\$49,611	\$23,040
Martinborough	\$45	\$4,256	\$4,211
Rural	\$10,564	\$26,180	\$15,616
Total	\$47,765	\$97,045	\$49,279



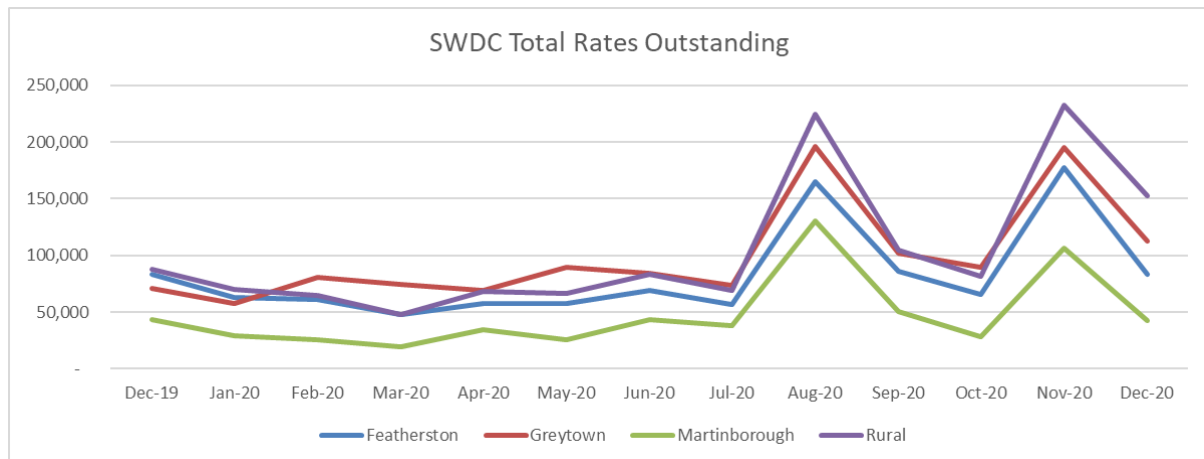
At the end of December 2020, the current year's arrears amount was \$295K, 24% higher than the same time last year.

Town/Area	December 2019	December 2020	Difference
Featherston	\$72,819	\$66,489	-\$6,330
Greytown	\$44,556	\$63,309	\$18,753
Martinborough	\$43,390	\$37,892	-\$5,498

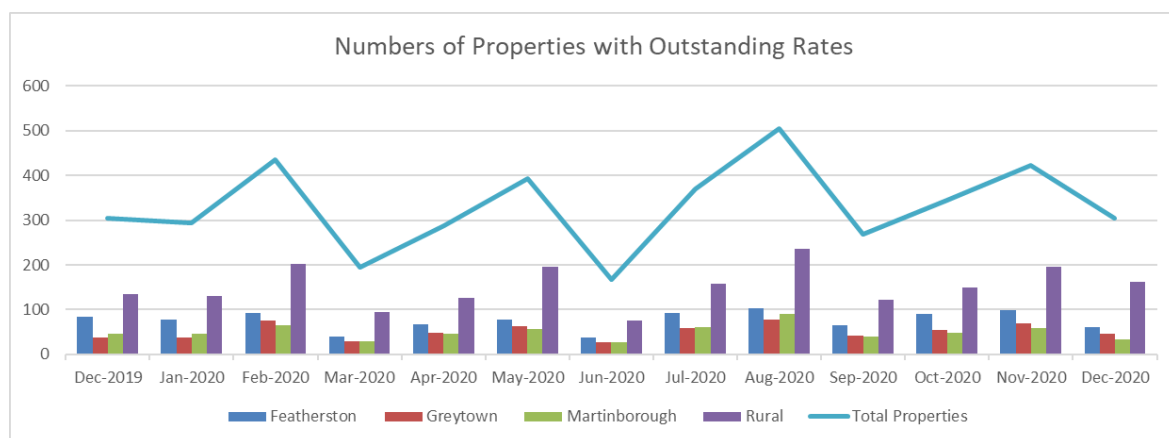
Rural	\$77,014	\$126,890	\$49,876
Total	\$237,778	\$294,580	\$56,801

Total rates outstanding have increased by \$106k (37%) from the same month last year.

Outstanding rates were \$391k in December 2020 compared to \$286k December 2019.



The total number of properties with outstanding rates remain the same as December 2019 (304), however there has been an increase in the number of rural properties with outstanding rates.



The below table shows numbers of properties with outstanding rates by town/area.⁸

Town/Area	December 2019	December 2020	Difference
Featherston	85	61	-24
Greytown	38	47	+9
Martinborough	47	33	-14
Rural	134	163	29
Total	304	304	0

⁸ <https://www.swdc.govt.nz/sites/default/files/FAGAGPack20August20.pdf>

Social

Housing Affordability

Housing is becoming increasingly less affordable in the district. In December 2020, the average property value was \$694,312 which represents a 26.7% increase over a one-year period and a 119% increase over the last five years.⁹ The upswing in property values have been seen right across the Wellington region, however South Wairarapa and Masterton are the only districts within the region to have seen growth of greater than 25 percent in the last year.

The average property value to average annual household income ratio has also increased to 5.5 in Q2 2020 compared to the district average of 4.0 over the period 2004-2020 and it now takes an average of 7.3 years to save the deposit for the average property, compared to an average of 5.3 years across 2004 to 2020. The district is the least affordable in the Wairarapa with Masterton's Q2 2020 value to income ratio of 5.0 and Carterton's of 5.2. The district's population is increasingly influenced by migration from the wider Wellington region and affordability is worse in the Kapiti Coast with a ratio of 7.1 and Wellington City and Lower Hutt City with a ratio of 6.0.¹⁰

The Housing Affordability Percentage Measure tells us whether households are spending more or less than 30 percent of their income on housing costs.

In December 2018, the share of potential first home buyer households in the South Wairarapa who would be spending over 30 percent of their income on housing costs was 79%, higher than the national level of 75%. This compares to 38% of South Wairarapa renter households spending over 30 percent of their income on housing costs, again higher than the national level of 31%.^{11 12}

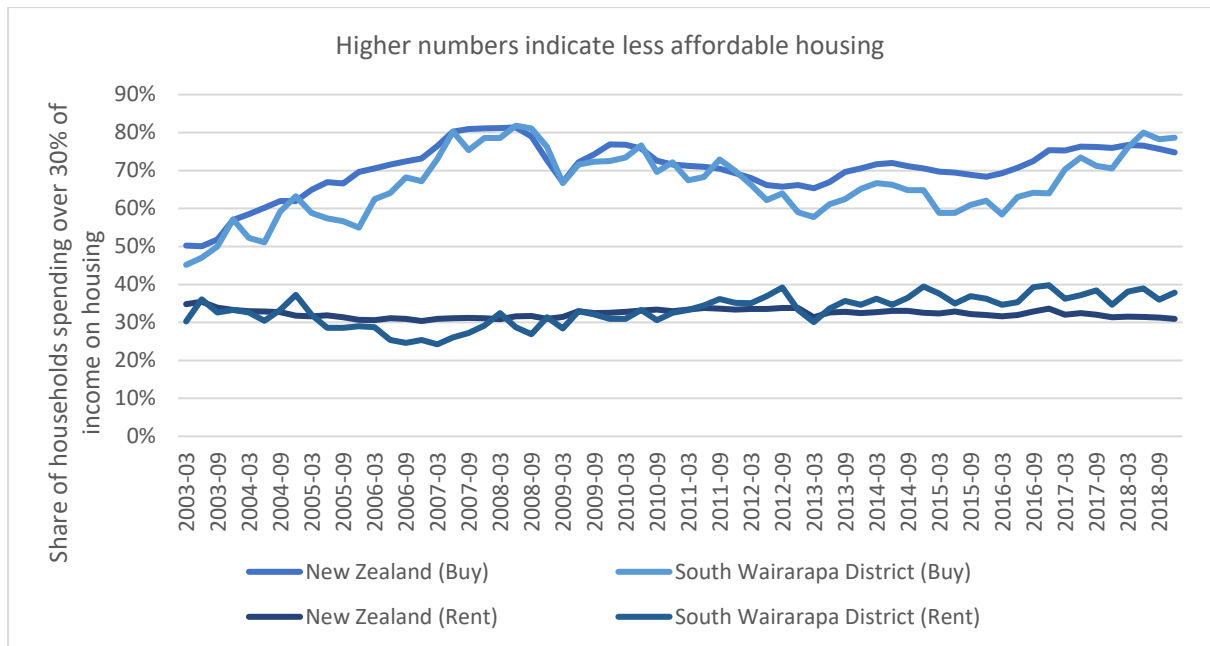
Housing Affordability, 2003 – 2018

⁹ https://www.corelogic.co.nz/sites/default/files/2021-01/CoreLogic_NZ_PropMarketEconReport_Q420.pdf

¹⁰ https://www.corelogic.co.nz/sites/default/files/2020-09/FINAL_Q2_2020_NZ%20Housing%20Affordability_Report.pdf

¹¹ <https://www.hud.govt.nz/news-and-resources/statistics-and-research/housing-affordability-measure-ham/housing-affordability-measure-downloads-and-notes-of-interest/>

¹² The rent version identifies the proportion of renters in an area whose rent is more than 30 percent of their household income. It helps us to understand housing affordability pressures experienced by renters in their local area and whether these are improving or not. The buy version looks at the same incomes of the same renters. It is an estimate of how many renters would spend more than 30 percent of their income if they bought a lower quartile house with the same number of bedrooms as their current house, in the area that they currently live in. The measure helps us to understand whether many renters can afford to buy a home in their area.



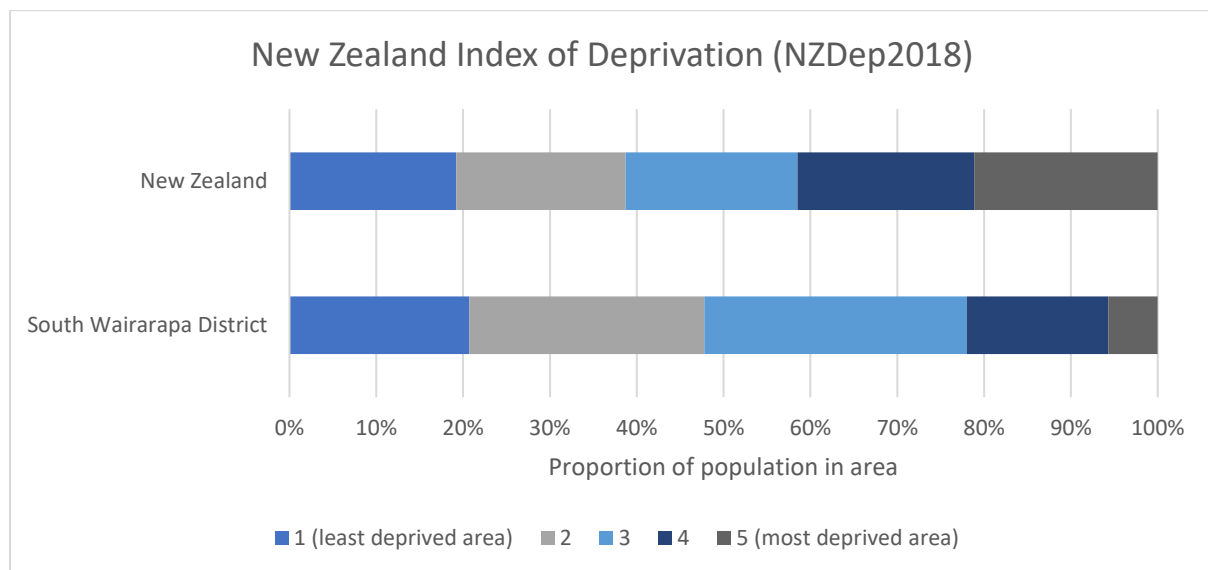
Deprivation

The New Zealand Index of Deprivation is an area-based measure of socio-economic deprivation which measures level of deprivation based on the following Census variables:

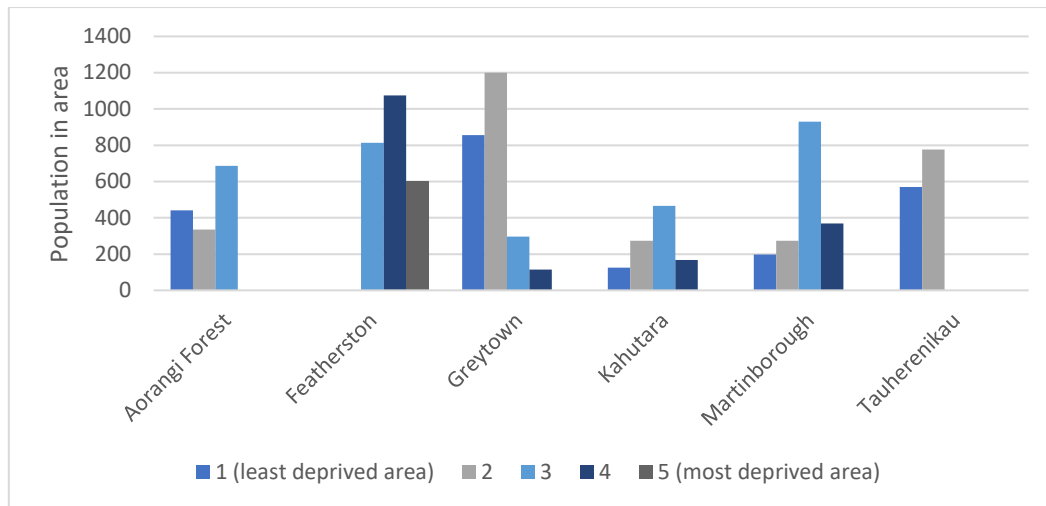
- People with no access to the Internet
- People aged 18-64 receiving a means tested benefit
- People living in equivalised households with income below an income threshold
- People aged 18-64 who are unemployed
- People aged 18-64 without any qualifications
- People not living in their own home
- People aged under 65 living in a single parent family
- People living in equivalised households below a bedroom occupancy threshold
- People living in dwellings that are always damp and/or always have mould greater than A4 size.

Compared to New Zealand, South Wairarapa has a lower proportion of the population living in highly deprived areas. Within the district itself, Featherston has the highest number of people living in more deprived areas.¹³

New Zealand Index of Deprivation (NZDep2018)



¹³ <https://www.otago.ac.nz/wellington/departments/publichealth/research/hirp/otago020194.html>



Environmental

Greater Wellington Regional Council provided the Climate Change Assumptions for the Wellington region and Wairarapa combined. These projections depend on future greenhouse gas emissions. As these are uncertain, the below information includes projections based on scenarios ranging from low to high greenhouse gas concentrations.

The projected changes are calculated for 2031–2050 (referred to as 2040) and 2081–2100 (2090) compared to the climate of 1986–2005 (1995).

		2040	2090
Temperature and seasonality	Average annual T°C	Ruamāhanga Whaitua: +0.7 to +1°C above present Wairarapa Coast Whaitua: +0.5 to +1°C above present	Ruamāhanga Whaitua: +1.2 to +3°C above present Wairarapa Coast Whaitua: +1 to +3°C above present
	Hot days (above 25°C)	Ruamāhanga Whaitua: Between 0 and 30 days increase Wairarapa Coast Whaitua: Between 5 and 30 days increase	Ruamāhanga Whaitua: Between 0 and 80 days increase Wairarapa Coast Whaitua: Between 15 and 60 days increase
	Frost nights	Ruamāhanga Whaitua: Between 0 and 15 days reduction Wairarapa Coast Whaitua: Between 0 and 5 days reduction	Ruamāhanga Whaitua: Between 0 and 40 days reduction Wairarapa Coast Whaitua: Between 0 and 15 days reduction
	Annual Growing Degree Days (GDD) base 10°C $GDD = (T^{\circ}C_{max} + T^{\circ}C_{min})/2 - T^{\circ}C_{base}$	Increase of 0 to 300 GDD units	Ruamāhanga Whaitua: Increase of 200 to 1000 GDD units Wairarapa Coast Whaitua:

	Measures potential for crop and pasture growth		Increase of 200 to 900 GDD units
	Annual potential evapotranspiration deficit (mm) Measures drought intensity	Ruamāhanga Whaitua: +20 to +120 mm Wairarapa Coast Whaitua: +40 to +120 mm	Ruamāhanga Whaitua: +0 to +180 mm Wairarapa Coast Whaitua: +40 to +160 mm
Rainfall patterns and intensity	Average annual rainfall	5% decrease to 5% increase	Ruamāhanga Whaitua: 0% to 10% decrease Wairarapa Coast Whaitua: 10% decrease to 5% increase
	Amount of rain falling during heavy rainfall days (>99 th percentile of daily rainfall)	Ruamāhanga Whaitua: 0% to 10% increase Wairarapa Coast Whaitua: 0% to 15% increase	Ruamāhanga Whaitua: 0% to 20% increase Wairarapa Coast Whaitua: 0% to 30% increase
	River mean annual low flow discharge (MAL) Measure water shortage in the catchments	Up to 60% decrease	Up to 80% decrease
	River mean annual flood discharge (MAF) Measures flood potential in the catchments	Ruamāhanga Whaitua: 20% decrease to 40% increase depending on catchment Wairarapa Coast Whaitua: 20% decrease to 20% increase depending on catchment	20% decrease to 60% increase depending on catchment
	Days of very high and extreme forest fire danger	100% to 150% increase	100% to 150% increase
Wind	Annual number of windy days	Ruamāhanga Whaitua: 0 to 4 days increase	Ruamāhanga Whaitua: 0 to 12 days increase

Summary of Environmental Scan 2021

		Wairarapa Coast Whaitua: 0 to 6 days increase	Wairarapa Coast Whaitua: 0 to 10 days increase
	Intensity of wind during windy days (>99 th percentile of daily mean)	0% to 3% increase	1% to 4% increase
Sea level and coastal hazards	Permanent sea level rise	+0.12 m to +0.24 m above present	+0.68 m to +1.75 m above present
Oceanic changes	Acidification of the ocean		
	General temperature rise of sea water		
	Marine heatwaves		

What this might mean for Wellington and Wairarapa

Environmental Implications	
Coastal hazards	The region is particularly vulnerable to even a small rise in sea level because of its small tidal range. There may be an increased risk to coastal roads and infrastructure from coastal erosion and inundation, increased storminess and sea-level rise.
Heavy rain	The capacity of stormwater systems may be exceeded more frequently due to heavy rainfall events which could lead to surface flooding. River flooding may also become more frequent, particularly in low-lying areas. Floods are likely to become more intense.
Erosion and landslides	More frequent and intense heavy rainfall events are likely to lead to more erosion and landslides.
Droughts	More frequent droughts are likely to lead to water shortages, increased demand for irrigation and increased risk of wildfires.
Biosecurity	Climate change could lead to changes in pests and diseases over time. A likely increase in weed species and subtropical pests and diseases could require new pest management approaches. Regional biodiversity may be threatened by changing temperature and rainfall patterns, and sea level rise.
Agriculture	Warmer temperatures, a longer growing season and fewer frosts could provide opportunities to grow new crops. Farmers might benefit from faster growth of pasture and better crop growing conditions. However, these benefits may be limited by negative effects of climate change such as prolonged drought, water shortages and greater frequency and intensity of storms.

Water quality

Lakes

South Wairarapa is home to the two largest lakes in the Wellington Region – Lake Wairarapa (7,850 hectares) and Lake Onoke (622 hectares). Greater Wellington Regional Council routinely monitors water quality in both lakes, with monitoring of Lake Wairarapa having commenced in 1994 and monitoring of Lake Onoke have commenced in 2009.

Water quality in Lake Wairarapa has not changed much since monitoring began in 1994. In 2019, the Lake Wairarapa had a Trophic Level Index (TLI) of 5.4 which is considered very poor and Lake Onoke has a TLI of 4.9 which is rated as poor. This measure indicates the life supporting capacity of a lake and is based on the four water quality measures of water clarity, chlorophyll content, total phosphorous and total nitrogen¹⁴.

¹⁴ <https://www.lawa.org.nz/explore-data/wellington-region/lakes/>

Local Rivers

There are a number of local rivers in or that flow through the South Wairarapa. The below table provides a snapshot of various water quality measures for selected sites within those rivers that have monitoring information available. This snapshot is taken as at February 2021.

River	Site	Bacteria (E. colie)	Clarity (Black disc)	Nitrogen	Phosphorus
Ruamahanga River	Waihenga Bridge	<i>State:</i> In the best 50% of all sites in NZ <i>NOF Band:</i> N/A <i>Trend:</i> Not assessed	<i>State:</i> In the worst 50% of all sites in NZ <i>Trend:</i> Not assessed	<i>State:</i> In the worst 50% of all sites in NZ <i>Trend:</i> Not assessed	<i>State:</i> In the best 50% of all sites in NZ <i>Trend:</i> Not assessed
	Pukio	<i>State:</i> In the best 50% of all sites in NZ <i>NOF Band:</i> A <i>Trend:</i> Likely improving	<i>State:</i> In the worst 50% of all sites in NZ <i>Trend:</i> Very likely improving	<i>State:</i> In the best 50% of all sites in NZ <i>Trend:</i> Very likely improving	<i>State:</i> In the worst 50% of all sites in NZ <i>Trend:</i> Very likely improving
Tauherenikau River	Websters	<i>State:</i> In the best 25% of all sites in NZ <i>NOF Band:</i> A <i>Trend:</i> Very likely degrading	<i>State:</i> In the best 25% of all sites in NZ <i>Trend:</i> indeterminate	<i>State:</i> In the best 25% of all sites in NZ <i>Trend:</i> Not assessed	<i>State:</i> In the best 25% of all sites in NZ <i>Trend:</i> Likely improving
Huangaarua River	Ponatahi Bridge	<i>State:</i> In the best 50% of all sites in NZ <i>NOF Band:</i> B <i>Trend:</i> Indeterminate	<i>State:</i> In the best 50% of all sites in NZ <i>Trend:</i> Very likely improving	<i>State:</i> In the best 50% of all sites in NZ <i>Trend:</i> Likely improving	<i>State:</i> In the best 50% of all sites in NZ <i>Trend:</i> Likely improving
Awhea River	Tora Road	<i>State:</i> In the best 50% of all sites in NZ <i>NOF Band:</i> D <i>Trend:</i> Indeterminate	<i>State:</i> In the best 50% of all sites in NZ <i>Trend:</i> Very likely improving	<i>State:</i> In the best 50% of all sites in NZ <i>Trend:</i> Likely degrading	<i>State:</i> In the best 50% of all sites in NZ <i>Trend:</i> Indeterminate

The National Objectives Framework (NOF) bands for E. coli are as follows:

- A - For at least half the time, the estimated risk is <1 in 1000 (0.1% risk). The predicted average infection risk to swimmers is 1%

- B - For at least half the time, the estimated risk is <1 in 1000 (0.1% risk). The predicted average infection risk to swimmers is 2%
- C - For at least half the time, the estimated risk is <1 in 1000 (0.1% risk). The predicted average infection risk to swimmers is 3%
- D - 20-30% of the time, the estimated risk is >=50 in 1000 (>5% risk). The predicted average infection risk to swimmers is >3%
- E - For more than 30% of the time, the estimated risk is >=50 in 1000 (>5% risk). The predicted average infection risk to swimmers is >7%.

Coastal vulnerability

The Wellington Region Climate Change Working Group commissioned a report to assess the coastal vulnerability of the Wellington region to climate change, sea level rise and natural hazards ¹⁵. The report is intended to assist Councils in working with affected communities to develop long-term strategies.

The coastal area of South Wairarapa was divided into three units – Onoke, Palliser and South Wairarapa Coast. Each unit was assessed against criteria grouped into the following areas: Community, Business, Three Waters, Lifelines Infrastructure, Māori and cultural, Ecological, Erosion, and Civil Defence and Emergency Management.

South Wairarapa Coastal Units in Vulnerability Assessment

Onoke	<p>Western point begins at Onoke beach and the Eastern point is the end of Onoke Beach</p> <p>It includes Lake Onoke and the Ruamahanga River Mouth</p> <p>The coast is characterised by a mix of sand and gravel beach and is primarily populated by baches</p> <p>There is 22.11km of coastline</p>
Palliser	<p>Western point is the end of Onoke beach where the coastline turns south and the Eastern point is Cape Palliser</p> <p>It includes Whatarangi and Ngawi</p> <p>The coast has a mix of small communities facing various degrees of hazards. The geology struggles for vegetation</p> <p>There is 30.59km of coastline</p>
South Wairarapa Coast	<p>Western point is Rocky Point and Eastern/Northern point is Honeycomb Rock</p> <p>It includes White Rock and Pahaoa</p> <p>The coast only a few small settlements (run holding stations) and limited road access</p> <p>There is 68.29km of coastline</p>

Overall, this assessment identified Palliser as the most vulnerable coastal unit within the Wairarapa. This is due to its vulnerability in relation to erosion risk and roading (a combination of single access and priority roads at risk).

¹⁵ <https://www.gw.govt.nz/assets/Uploads/Wellington-Regional-Coastal-Vulnerability-AssessmentJune-2019Final.pdf>

While Onoke and South Wairarapa Coast were assessed as moderately vulnerable overall, both have high vulnerability when considering ecological indicators. The ecological indicators considered include environmental sites, significant bird sites and coastal biodiversity.

Government legislation, proposals and national trends

Three water reforms

The Three Waters Review¹⁶ was initiated in mid-2017 as a cross-agency initiative led by the Department of Internal Affairs (DIA) to look into the challenges facing our drinking water, wastewater and stormwater (“three waters”) and to develop recommendations for system-wide performance improvements.

Through this review, Government is seeking the following major outcomes:

- Safe, acceptable (taste, colour and smell) and reliable drinking water
- Better environmental performance
- Efficient, sustainable, resilience and accountable water services
- Achieving these aims in a way communities can afford

This has seen the development of new legislation and the creation of Taumata Arowai, the new Water Services Regulator, to oversee and enforce a new drinking water regulatory framework. It also includes an oversight role for wastewater and stormwater networks.

In July 2020, the Government announced a \$761 million package to provide immediate post-COVID-19 stimulus to local authorities to maintain and improve three waters infrastructure, support reform of local government water services delivery arrangements, and support the operation of Taumata Arowai. South Wairarapa District Council signed a Memorandum of Understanding with the DIA in August 2020 to participate in the first stage of the reforms. The service delivery model will be informed by discussion with the local government sector taking into account the following design features:

- Water service delivery entities, that are:
 - Of significant scale (most likely multi-regional) to enable benefits from aggregation to be achieved over the medium to long-term;
 - Asset owning entities, with balance sheet separation to support improved access to capital, alternative funding instruments and improved balance sheet strength; and
 - Structured as statutory entities with appropriate and relevant commercial disciplines and competency-based boards;
- Delivery of drinking water and wastewater services as a priority, with the ability to extend to stormwater service provision only where effective and efficient to do so;
- Water entities would be publicly owned entities, with a preference for collective council ownership;
- Mechanisms for enabling communities to provide input in relation to the new entities.

The Government is expected to make substantive policy decisions relating to the reforms in April/May 2021 to enable legislation to be prepared for introduction. This includes decisions on the core design features of the new water services entities and the number and boundaries of these entities.

¹⁶ <https://www.dia.govt.nz/Three-waters-review>

Councils will be asked to decide about participating in the new service delivery system in late 2021. This would take the form of an 'opt out' approach meaning all councils will be included in one of the new water service delivery entities by default but can decide not to continue to participation in consultation with their communities. Central government is expecting to provide councils with a package of supporting information including details on the entity design proposals (e.g. ownership and governance arrangements), financial and other implications of participating, and which entity each council would be part of to inform the decision-making process.

Introduction of legislation to create the new service delivery system is expected in late 2021, with enactment by mid-2022. For councils that participate in the reforms, any transfer of responsibilities and assets is expected in around 2023/24.

Regulation of drinking water

The Taumata Arowai—the Water Services Regulator Act 2020 received Royal Assent on 6 August 2020. The purpose of the act is to establish Taumata Arowai – the Water Services Regulator as a Crown Agent and provide for its objectives and general functions, including:

- administering and enforcing a new drinking water regulatory system (including the management of risks to sources of drinking water); and
- a number of complementary functions to improving the environmental performance of wastewater and stormwater networks.

In July 2020, a complementary Bill, the Water Services Bill, was introduced to Parliament to give effect to Government's decisions on reforming the drinking water regulatory framework and Taumata Arowai's wastewater and stormwater functions. Taumata Arowai will not become fully operational until the Water Services Bill is enacted which is expected to be in the second half of 2021.¹⁷

National Environmental Standards for Freshwater

The Resource Management (National Environmental Standards for Freshwater) Regulations 2020 (Freshwater NES) regulates activities that pose risks to the health of freshwater and freshwater ecosystems¹⁸. The standards came into force on 3 September 2020 and are designed to:

- Protect existing inland and coastal wetlands
- Protect urban and rural streams from in-filling
- Ensure connectivity of fish habitat
- Set minimum requirements for feedlots and other stockholding areas
- Improve poor practice intensive winter grazing of forage crops
- Restrict further agricultural intensification through to the end of 2024
- Limit the discharge of synthetic nitrogen fertiliser to land, and require reporting of fertiliser use.

¹⁷ <https://www.dia.govt.nz/Taumata-Arowai-Establishment-Unit>

¹⁸ <https://www.mfe.govt.nz/fresh-water/freshwater-acts-and-regulations/national-environmental-standards-freshwater>

In many cases, people will need to apply for a resource consent from the regional council to continue carrying out regulated activities.

Resource Management Act 1991 Reforms

The Government is reforming the resource management system and intends to repeal and replace the Resource Management Act 1991 (RMA) which is the primary legislation governing the use of our land, water and air resources. Its aim is for the RMA to support a more productive, sustainable and inclusive economy and be easier for New Zealanders to understand and engage with¹⁹.

The RMA is intended to be replaced with three new pieces of legislation – the Natural and Built Environments Act, Strategic Planning Act and Climate Change Adaptation Act.

The Natural and Built Environments Act is the core piece of legislation to replace the RMA and is intended to enhance the quality of the environment to support the wellbeing of present and future generations. The Strategic Planning Act provides a long-term strategic approach to how we plan for using land and the coastal marine area while the Climate Change Adaptation Act supports New Zealand's response to the effects of climate change and would address complex legal and technical issues associated with managed retreat and funding and financing adaptation.

Ministry for the Environment has set out the timeframes for the reform process as:

- **May – September 2021:** An exposure draft of the Natural and Built Environment Bill will be agreed by Cabinet and then referred to a special select committee inquiry. The Strategic Planning Bill and Climate Change Adaptation Bill will be developed in a parallel process with the latter managed out of the Minister for Climate Change office.
- **December 2021:** The Natural and Built Environments Bill and the Strategic Planning Bill will be introduced to Parliament in late 2021. A standard select committee process will consider them. The Climate Change Adaptation Act will be developed in a similar timeframe.
- **December 2022:** It is intended the three new pieces of legislation are passed by the end of 2022.

Proposed National Policy Statement for Highly Productive Land

The proposed National Policy Statement for High Productivity Land (NPS-HPL) aims to prevent the loss of more of our productive land and promote its sustainable management. The purpose is to improve the way highly-productive land is managed under the RMA to:

- recognise the full range of values and benefits associated with its use for primary production
- maintain its availability for primary production for future generations
- protect it from inappropriate subdivision, use, and development.

The work to further develop the policy following public consultation was affected by the government's need to focus on the response to COVID-19 and ongoing recovery. Government officials now expect to provide final advice to Cabinet in the first half of 2021 and, if approved, the NPS-HPL will likely take effect soon after.

¹⁹ <https://www.mfe.govt.nz/rma/resource-management-system-reform>

Proposed National Policy Statement for Indigenous Biodiversity

The proposed National Policy Statement for Indigenous Biodiversity (NPS-IB) sets out the objectives and policies to identify, protect, manage and restore indigenous biodiversity under the RMA²⁰.

The proposed NPS-IB requires councils to identify areas where there is significant vegetation and habitats of indigenous fauna, and to manage their protection through plans and consent processes under the RMA.

The Ministry for the Environment was expecting the NPS-IS to be gazetted in mid-2020 however given the reprioritisation of work in response to COVID-19, and following the election at the end of 2020, the delivery timeframe has been extended to July 2021²¹.

Climate Change Response (Zero Carbon) Amendment Act

The Climate Change Response (Zero Carbon) Amendment Act²² provides a framework by which New Zealand can develop and implement clear and stable climate change policies that:

- contribute to the global effort under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels
- allow New Zealand to prepare for, and adapt to, the effects of climate change.

The Climate Change Response (Zero Carbon) Amendment Act do four key things:

- set a new domestic greenhouse gas emissions reduction target for New Zealand to:
 - reduce net emissions of all greenhouse gases (except biogenic methane) to zero by 2050
 - reduce emissions of biogenic methane to 24–47 per cent below 2017 levels by 2050, including to 10 per cent below 2017 levels by 2030
- establish a system of emissions budgets to act as steppingstones towards the long-term target
- require the Government to develop and implement policies for climate change adaptation and mitigation
- establish a new, independent Climate Change Commission to provide expert advice and monitoring to help keep successive governments on track to meeting long-term goals.

There is a transitional period to get the new provisions up and running.

The Ministry of the Environment has already begun work on the first National Climate Change Risk Assessment. Future Risk Assessments will be carried out by the Climate Change Commission.

The Ministry is also developing a provisional emissions budget for 2021–2025. This will provide an early sense of direction before the first three emissions budgets (for the emissions budget periods 2022–2025, 2026–2030 and 2031–2035) are recommended by the Climate Change Commission in early 2021, and set by the Government by the end of 2021.

²⁰ <https://www.mfe.govt.nz/publications/biodiversity/draft-national-policy-statement-indigenous-biodiversity>

²¹ <https://www.mfe.govt.nz/consultations/nps-indigenous-biodiversity>

²² <https://www.mfe.govt.nz/climate-change/zero-carbon-amendment-act>

One Billion Trees Programme

Government has developed the One Billion Trees Programme to increase tree planting across New Zealand with a goal to reach one billion trees planted by 2028²³.

The One Billion Trees Programme is focused on ensuring the right trees are planted in the right places for the right purposes. Government is encouraging both permanent and plantation forests made up of exotic and native species to improve biodiversity. They also want to see trees integrated into the landscape to complement and diversify existing land uses, rather than seeing large scale conversion to forestry.

Government estimates commercial foresters will plant 500 million trees and is offering \$240 million for landowners, organisations and community groups to get involved in planting the remaining 500 million trees by 2028.

Crown Forestry is also helping to achieve the one billion trees goal through commercial joint ventures with landowners to plant commercial radiata pine on their properties.

Government Policy Statement on Land Transport

The Government Policy Statement on Land Transport (GPS) outlines the government's priorities for expenditure over the next 10 years. It sets out how funding is allocated between activities such as road safety policing, state highway improvements, local and regional roads and public transport.

The current GPS took effect on 1 July 2018 and prioritised a safer transport system free of death and injury, accessible and affordable transport, reduced emissions and value for money²⁴.

The Ministry of Transport has released its GPS for 2021/22–2030/31²⁵ which builds on the strategic direction of GPS 2018 by maintaining the priorities but updating them to align with recent policy work. The Government is proposing to prioritise safety, better transport options, improving freight connections, and climate change. The GPS 2021 will take effect from July 2021.

Regional Land Transport Plan 2021

The process to develop the Wellington Regional Land Transport Plan 2021 (RLTP 2021) is underway. The RLTP sets the strategic direction for the region's transport network for the next 10-30 year. It describes the long-term vision, identifies regional priorities and sets out the transport projects for investment over the next 10 years.

Investment in the region's transport system will be guided by the following priorities:

Transport Priorities	
Public Transport Capacity	Build capacity and reliability into the Wellington Region's rail network and into the Wellington City public transport network to accommodate future demand

²³ <https://www.teururakau.govt.nz/funding-and-programmes/forestry/one-billion-trees-programme/about-the-one-billion-trees-programme/#about-the-1billion>

²⁴ <https://www.transport.govt.nz/assets/Uploads/Our-Work/Documents/c6b0fea45a/Government-Policy-Statement-on-land-transport-2018.pdf>

²⁵ <https://www.transport.govt.nz/assets/Uploads/Paper/GPS2021.pdf>

Travel Choice	Make walking, cycling and public transport a safe, sustainable and attractive option for more trips throughout the region
Strategic Access	Improve access to key regional destinations such as ports, airports and hospitals for people and freight
Safety	Improve safety, particularly at high risk intersections and on high risk rural and urban roads
Resilience	Build resilience into the region's transport network by strengthening priority transport lifelines and improving the redundancy in the system

Road to Zero Strategy

In December 2019, the Government launched 'Road to Zero,' New Zealand's Road Safety Strategy 2020 – 2030²⁶.

The strategy sets out the governments vision for a New Zealand where no one is killed or seriously injured in road crashes. As an intermediate target towards achieving its vision, the target is to reduce deaths and serious injuries on our roads by 40 percent by 2030 (from 2018 levels).

The strategy will be implemented through a series of separate action plans which focus on the following five key areas:

- Infrastructure improvements and speed management
- Vehicle safety – significantly improve the safety
- Work-related road safety
- Road user choices
- System management

Tackling Unsafe Speeds Programme

The Government is making changes to speed management to tackle unsafe speeds on New Zealand roads. The Tackling Unsafe Speeds programme²⁷ is a key action under the initial Road to Zero 2020-2022 action plan.

The key initiatives of the Tackling Unsafe Speeds programme include:

- Improving how councils and the Transport Agency plan for, consult on and implement speed management changes
- Transitioning to lower speed limits around schools to improve safety and encourage more walking and cycling to school
- Reducing excessive speeds on high risk roads through a new approach to safety cameras.

²⁶ <https://www.transport.govt.nz/multi-modal/keystrategiesandplans/road-safety-strategy/>

²⁷ <https://www.transport.govt.nz/multi-modal/keystrategiesandplans/road-safety-strategy/tackling-unsafe-speeds/>

Implementing the programme requires changes to legislation including the Land Transport Act 1998, Land Transport Management Act 2003 and the Land Transport Rule: Setting of Speed Limits 2017.

Electric Vehicles Programme

On 5 May 2016, the Government announced its Electric Vehicles Programme, which aims to increase the uptake of electric vehicles in New Zealand. The Government has a goal of reaching 64,000 electric vehicles in New Zealand by the end of 2021²⁸.

The Government aims to help develop the electric vehicle market in New Zealand by reducing some of the barriers and investigating ways to support the uptake of electric vehicles. Current barriers include misconceptions about electric vehicles and limited public charging infrastructure.

²⁸ <https://www.transport.govt.nz/multi-modal/climatechange/electric-vehicles/>



SOUTH WAIRARAPA
DISTRICT COUNCIL

Kia Reretahi Tātau

Significance and Engagement Policy

Date of Approval	29 June 2009
Revised	xx June 2021
Policy Number	A800
Next Review	30 June 2024

SIGNIFICANCE AND ENGAGEMENT POLICY

1. Purpose

South Wairarapa District Council (Council) is responsible for making decisions on behalf of its communities and we aspire to work with our communities to ensure their views and preferences are taken into account.

The purpose of this policy is to let our communities know how and when they can expect to be engaged in Council's decision-making processes. It enables us and our communities to identify the degree of significance attached to particular decisions and ensures that Council are informed from the beginning of a decision-making process about the extent and type of engagement. It also ensures that we meet our obligations under the Local Government Act 2002 (the Act).

We use the term "engagement" in this policy as an umbrella term that refers to all approaches Council uses to connect with and receive feedback from our communities. Section 3.1 describes the different engagement approaches Council uses, from providing information through to community empowerment. Note that "consultation" is one of these approaches and has a particular meaning and obligations under the Act.

2. Our general approach to determining significance

Council will determine the level of significance of a decision based on criteria identifying the level of importance and likely impact of the decision on the current and future wellbeing of the district. It will also consider people who will likely be particularly affected by or have an interest in the decision, the capacity of the Council to perform its role, and the financial and other costs of doing so.

We have identified specific criteria to determine the degree of significance, set out in section 2.1 below. Council will use its judgement on a case by case basis when applying the criteria. To assist Council in making its judgement, commentary addressing the issue of significance will be included in each proposal for decision-making reported to Council and its committees. Should a proposal be considered of high significance, the report will describe how the relevant section of the Act and this policy are being addressed.

2.1. Criteria we use to assess significance

Our specific criteria for assessing the degree of significance are:

- » The level of importance to the South Wairarapa District.
- » The level of community interest and degree of impact on interested or affected people.
- » The consistency of the proposed decision with existing policy and strategy.
- » The impact of the decision on the Council's capacity and capability.

We have also identified a number of key factors to be considered under each of the criteria, set out in Schedule 1. When a decision is assessed as "high" on two or more of the criteria, it is likely to be

highly significant. Each of the four criteria are weighted equally and apply as a set. This means a single criterion alone does not determine the degree of significance.

Decisions assessed to be of high significance should normally be included in the Long-Term Plan or Annual Plan process. This ensures that they are linked to our community outcomes, proposed in the context of other decisions, and put before the community.

In cases where decisions of high significance need to be made outside of the Long-Term Plan and Annual Plan process, Council will follow an appropriate engagement and decision-making process which complies with sections 76 to 82 of the Act. The Special Consultative Procedure as discussed in section 3.3 will be used when that is specified in legislation.

For decisions of low or medium significance, we will ensure that the level of consideration and engagement is in proportion to the significance of the decision. Where decisions have been formally delegated and do not require reporting to Council, the assessment of significance may not necessarily be formally documented.

3. Our approach to decision-making and engagement

Some decisions require the use of the Special Consultative Procedure, discussed in section 3.3. For all other decisions, Council is required to:

- » Identify the objective of the decision.
- » Identify all reasonably practical options and assess the advantages and disadvantages.
- » Design the decision-making and engagement process, taking into account:
 - » The significance of the matter, as identified in this policy; and
 - » Whether there is sufficient knowledge of the views and preferences of those likely to be affected by, or have an interest in, the matter (if not, further engagement is appropriate).

This is demonstrated in the following flowchart.

Flowchart to identify Council's engagement approach

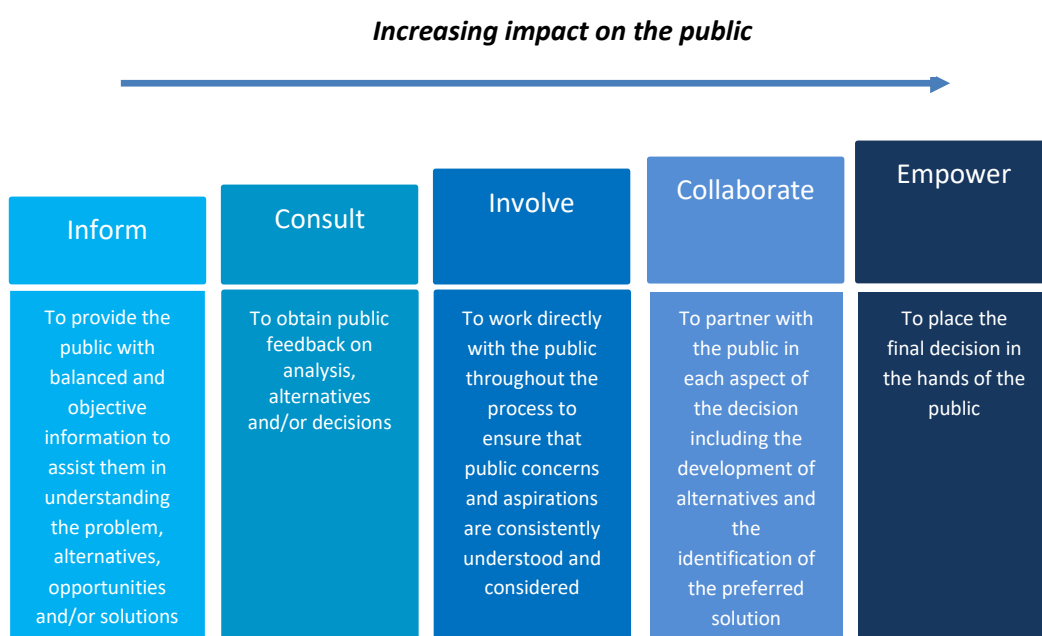


3.1. Considered and early engagement

Consultation is only one form of engagement; it is designed to obtain feedback on proposals. Council regularly consults on proposals through processes such as the Long-Term Plan and, when consulting, follows the principles of consultation set out in section 3.2.

Engagement is a broader, often ongoing process of sharing information with the community and seeking feedback with the purpose of involving the community in the decision-making process. It provides an opportunity for Council to better understand the views and preferences of interested and affected persons on a decision or proposal being considered by Council.

Council uses the International Association of Public Participation (IAP2) spectrum which indicates different engagement approaches from providing information through to community empowerment. This spectrum shows the increasing level of public impact as you progress through the spectrum.



Different levels of engagement are appropriate during the varying phases of decision-making and the IAP2 spectrum allows for different levels of engagement depending on the decision. In general, the more significant an issue, the more comprehensive the engagement process is expected to be.

Council is also committed to engaging early so that the decision-making process is well informed by those impacted by a decision. An assessment of the degree of significance of proposals and decisions, and the appropriate level of community engagement, will be considered in the earliest possible stages of a proposal, before decision-making occurs, and if needed, be reviewed as the proposal develops.

3.1.1. How does Council engage?

Council works with its communities on a variety of levels including as customers, stakeholders, ratepayers, subject matter experts and partners. We also have working relationships with a wide range of groups such as community organisations, business organisations and government sectors.

We seek to have ongoing conversations with the community and use a wide variety of channels to do so including social media (Facebook and Neighbourly), the Council website, rates newsletter, local newspapers, radio, Annual and Long-Term Plans, elected members, public meetings, workshops, events, libraries, and surveys. Our community boards also have a specific responsibility for engaging with their communities of interest and advocating on their behalf.

Council is guided by the type and nature of the decision when determining how it will go about communicating and engaging with its communities. We have set out a guide to the different approaches and tools we may use in Schedule 2. The guide is intended to be indicative only and does not bind Council to a particular engagement process. As discussed, Council will also consider the significance of the matter and the extent to which views and preferences of those likely to be affected by, or have an interest in, the matter are already known in designing the engagement process.

Council will make available all information regarding decisions it makes in response to all submissions from the community.

3.1.2. Engaging with Māori

Council respects the unique status of Māori in our community and is committed to continuing to build and strengthen our relationships and engaging in a range of ways to ensure we are providing opportunities for Māori to contribute to the decision-making processes.

One of our key mechanisms for engaging with Māori is working with the Māori Standing Committee to ensure the contributions of local iwi and marae are represented.

Council will engage with the Māori Standing Committee on matters of significance to Māori in our community and, in particular, where any matter involves a significant decision in relation to land or a body of water to ensure that the relationship of Māori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna and other tāonga are considered.

Council will also engage directly with iwi and marae representatives where appropriate.

Council recognises that early engagement is often the most effective, particularly for those decisions which have greater significance. We are committed to providing relevant information to inform Māori contribution and improve Māori access to the Council's engagement and decision-making processes.

3.1.3. When might Council not engage?

There may be occasions when Council considers that it is not necessary or appropriate to engage with our communities on a particular matter. This includes when:

- » the decision is not of a nature or significance that requires engagement

- » Council already has an understanding of the views and preferences of interested or affected parties
- » a decision has already been made or the likely decision is apparent
- » there is a need for commercial sensitivity or confidentiality
- » the likely costs of the consultation are not in proportion to the benefits
- » there is a threat to public health and safety or significant damage to property
- » an urgent response is required and it is not reasonably practicable to engage.

3.2. Principles of consultation

When undertaking consultation, Council will follow the principles set out in section 82 of the Act:

- » identify the people who will or may be affected by or have an interest in the decision or matter
- » provide them reasonable access to relevant information in an appropriate format
- » give people clear information about the purpose of the consultation and scope of the decisions to be taken
- » encourage people to give their views
- » give people a reasonable opportunity to present their views in an appropriate way
- » listen to views with an open mind and give them due consideration
- » provide a clear record of decisions made and any other relevant material.

Where the Act requires Council to consult, we will make the following available to the public:

- » the proposal and reasons for it
- » an analysis of practical options
- » a draft of the proposed plan, policy or relevant document to be adopted (or proposed changes to the plan, policy or document being amended).

3.3. Special Consultative Procedure

In some circumstances, Council must use the special consultative procedure (SCP), such as when adopting or amending the Long-Term Plan and making, amending or revoking bylaws of significant interest to or impact on the public. The Council may also choose to use the SCP for other matters where not specifically required by legislation.

This procedure is set out in section 83 of the Act and requires the Council to prepare a statement of proposal and make this publicly available. A period of at least 1 month must be given for feedback, and Council must provide an opportunity for people to present their views through spoken interaction or using New Zealand signage.

When using the SCP, we will accept submissions in a variety of forms (e.g. online survey, paper form, email, phone etc.) and publicly advise of all the ways submissions are being accepted. We will also hold public hearings to provide an opportunity for people to present their views to Council and consider all submissions prior to making decisions.

4. Strategic Assets

Section 97 of the Act requires that any decision that significantly alters the level of service provided by the Council of a significant activity (including to commence or cease any activity) or transfers ownership or control of a strategic asset to or from the Council must be provided for and consulted on in the Long-Term Plan.

Strategic assets are defined in Section 5 of the Act as:

“ ... an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority’s capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes:

- a) any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and*
- b) any land or building owned by the local authority and required to maintain the local authority’s capacity to provide affordable housing as part of its social policy; and*
- c) any equity securities held by the local authority in –*
 - i. a port company within the meaning of the Port Companies Act 1998;*
 - ii. an airport company within the meaning of the Airport Authorities Act 1966.”*

Our list of strategic assets is provided in Schedule 3. Assets have been included where they are important in achieving Council’s community outcomes or where Council ownership or control is essential to the long-term provision of the associated service.

Significant decisions in relation to strategic assets are decisions that concern the whole asset group and not each individual components within the group, unless that component substantially affects the ability of the Council to deliver the service. It is the principle of provision of the services, not individual components, that make these asset groups strategic.

5. Review

This policy will be reviewed every three years. It may also be amended from time to time.

Schedule 1 – Criteria and factors for assessing significance

Criteria	Key factors to consider in assessment of significance rating	
	<div> <div>High</div> <div> <i>Degree of significance</i> </div> <div>Low</div> </div>	
Importance to South Wairarapa	<ul style="list-style-type: none"> Creates or ceases an activity group Large reduction in levels of service Irreversible or difficult to reverse 	<ul style="list-style-type: none"> No change to an activity group Little or no change in levels of service Easily reversed
Community Interest and impact on affected parties	<ul style="list-style-type: none"> High level of prior public interest or the potential to generate interest or controversy Large division in community view on the decision A moderate impact on a large proportion of the community or high impact on a moderate proportion Large impact on specific group(s) of the population (e.g. Maori, youth, town) or individuals 	<ul style="list-style-type: none"> Low level of prior public interest or low chance of generating interest or controversy General consensus in community view on the decision Low impact on a limited number of individuals No particular group of the population or individual affected
Consistency with existing policies and strategies	<ul style="list-style-type: none"> Decision is substantially inconsistent with current policies and strategies Decision is inconsistent with community outcomes Is a new direction from a prior decision 	<ul style="list-style-type: none"> Decision is highly consistent with current policies and strategies Decision aligns with community outcomes Is a logical step from a prior decision
Impact on Council's capacity and capability	<ul style="list-style-type: none"> High capital or operational expenditure Large impact on Council's overall resources and rating level or debt High impact on the Council being able to perform its role 	<ul style="list-style-type: none"> Low capital or operational expenditure Small impact on Council's overall resources and rating level or debt Low impact on the Council being able to perform its role

Schedule 2 – Community engagement

LEVEL	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
Engagement goal	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions	To obtain public feedback on analysis, alternatives and/or decisions	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered	To partner with the public in each aspect of the decision including the development of alternatives and the identified of the preferred solution	To place final decision making in the hands of the public
Types of issues that we might use this for	Annual Report Water restrictions Project updates	Bylaws Policy amendments Annual plan	Spatial Plan Long-Term Plan Policy development	Representation review	Local Body Elections Electoral voting systems
Tools we might use	Website Media releases Social media	Formal/informal submissions and hearings Surveys or feedback forms Focus groups Public meetings	Workshops Huis Surveys Focus groups Public meetings	External working groups (involving community experts)	Referendums Local Body Elections
When the community can expect to be involved	We would generally advise the community once a decision is made.	We would generally advise the community when a draft decision is made and generally provide the community with up to 4 weeks to participate and respond, unless there is good reason to have a shorter period.	We would generally provide the community with a greater lead in time to allow them time to be involved in the process.	We would generally involve the community at the start to scope the issue, again after information has been collected and again when options are being considered.	We would generally provide the community with a greater lead in time to allow them time to be involved in the process. e.g. typically a month or more.

Schedule 3 – Strategic Assets

Below is a list of assets the Council considers strategic:

- » the roading network, including footpaths, street lighting and parking;
- » the wastewater network, oxidation ponds and pump stations;
- » the water treatment, storage and supply networks;
- » solid waste facilities;
- » the stormwater network and water races;
- » parks, reserves and sports fields;
- » swimming pool facilities;
- » libraries;
- » Council-owned buildings, including the ANZAC Hall, Waihinga Centre and Greytown Town Centre;
- » public toilets;
- » cemeteries;
- » senior housing.



SOUTH WAIRARAPA
DISTRICT COUNCIL
Kia Reretahi Tātau

Postponement of Rates Policy

Date of Approval	29 June 2011
Revised	30 June 2021
Policy Number	M1200
Next Review	30 June 2024

Postponement of Rates Policies

1. Introduction

These policies are prepared under section 110 of the Local Government Act 2002.

2. Extreme Financial Circumstances

2.1. Objective

To assist ratepayers experiencing extreme financial circumstances which affects their ability to pay rates.

2.2. Criteria

Council will consider, on a case-by-case basis, all applications received that meet the criteria listed below.

- » The ratepayer(s) is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision of maintenance of the home and chattels at an adequate standard as well as making provision for normal day to day living expenses.
- » The ratepayer(s) must be the current owner of the rating unit and have owned or resided on the property or within the District for not less than five years.
- » The rating unit must be used solely for residential purposes and the ratepayer(s) must reside on the property.
- » The ratepayer(s) must not own any other rating units or investment properties, whether in this district or another.

2.3. Conditions

- » Application must be in writing by the ratepayer(s) or by an authorised agent.
- » The ratepayer(s) is required to disclose to Council, all personal circumstances, including the following factors: age, physical or mental disability, injury, illness and family circumstances so that Council can consider these factors to establish whether extreme financial hardship exists.
- » Applications for postponement of rates will only be considered from the beginning of the rating year in which the application is made.
- » Council will charge a postponement fee on the postponed rates for the period between the due date and the date they are paid. This fee is designed to cover the Council's administrative and financial costs and may vary from year to year.

- » The financial cost will be the interest Council at the rate of Council's cost of borrowing for funding rates postponed, plus a margin to cover other costs (these will include Council's own in-house costs and a contribution to cover the cost of independent advice).
- » Any postponed rates will be postponed until;
 - » the death of the ratepayer(s); or
 - » the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
 - » the ratepayer(s) ceases to use the property as their residence; or
 - » a date specified by the Council as determined by Council in any particular case.
- » Postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.
- » Postponed rates will be registered as a statutory land charge on the rating unit under the Statutory Land Charges Registration Act 1928 and no dealing with the land may be registered by the ratepayer while the charge is registered except with the consent of Council. This means that Council will have first call on the proceeds of any revenue from the sale of the rating unit.

2.4. Risk

Council must be satisfied, on reasonable assumptions, that the risk of any shortfall when postponed rates and accrued charges are ultimately paid is negligible. To determine this, the Council uses a model developed by an actuary to forecast, on a case by case basis, expected equity, when repayment falls due. If that is likely to be less than 20%, the Council will offer partial postponement, set at a level expected to result in final equity of not less than 20%.

2.5. Insurance

The property must be insured for its full value and evidence of this produced annually.

If insurance cannot be arranged because the property is uninsurable, only the land value can be used when calculating maximum postponement allowable.

2.6. Rates Able to be Postponed

All rates are eligible for postponement except targeted rates for water supplied by volume (water by meter rates).

To protect Council against any suggestion of undue influence, applicants will be asked to obtain advice from an appropriately qualified and trained independent person. A certificate confirming this, will be required before postponement is granted.

2.7. Delegation

Council delegates the authority to approve applications for rate postponement to the Chief Executive Officer.

3. Ratepayers Aged 65 Years and Over

3.1. Objective

To give ratepayers a choice between paying rates now or later subject to the full cost of postponement being met by the ratepayer and Council being satisfied that the risk of loss in any case is minimal.

3.2. General Approach

- » Only rating units defined as residential and used for personal residential purposes by the applicant(s) as their sole or principal residence will be eligible for consideration of rates postponement under the criteria and conditions of this policy.
- » Current and all future rates may be postponed indefinitely if at least one ratepayer (or, if the ratepayer is a family trust, at least one named occupier) is 65 years of age or older.
- » Owners of units in retirement villages will be eligible provided that Council is satisfied payment of postponed rates can be adequately secured.
- » Council will add to the postponed rates all financial and administrative costs to ensure neutrality as between ratepayers who use the postponement option and those who pay as rates are levied.
- » Council will establish a reserve fund out of which to meet any shortfall between the net realisation on sale of a property and the amount outstanding for postponed rates and accrued charges, at the time of sale. This will ensure, that neither the ratepayer(s) nor the ratepayer(s') estate will be liable for any shortfall.

3.3. Criteria

3.3.1. Eligibility

Any ratepayer aged 65 years or over is eligible for postponement provided that the rating unit is used by the ratepayer as their sole or principal residence. This includes, in the case of a family trust owned property, use by a named individual or couple. Residents of retirement villages who hold an occupation licence will be able to apply for postponement of the rates payable by the retirement village on their unit with the agreement of the owner of the retirement village.

3.3.2. Risk

Council must be satisfied, on reasonable assumptions, that the risk of any shortfall when postponed rates and accrued charges are ultimately paid is negligible. To determine this, the Council uses a model developed by an actuary to forecast, on a case by case basis, expected equity, when repayment falls due. If that is likely to be less than 20%, the Council will offer partial postponement, set at a level expected to result in final equity of not less than 20%.

Council will register a statutory land charge against the property to protect its right to recover postponed rates. At present the law does not allow councils to register such a charge against Maori freehold land. Accordingly, Maori freehold land is not eligible for rates postponement (unless and until the law is changed so that the Council can register a statutory land charge).

If the property in respect of which postponement is sought is subject to a mortgage, then the applicant will be required to obtain the mortgagee's consent before the Council will agree to postpone rates.

3.3.3. Insurance

The property must be insured for its full value and evidence of this produced annually.

If insurance cannot be arranged because the property is uninsurable, only the land value can be used when calculating maximum postponement allowable under subclause 4.

3.3.4. Rates Able to be Postponed

All rates are eligible for postponement except for targeted rates for water supplied by volume (water by meter rates).

3.4. Conditions

- » Any postponed rates (under this policy) will be postponed until:
 - » The death of the ratepayer(s) or named individual or couple, (in this case the council will allow up to 12 months for payment so that there is ample time available to settle the estate or, in the case of a trust owned property, make arrangements for repayment); or
 - » The ratepayer(s) or named individual or couple ceases to be the owner or occupier of the rating unit (if the ratepayer sells the property in order to purchase another within the Council's district, Council will consider transferring the outstanding balance, or as much as is needed, to facilitate the purchase, provided it is satisfied that there is adequate security in the new property for eventual repayment); or
 - » A date specified by Council.
- » If the ratepayer(s) or named individual or couple continue to own the rating unit, but are placed in residential care, Council will consider them to still be occupying the residence for the purpose of determining when postponement ceases and rates are to be paid in full.
- » Council will charge an annual fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Council's administrative and financial costs and may vary from year to year.
- » The financial cost will be the interest Council at the rate of Council's cost of borrowing for funding rates postponed, plus a margin to cover other costs (these will include Council's own in-house costs and a contribution to cover the cost of independent advice).
- » To protect Council against any suggestion of undue influence, applicants will be asked to obtain advice from an appropriately qualified and trained independent person. A certificate confirming this, will be required before postponement is granted. The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy. Postponed rates will be registered as a statutory land charge on the rating unit title. This means that Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

4. Review of Suspension of Policy

This policy is in place indefinitely and can be reviewed subject to the requirements of the Local Government Act 2002 at any time. Any resulting modifications will not change the entitlement of people already in the scheme to continued postponement of all future rates.

Council reserves the right not to postpone any further rates once the total of postponed rates and accrued charges exceeds 80% of the ratable value of the property as recorded in Council's rating information database. This will require the ratepayer(s) for that property to pay all future rates but will not require any payment in respect of rates postponed up to that time. These will remain due for payment on death or sale.

The policy consciously acknowledges that future changes in policy could include withdrawal of the postponement option.

5. Procedures

The policy will apply from the beginning of the rating year in which the application is made.



**SOUTH WAIRARAPA
DISTRICT COUNCIL**
Kia Reretahi Tātau

Revenue and Financing Policy

Date of Approval	November 2000
Revised	30 June 2021
Policy Number	M200
Next Review	30 June 2024

Revenue and Financing Policy

1. Introduction

The Revenue and Financing Policy (Policy) contains Council's policies with respect to the funding of operating expenditure and capital expenditure from various revenue sources. When read in conjunction with the Funding Impact Statement (Rating), this policy provides the link between the funding decisions taken at the activity level, with the eventual rates assessment that each ratepayer will receive. It is also the lead policy for other funding and financial policies including:

- » Liability Management Policy
- » Investment Policy
- » Development and/or Financial Contributions Policy
- » Rates Remission Policies
- » Rates Postponement Policy

Section 101 (3) of the Local Government Act 2002 (LGA) sets out the requirements Council must consider as part of the development of the policy. Section 103 of the LGA sets out the general contents of the Policy.

The first step requires consideration, at activity level of each of the following:

- » Community outcomes - the community outcomes to which the activity primarily contributes (in other words Council's rationale for service delivery).
- » The user/beneficiary pays principle – the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.
- » The intergenerational equity principle – the period over which those benefits are expected to accrue.
- » The exacerbator pays principle – the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.
- » The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

2. Community Outcomes

The requirement to consider community outcomes in the funding process is seen as an obligation for Council to consider why it is engaged in an activity and to what level. To that extent, possible funding of activities should be consistent with achievement of desired outcomes.

3. Distribution of Benefits

At this stage, Council is required to consider who benefits from the activities performed by Council. This is expressed as the Public/Private split. Economic theory suggests there are two main characteristics that need to be considered when looking at a particular good or service:

3.1. Rivalry in Consumption

A good is a rival in consumption if one person's consumption of the good or service prevents others from doing so, e.g. a chocolate bar is a good with a large degree of rivalry in consumption, i.e. if Bill eats it, Jane cannot.

3.2. Excludability

A good or service is excludable if a person can be prevented from consuming the good or service, e.g. if Bill does not buy a movie ticket, then the usher can exclude him by preventing him from entering the theatre.

At one end of the continuum there are so-called 'public goods'. These are goods which are both non-rival and non-excludable, i.e. everyone can consume them and no one can be prevented from consuming them if they wish. A good example of a public good is national defence, where the whole community is protected from an invasion by the armed forces whether it wishes to be or not, and this protection cannot be removed from anyone in New Zealand.

At the other end of the continuum are 'private goods' which are both rival and excludable. Most daily consumables are private goods.

Very few goods and services are entirely public goods or private goods. Most goods and services are 'mixed goods' and fall somewhere between the two ends of the continuum.

The characteristics of a good or service determine what type of funding mechanism might be used to fund a particular service. Council has already made judgements about what it considers are public goods when deciding whether or not to undertake a particular activity.

For example, a good towards the public end of the continuum may not be a good candidate for user charges as people cannot be prevented from consuming it, or because everyone consumes it whether they wish to or not. Such goods will generally be candidates for funding from some general source such as a general rate. A good towards the private end of the spectrum may be a candidate for a targeted rate or a user charge.

In the end, it is likely to come down to 'reasonable' judgment. Both the LGA and previous case law place the responsibility on elected members to make decisions about who benefits and who should pay.

4. Distribution of Benefits Over Time

Council needs to consider something called 'intergenerational equity' which means that funding decisions are required to consider future generations, not just today. Many of the activities provided by local government are either network or community infrastructure which have long service lives. Benefits from these services can be expected to accrue over the entire life of the asset. Current ratepayers should not be expected to subsidise the benefits that future ratepayers receive nor should future ratepayers subsidise current ratepayers.

One way that Council applies the intergeneration equity principle is by spreading costs over the future. Council will typically borrow to fund the cost of a project and future ratepayers will repay the loan (and interest cost), say over a 25-year period. Council typically only borrows to fund capital expenditure but Council may use short term borrowing to spread some operating costs or smooth funding over a limited period to avoid rates spikes.

Council also needs to ensure that appropriate funding has been allocated to reasonably meet the levels of service that each activity is targeting to meet and financial sustainability into the future needs to be considered.

5. Actions or Inactions of Individuals or Groups

This generally refers to how to make the 'exacerbators' pay. This could include funding mechanisms to allow for the fining of people that cause unwanted Council activity, e.g. cleaning up abandoned cars or rubbish. However, Council has very limited funding mechanisms to enable targeted charging. In many cases, it is not possible to pass this cost on to the exacerbator, therefore, Council needs to identify the quantum of the issue and decide who should bear the cost, if not the exacerbator.

6. Costs, Benefits and Separate Funding

Council is required to consider whether an activity should be separately funded and what the cost implications might be. There are administration costs associated with separate funding and these need to be weighed against any benefits of targeting specific beneficiaries/users of a service, including transparency and accountability.

Transparency and accountability are most evident when an activity is totally distinctly funded. This allows ratepayers, or payers of user charges, as the case may be, to see exactly how much money is being raised for and spent on the activity, and to assess more readily whether or not the cost to them of the activity represents good value.

However, funding every activity this way would be extremely complex. For some activities, the quantity of rates funding to be collected amounts to only a few cents per ratepayer. The administrative costs and lack of significance lead Council to fund a number of activities by way of a general rate. To aid in transparency and accountability, Council separates the total general rate into reasonable activity breakdowns when presenting the ratepayer with their rates assessment notices. This then allows the ratepayer to make some form of meaningful assessment down to activity level.

7. Selection of Tools

Section 103(1) requires Council to identify the funding of operational expenditure and capital expenditure.

Operational expenditure is normally funded by way of revenue (income) while capital expenditure can be funded by way of both revenue and non-revenue items such as loans and the use of Council created reserves.

Capital expenditure is expenditure when the benefit of that expenditure is greater than one year and therefore benefits obtained by those assets spread according to the life of the asset.

Section 103 (2) LGA requires Council to identify its funding tools.

A number of tools can be used to allocate both public and private good. The use of targeted rates is good example of this. An activity with a very high percentage of public good can be allocated over a small geographical area and therefore the most appropriate tool to recover the expenditure would be a targeted rate. In this instance a targeted rate is used to recover a public good. However targeted rates can be used to recover a private good such as use of water from a closed network. This is where Council can restrict people using that network and before they can join they have to formally join to it and are charged the appropriate fee(s).

8. Revenue

8.1. General Rates

Including Uniform Annual General Charge (UAGC).

The Council differentiates the General Rate based on land valuation (Schedule 2 Local Government (Rating) Act 2002).

The differential categories are:

Commercial	Urban	Rural
•All rating units that are used (or available) primarily for any commercial or industrial purpose	•All rating units used for residential and related purposes within the urban areas of the District Plan	•All rating units within the rural area in the District Plan.

This is usually used to recover public good.

Council believes that land value allocates the costs fairly between the rural and urban communities.

When Council considered the advantages and disadvantages of rating based on land values versus capital values it identified that:

- » The ratio of land value to capital value was inconsistent across the district and changing the rating basis to land values would have led to more ratepayers having a rates increase than those having a decrease in rates payable.
- » The table below indicates the likely spread of increases and decreases in rates from a move to using capital values to charge for rates.

Movement in General Rates	Percent of General Properties with Movement
Decrease between 0% and 30%	35%
Increase between 0% and 30%	14%
Increase between 30% and 100%	31%
Increase greater than 100%	20%

- » As land value is the current method it is accepted and understood by the majority of ratepayers.
- » There would be additional costs in moving to capital values and additional costs in maintaining the rating database without any significant increase in benefit to Council or ratepayers.

8.2. Targeted rates

Targeted rates, are rates set on a differential value, rates set over an area of benefit and rates for a service or for an activity.

Targeted rates can be used to rate for both private good and public good services.

Current targeted rates include the Uniform Annual Charge (UAC) – Reserves and Civic Amenity rate.

8.3. Lump sum contributions

Lump sum contributions are used for the recovery of specific capital expenditure.

There must have a high component of private good to use lump sum contributions.

8.4. Fees and charges

Any fee, recovery fine or charge made Council for service or activity.

This must have a high component of private good.

8.5. Interest and dividends from investments

Income from an investment. This would be generally public good.

8.6. Financial and development contributions

These are used to recover costs to upgrade services to provide for and mitigate the effects of development. Council currently has a Development Contributions and Financial Contributions Policy. Financial Contributions are levied under the provisions of the Resource Management Act through the Wairarapa Combined District Plan. Development contributions are levied under the Local Government Act. As part of the LTP process, Council has reviewed the Development Contributions policy to better reflect recent changes in legislative requirements for such contributions.

This must have a high component of private good.

8.7. Grants and subsidies

Income from external funding entities. These generally would be of a public good.

9. Borrowing

Loans, both short term and long term. This is a funding tool and does not need a split between public and private good as it is only deferring the eventual charge.

10. Proceeds from asset sales

This would only need to be recognized where an asset was being sold and not replaced with a similar asset. For example where the proceeds from the sale of corporate property were used to fund another activity.

11. Council created reserves

Council created reserves result from surplus revenues over expenditure being held for a particular purpose or the transfer of non-cash expenditure (e.g. depreciation).

12. Rates payments applied to oldest debt

Payments received for rates will be applied to the oldest debt first, regardless of whether the payer requests the payment be applied to the current debt. Rates debt becomes unenforceable after a period of time; this policy assists in avoiding debt falling into this category.

13. Expenditure funding mechanism

The following table summarises Council's view with regard to the appropriate funding mechanism for different types of Council expenditure. Council may incur expenditure to protect the community from actual or potential problems. Whenever possible this cost is passed on to the persons who cause the negative effect through fines and penalties.

This table summarises the distribution of Private and Public benefits and indicates the funding sources SWDC uses for each category of activity.

Activity	Community Outcomes	User/Beneficiary pays principle	Intergenerational equity principle	Exacerbator pays *	Costs and benefits	Distribution of benefits		Rationale	Funding Sources	
						Private	Public		Operational	Capital
Governance/Leadership/Advocacy	Vibrant and strong communities, Sustainable South Wairarapa									
Representing the community		NIL	NIL	L	L	0%	100%	The democracy process is available to all residents and ratepayers, therefore all ratepayers benefit from this activity	General rate & Reserve Funding	
Public Protection	Healthy & economically secure people									
Protection of public health		M	NIL	M	M	70-80%	30-20%	Council has a statutory obligation to enforce public health legislation	Fees & Charges General Rate	
Noise control and enforcement		NIL	NIL	H	L	10%	90%	Ability to charge for monitoring and recover other costs	Fees & Charges General Rate	
Building consents and enforcement including swimming pool inspections		H	NIL	L	M	80-90%	20-10%	Council has a statutory obligation to enforce the Building Act	Fees & Charges General Rate	
Dog and animal control		L-M	NIL	H	L	60-70%	40-30%	For dog control the urban community receive a higher benefit than the rural community., while for animal control the rural community receives a higher benefit than urban	Fees & Charges General Rate	
Liquor licensing		H	NIL	L	L	100%	0%	Council has a legal obligation to enforce Liquor Act	Fees & Charges General Rate	
Emergency management and civil defence		NIL	NIL	L	H	0%	100%	Emergency Management is for the protection of life and restoration of essential services	General rate	
Community Development	Vibrant and strong communities, Sustainable South Wairarapa									
Cultural and community development		L	NIL	NIL	H	0%	100%	Supporting community activities for which council believes there is a high public benefit	General rate Targeted rate	
Economic Development		NIL	NIL	NIL	L	0%	100%	Economic Development is there for the benefit of the district, but there are occasions where parts of the district benefit to a different degree	General rate Targeted rate	
Economic Development - Tourism		M	NIL	NIL	M	60-70%	40-30%	Tourism is a very important part of economic activity within SW therefore has a high public good. However the benefit received from tourism also directly benefits the tourist related businesses	General rate Targeted rate	
Resource Management	Vibrant and strong communities, Sustainable South Wairarapa									
District Plan (reviews and development)		L	NIL	M	L	5%	95%	DP is a strategic and statutory planning document for the benefit of the district however members of the community can apply and fund a private plan change	General rate, fees and charges, reserves short term loans (1-3 yrs)	
Resource consent applications		H	NIL	H	H	95%	5%	Element of public good for enquiries, and consents that have a high public interest	General rates, Fees & Charges, surpluses	
Resource consent appeals		H	NIL	H	L	50%	50%	Appeals potentially cover a wide range of effects and have a wide range of benefits	General rates / surpluses	
Amenities	Healthy & economically secure people. Educated and knowledgeable people. Vibrant &									
Parks and Reserves including playgrounds		L	H	M	M-L	20%	80%	Reserves are there for recreational purposes and are open to all without restriction except for specific areas and times	Targeted rate, fees & charges	Targeted rate, contributions, surplus funds & loans

Activity	Community Outcomes	User/Beneficiary pays principle	Intergenerational equity principle	Exacerbator pays *	Costs and benefits	Distribution of benefits		Rationale	Funding Sources	
						Private	Public		Operational	Capital
Swimming Pools in Featherston, Greytown & Martinborough.	strong communities.	L	M-H	L	L	30-40%	70-60%	While pools provide rec value council can restrict access	Targeted rate, fees & charges	Targeted rate, contributions, surplus funds & loans
Ownership of Camping Grounds in Martinborough, Greytown & Lake Ferry.	Healthy & economically secure people. Educated and knowledgeable people. Vibrant & strong communities.	H	M	L	L	70-85%	30-15%	Mba is a restricted area and Gtn is unrestricted however council may in the future may look at options for Gtn	Targeted rate, fees & charges	Targeted rate, contributions, surplus funds & loans
Civic Amenities										
Libraries in Featherston, Greytown and Martinborough.	Healthy & economically secure people. Educated and knowledgeable people. Vibrant & strong communities.	H	L-H	L	M	30-40%	60-70%	This activity provides public benefit by increasing people's knowledge, but also provides a private benefit. that as has a private benefit	General rate, fees & charges	General rate, surplus funds & loans
Pensioner housing units in Featherston, Greytown and Martinborough.	Healthy & economically secure people. Educated and knowledgeable people. Vibrant & strong communities.	H	M	H	L	95%	5%	There is high private benefit by the tenants and council provides this facility for the wellbeing of a select number of the community	Fees & charges	Surplus funds & loans
Public toilets in Featherston, Greytown and Martinborough and at various rural and coastal sites.		H	M	L	L	80-90%	20-10%	Providing essential service to ensure clean environment	Targeted rate	Targeted rate, surplus funds & loans
Public halls in Featherston, Greytown and Martinborough.		M-H	M	M	L	40-60%	60-40%	While used for private benefit there are wider community benefits of having halls available, Halls are the focal point of the community	Targeted rate, fees & charges	Targeted rate, contributions, surplus funds & loans
Cemeteries in Featherston, Greytown and Martinborough.		H	H	L	L	90%	10%	Can restrict access and there are alternatives, providing service to public there are benefits from memorial status	Targeted rate, fees & charges	Targeted rate, surplus funds & loans
Roading / Land Transport	A place that's accessible and easy to get around.	H	H	H	H	70-80%	30-20%	Road corridor provides high public good however the use of the road is predominantly for private benefit purposes	Fees & charges, NZTA subsidy, tolls, contributions, general rate	Fees & charges, NZTA subsidy, tolls, contributions, general rate
SOLID WASTE MANAGEMENT										
Waste collection	Healthy & economically secure people	H	L	H	M	70-80%	30-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rate	Surplus funds, fees & charges, targeted rate & loans
Closed Landfill		NIL	M	L	L	0%	100%	Protect environment from impacts of previous events	General rates	General rate, surplus funds, & loans
Transfer stations		H	L	H	M	70-80%	30-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rate	Surplus funds, fees & charges, targeted rate & loans

Activity	Community Outcomes	User/Beneficiary pays principle	Intergenerational equity principle	Exacerbator pays *	Costs and benefits	Distribution of benefits		Rationale	Funding Sources	
						Private	Public		Operational	Capital
Recycling		H	L	H	M	70-80%	30-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rate	Surplus funds, fees & charges, targeted rate & loans
STORMWATER	Sustainable South Wairarapa									
Storm water Collection		H	H	H	L-M	20%	80%	Collection predominantly to prevent flooding of private and public property	Fees & Charges, targeted rate, general rate	Fees & charges, contributions, targeted rate, general rate, surplus funds & loans
Storm water Treatment		L	H	H	L-M	5%	95%	To protect the environment	Fees & Charges, targeted rates, general rates	Fees & charges, targeted rate, general rate, surplus funds & loans
Water Supply	Healthy & economically secure people	H	H	H	M	90%	10%	Provides safe potable drinking water	Fees & Charges, targeted rate, contributions	Fees & charges, contributions, targeted rate, subsidies & grants, surplus funds & loans
Wastewater	Healthy & economically secure people, Sustainable South Wairarapa	H	H	H	M	75%	25%	Provide safe/sanitary treatment & disposal environment for waste	Fees & Charges, targeted rate, contributions	Fees & charges, contributions, targeted rate, subsidies & grants, surplus funds & loans



SOUTH WAIRARAPA
DISTRICT COUNCIL
Kia Reretahi Tātau

Liability Management Policy

Date of Approval	29 June 2009
Revised	xx June 2021
Policy Number	M300
Next Review	30 June 2024

Liability Management Policy

1. General policy

The borrowing management policy will be consistent with Council's overall objectives and plans. The amount of borrowing is driven on a project by project basis. Council approves borrowing by resolution as part of the Annual and Long Term Planning processes.

Council may borrow from itself, any registered bank or wholesale investor by the issue of local authority stock, or the Local Government Funding Agency or in any other manner which it considers appropriate.

2. Interest rate exposure

Council's borrowing gives rise to direct exposure to interest rate movements. Given the long term nature of Council's assets, projects and intergenerational factors, Council's policy is to have a high percentage of fixed rate borrowing, however in certain circumstances it may be prudent to consider a more even balance between floating and fixed rate instruments. Interest rate risk is managed by adjusting the maturity of borrowings to avoid a concentration of debt reissues or rollovers in line with interest rate predictions.

All matters concerning borrowing which can be lawfully delegated are delegated to the Chief Executive.

The use of hedging instruments for risk management on Council's borrowing is not appropriate. Should Council wish to use hedging instruments an ordinary resolution approving their use will be adopted by Council.

3. Liquidity

Liquidity refers to the availability of cash resources to meet all obligations as they arise.

Short term liquidity management is monitored and controlled through daily cash management activities with long term liquidity being monitored and controlled through the Annual Plan and Long Term Financial Strategy processes.

Council ensures debt maturity is spread widely to minimise the risk of large concentrations of debt maturing at any one time. Council may maintain an overdraft facility to meet short term cash requirements as and when necessary.

4. Credit exposure

Council is readily able to attract cost effective borrowing because of the strength of security offered by its powers to rate, and the very low historical incidence of default by local authorities.

5. Debt repayment

Council has traditionally entered into two types of loans. These comprise reducing balance and interest only loans. Reducing balance (table mortgage) loans are repaid from operational funds over the life of the loan. Council can liquidate these loans at any point of time if allowed under the terms of the loan agreement. Interest only loans are taken out over the life of the project and refinanced at three-to-five-year intervals.

Council has not forecast to make any repayments of principal on interest only loans, as the loans are intended to be for the same length of time as the asset life. Most of the loans are for assets that have a life of between 7 years and 35 years and as a result some of these mature within the period of the current Long Term Plan (LTP).

Council's goal is to spread the principal and interest costs related to asset purchases evenly over the period of the asset's life, and therefore achieve inter-generational equity for ratepayers. While the loan principal is not paid off progressively, Council sets aside deposits to accumulate progressively to prepare for repayment of the loans.

Council has introduced a policy of building up its cash reserves in order to meet future renewals of its assets and repayment of its interest only loans.

Terms of repayment should be determined after consideration of the cost of finance and any intergenerational benefits of the assets being financed.

The maximum period over which borrowings are to be repaid is the lesser of 35 years or the life of the project, unless otherwise resolved by Council.

6. Specific borrowing limits

The gross interest expense of all borrowings will not exceed 12% of rates income.

7. Security

Council does not offer assets as security for borrowings.



**SOUTH WAIRARAPA
DISTRICT COUNCIL**
Kia Reretahi Tātau

Investment Policy

Date of Approval	xx June 2021
Policy Number	M400
Next Review	30 June 2023

Investment Policy

1. General Policy

The investment policy will be consistent with Council's overall objectives and plans. Council acknowledges that there are financial risks associated with its investment activities but is risk averse. The treasury function is based on managing risk and protecting investments. There is no involvement in speculative transactions.

The management of trusts, special funds and reserves will be reviewed on a regular basis. This will ensure that their holding complies with any statutory or other special requirements and that their use is consistent with these requirements and with Council policy at the time.

Investments generally will be made having regard to the following objectives:

- » To manage short term cash flows in an efficient and prudent manner providing cash for approved expenditure needs and in the event of urgent requirements.
- » To provide cash for the future retirement of debt on maturity.
- » To maximise interest income and minimise risk to the capital invested.
- » To minimise the risk of investments.

2. Treasury Investments

Council's treasury investments comprise sums reserved for special purposes and funds held for working capital requirements. These funds are managed using the following guidelines:

- » To minimise risk to Council funds will only be invested with institutions which offer an high degree of security. These include the New Zealand Government, State Owned Enterprises, Local Authorities (including itself), Local Government Funding Agency, and New Zealand registered banks with:
 - » For long term investments, a credit rating of Standard & Poors 'A' (or equivalent) or better
 - » For short term investment, a credit rating of Standard & Poors 'BB' (or equivalent) or better
- » Within the above institutions, funds are invested to optimise the return to Council from the investment.
- » Funds are invested in a way that maintains the liquidity of the Council's investments so that cash is available when required.
- » The maximum amount to be invested with any one approved institution is 50% of Council's total investments.

3. Equity Investments

Council has small shareholdings in the following organisations:

- » Civic Financial Services Limited
- » Farmlands Trading Society Limited
- » Wellington Water Limited

A Council resolution is required to dispose of these shares.

Council is risk averse and does not wish to expose itself to the risks associated with equity investments. It will not as a general rule seek to acquire further equity investments.

4. Emissions trading scheme

Council has a number of “New Zealand Emissions Units” that were issued as a result of the introduction of the emissions trading scheme.

A Council resolution is required to transact these units.

5. Local Government Funding Agency

Council may borrow funds from the Local Government Funding Agency (LGFA).

Council holds Borrower Notes with the LGFA. Borrower notes are subordinated debt instruments which are required to be held by each local authority that borrows from LGFA in an amount equal to 1.6% of the aggregate borrowings by that local authority.

Under certain very limited circumstances, the borrower notes can convert to shares.

If this were to occur, a Council resolution will be required to manage these shares.

6. Property

Council holds a limited amount of real property for investment purposes. It may and does purchase property from time to time to assist in the provision of its core services to the community. Surplus properties will be disposed of wherever possible. Council will review its property holdings on a regular basis.

7. Mix of Investments

The mix of investments will be determined having regard to the overall funding needs of Council. Investment mix is also influenced by risk management considerations. Council will maintain sufficient general funds for day to day operational needs.

Council may establish, alter or dissolve a fund for a particular purpose by ordinary resolution.

8. Acquisition of New Investments

Treasury investments are acquired under delegated authority to the Chief Executive.¹

It is unlikely that Council will invest in shares in the foreseeable future. Any such acquisitions would require a resolution by Council.

When acquiring treasury investments Council seeks to:

- » Optimise return on investments.
- » Ensure investments are secure.
- » Manage potential interest rate movement losses.

9. Disposition of Revenue from Investments

All dividends, interest and other income from investments will be available for Council's general use except where Council has resolved that interest earned on funds invested in an account shall be reinvested in that account. These accounts shall be subject to review each year.

10. Disposition of Proceeds of Sale of Investments

Equity and property investments may be disposed of by resolution of Council. In general terms, these proceeds will not be available for operational purposes unless Council resolves otherwise. These proceeds will normally be used for capital investments or the retirement of debt.

On maturity, treasury investments may be realised for Council's general use or reinvested under delegated authority by the Chief Executive.

11. Procedures

Equity and property investments will be reviewed by Council each year.

Treasury investments will be managed under delegated authority by the Chief Executive. All realisations, transfers and reinvestments will comply with this policy. The Audit and Risk working party will receive a schedule of all treasury investments for each month. A schedule of investments will be provided to Council on a regular basis as part of the financial statements included in the Chief Executive Officer's report.

12. Investment Risk Assessment and Management

Council has no investment properties and only three equity investments.² [Council does hold shares in Farmlands Trading Society Limited, Wellington Water Limited, and Civic Financial Services Limited, however these are not held for investment purposes]. The exposure to risk in these areas is minimal.

¹ The Chief Executive and/or other officers to whom the Chief Executive may delegate from time to time.

² Civic Financial Services Ltd 53,390 shares. Wellington Water Ltd 150 Class A and 25 Class B shares.

Council's primary objective in respect of treasury investments is the protection of those investments. Only credit worthy counter parties are acceptable. Council will manage its exposure to credit risk by maintaining a diverse investment portfolio with prescribed limits for each counter party. The exposure to interest rate risk will be managed by a mix of terms and staggered maturity dates to mitigate the effect of market fluctuations.

13. Objectives for holding and managing financial investments and equity securities

The objectives of holding financial investments are:

- » To maintain sufficient cashflow to meet current and future needs.
- » To ensure sufficient funding is available to meet future loan repayments as they fall due.

The objectives of holding equity investments are:

- » Equity investments are held solely for strategic purposes and are not held for financial return.
- » Equity investments will only be made to support companies that provide a service that may not otherwise be provided, for the benefit of either the three Wairarapa local authorities, or a wider base of local authorities.

14. Targets for returns on financial investments and equity investments

The targets for returns on financial investments are:

- » The key rationale of the holdings of financial investments is risk minimisation. Due to the levels of cash holdings these are managed solely for cashflow purposes. Council policy limits investment to very low risk investment, which by its nature provides modest returns.

The objectives of holding equity investments are:

- » Equity investments are held solely for strategic purposes and are not held for financial return.
- » There is no quantified target for equity investments for the reasons outlined above.



**SOUTH WAIRARAPA
DISTRICT COUNCIL**

Kia Reretahi Tātau

Development Contributions and Financial Contributions Policy

Date of Approval	29 June 2009
Policy Number	M600
Revised	xx June 2021
Next Review	30 June 2024

Development Contributions and Financial Contributions Policy

1. Introduction

As further subdivision occurs and new activities are established within the Wairarapa, the existing infrastructure and amenities come under pressure. Financial contributions and Development contributions are ways of ensuring that any adverse effects from subdivision and development on the environment or on community resources are minimised, including ways of offsetting any adverse effects with a contribution toward environmental improvements. Such contributions can be in the form of money, land, works or services and may include the provision of roads and services, the protection of an important historic or natural feature, the visual enhancement of a site through landscape treatment or the provision of access to a hitherto inaccessible river or stream.

Council does not take Development Contributions, instead Council utilises the Financial Contributions policies and rules contained in the Wairarapa Combined District Plan (WCDP). Council will continue with that practice until such time as it develops a new legally compliant Development Contributions Policy in accord with the provisions of the Local Government Act 2002. It is Councils intention to introduce a new and compliant development contributions policy in advance of the Resource Management Amendment Act 2017 repeal on 18 April 2022 of S108 (2) (a) of the Resource Management Act 1991, which currently enables Council to take Financial Contributions through the WCDP.

Financial contributions for subdivision and land use consents may include the costs of upgrading and expanding community works and services as a result of the proposal, including (but not limited to) public roads, public water supplies, and the disposal of wastewater and stormwater.

This section deals with the requirements for financial contributions, either as a standard of a permitted activity, or a land use or subdivision consent.

Where a financial contribution is required as a condition of a permitted activity or resource consent, the purpose, circumstances in which a contribution may be required, and the amount of that contribution are stated. For some types of contributions, a maximum contribution is specified to ensure such contributions are equitable and not unreasonably onerous for some forms of development.

Contributions for land use development through the resource consent process will be sought in full, unless a previous contribution has been received in the subdivision of the site. Conversely, if a contribution was paid at the time of land use development, then no contribution may be required at the time of any subsequent subdivision consent in recognition of the previous contributions.

2. Reserve Contributions Standard

Circumstances when a general reserves contribution is required as a condition of a permitted activity or a resource consent:

- a) As a condition of a land use resource consent for any additional residential unit, provided that a general reserve contribution has not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Plan.
- b) As a condition of subdivision resource consent for any new allotment, provided that a general reserve contribution has not already been made under the Council's Long Term Plan.
- c) As a standard of a permitted land use activity for any additional residential unit, with the payment of the contribution to be made prior to the issuance of a code of compliance certificate for the building consent, provided that a general reserve contribution has not already been made at the time of the subdivision creating that lot or under the Council's Long Term Plan.

2.1. Reserve Contribution Amount

Amount of contribution for reserves as a standard of a permitted activity or as a condition of resource consent:

- a) For subdivision, a general district-wide reserves contribution of 3% of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 2% of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum amount of the sum of this general district-wide reserves contribution and any general district-wide roads, access, parking and loading contribution taken under Rule 4.A(g) shall be \$7,500 (plus GST) per allotment created by a subdivision; or
- b) For land use development for residential purposes, a general district-wide reserves contribution of 0.25% of the value of each additional residential unit (plus GST).

2.2. Assessment Criteria for Remission or Waiver of Reserves Contribution

In determining whether to grant a remission or waiver of any reserves contribution, regard shall be had, but not limited to, the following criteria:

- a) The activity's impacts on the reserve network and the cost to the relevant Council to avoid, remedy, or mitigate these impacts.
- b) Measures proposed by the developer to enhance an existing reserve or the open space of the locality.
- c) Other methods proposed by the developer to avoid, remedy or mitigate any adverse effects on the reserve network.
- d) Whether any site of natural and cultural heritage can and should be enhanced or protected as part of the development.

2.3. Form of Contribution

- a) The contribution may be required in the form of money or land or any combination thereof.
- b) If the reserve contribution is in the form of land which is acceptable to Council, the value of the land to be vested as reserve shall be established on the basis of a registered valuer's report. Registered valuer's reports shall be produced at the consent holders cost and be no older than 3 months at the time the contribution is paid.

2.4. Purpose

- a) To provide for the acquisition and development of reserves and open spaces in response to the needs arising from subdivision and development.
- b) To protect conservation values of riparian and coastal margins, and associated water quality and aquatic habitat.
- c) To provide opportunities for public access to and along water bodies including the coast.
- d) To provide recreational opportunities near water bodies.

2.5. Contributions Payable

- a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the Building Consent.
- b) For land use resource consents, contributions shall be payable as and when required by any condition of that consent.
- c) For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991 (RMA).

3. Infrastructure Contributions Standard

Circumstances when an infrastructure contribution is required as a standard of a permitted activity or as a condition of a resource consent:

- a) As a condition of a land use resource consent for any additional residential unit or administrative, commercial or industrial purposes towards particular works of one or more of the types referred to in the WCDP section 23.3.2 (a) to (f) and a contribution under section 23.3.2 (g) or (h), provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2 (g) or (h) have not already been made at the time of the subdivision creating that lot or under the Council's Long Term Plan.
- b) As a condition of subdivision resource consent for any new allotment towards particular works of one or more of the types referred to in sections 23.3.2 (a) to (f) and a contribution under section 23.3.2 (g), provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2 (g), have not already been made under the Council's Long Term Plan.
- c) As a standard of a permitted land use activity towards particular works of one or more of the types referred to in sections 23.3.2 (a) to (f) and a contribution under section 23.3 (g) or (h), with

the payment of the contribution(s) to be made prior to the issuance of a code of compliance certificate for the building consent, provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2 (g) or (h), have not already been made at the time of the subdivision creating that lot of under the Council's Long Term Plan.

3.1. Infrastructure Contribution Amount

Amount of contribution for infrastructure as a standard of a permitted activity or as a condition of a resource consent:

- a) The actual cost of water supply, wastewater or stormwater disposal systems to the development; and
- b) The actual cost of all necessary water supply, wastewater or stormwater disposal reticulation within the development for each allotment or building; and
- c) The actual cost of connections between the water supply, wastewater or stormwater disposal reticulation in the development and the Council's water supply, wastewater and stormwater disposal system; and
- d) The actual cost of upgrading of any existing Council water supply, wastewater or stormwater disposal system to the extent that it is necessary to service the development; and
- e) A share of the cost of the existing water supply, wastewater or stormwater disposal system where additional capacity has been created in anticipation of future development. The share will be calculated on the proportion of the additional capacity required to serve the development; and
- f) A share of the cost of new water supply, wastewater or stormwater disposal system or upgraded water supply, wastewater or stormwater disposal system where additional capacity will be required by the cumulative effects of an area's development - the share will be calculated on the proportion of the additional capacity required by the development; and
- g) For subdivisions, a general district-wide infrastructure contribution of \$5,000 (plus GST) per allotment that connects with public infrastructure and services; or
- h) For land use development for residential, administrative, commercial and industrial purposes, a general district-wide infrastructure contribution of \$5,000 (plus GST) per new unit for linking with public infrastructure and services; plus 0.5% of the assessed value of any building development in excess of \$1,000,000 (plus GST). The assessed value of the development will be based on the estimated value of the building as stipulated on the building consent application; or
- i) For land use development for additions and alterations for administrative, commercial or industrial purposes that connects with public infrastructure and services, a general district-wide infrastructure contribution of 0.5% of the assessed value of any building development in excess of \$50,000 (plus GST). The assessed value of the development will be based on the estimated value (excluding GST) of the building as stipulated on the building consent application.

3.2. Assessment Criteria for Remission or Waiver of Infrastructure Contributions

In determining whether to grant a remission of any infrastructure contribution, regard shall be had, but not limited to, the following criteria:

- a) Whether any allotment or any part of the development is proposed to be connected to public infrastructure and services.
- b) The effect of the proposed subdivision or development on the infrastructure and the cost to the Council to avoid, remedy, or mitigate these impacts.
- c) Measures proposed by the developer to upgrade any existing infrastructure.
- d) Whether any contribution had been previously made towards the establishment or upgrade of the infrastructure.

3.3. Form of Contribution

- a) The contribution may be required in the form of money or works or any combination thereof.

3.4. Purpose

- a) To provide a potable water supply.
- b) To safeguard the health of inhabitants and protect the natural environment from inappropriate disposal of sewage.
- c) To prevent damage to property or amenity from the indiscriminate and uncontrolled runoff of stormwater.
- d) To ensure sufficient water is available for fire-fighting purposes.

3.5. Contributions Payable

- a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the code of compliance certificate for the building consent.
- b) For land use resource consents, contributions shall be payable as and when required by any condition of that consent.
- c) For subdivision resource consents, contributions shall be made prior to the issuance of the certificate under section 224 of the Resource Management Act 1991.

4. Roads, Access, Parking & Loading Contributions Standard

Circumstances when a roads, access, parking and loading contribution is required as a standard of a permitted activity or as a condition of a resource consent:

- a) As a condition of a land use resource consent for any residential, commercial or industrial activity towards particular works of one or more of the types referred to in sections 24.4.2 (a) to (f) and a contribution under section 24.4 (g) provided that a roads, access, parking and loading

contribution towards those particular works and a contribution under section 24.4 (g) have not already been made at the time of the subdivision creating that lot or under the Council's Long Term Plan.

- b) As a condition of a subdivision resource consent for any new allotment towards particular works of one or more of the types referred to in sections 24.4 (a) to (f) and a contribution under section 24.4 (g) provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 24.4 (g) have not already been made under the Council's Long Term Plan.
- c) As a standard of a permitted land use activity towards particular works of one or more of the types referred to in sections 24.4 (a) to (f) and a contribution under section 24.4 (g) with the payment of the contribution(s) to be made prior to the issuance of a code of compliance certificate for the building consent, provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 24.4 (g) have not already been made at the time of the subdivision creating that lot or under the Council's Long Term Plan.
- d) As a condition of land use resource consent in the Commercial or Industrial Zones in which the waiver of all or some of the required on-site parking is sought.

4.1. Roads, Access, Parking and Loading Contribution Amount

Amount of contribution for roads, access, parking and loading as a standard of a permitted activity or as a condition of a resource consent:

- a) The actual cost of providing a road or access to the development concerned; and
- b) The actual cost of all necessary roads and accesses within the development area for each allotment or building; and
- c) The actual cost of road or access crossings between allotments, or buildings in the development; and
- d) A share of the cost of the existing roads and access where additional capacity has been created in anticipation of future subdivision or development. The share will be calculated on the proportion of that additional capacity which is to serve the development; and
- e) A reasonable share of the cost of new or upgraded roads or access where additional capacity or safety improvements are necessary to accommodate the cumulative effects of the development within an area. The share will be calculated on the proportion of additional traffic likely to be generated by the development; and
- f) The cost of forming of the parking spaces (where a waiver from the District Plan parking requirements is sought, the cost of forming a parking space is deemed to be at a rate of \$5,000 (plus GST) per space); and
- g) For subdivision, a general district-wide roads, access, parking and loading contribution of 2% of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 3% of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum amount of the sum of this general district-wide

roads, access, parking and loading contribution and any general districtwide reserves contribution taken under Rule 24.4.2 (g) shall be \$7,500 (plus GST) per allotment created by a subdivision.

4.2. Form of Contribution

- a) The contribution may be required in the form of money or land or any combination thereof.

4.3. Purpose

- a) To provide for the safe and convenient movement on roads of motor vehicles, bicycles and pedestrians within and through the Wairarapa.

4.4. Contributions Payable

- a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the code of compliance certificate for the building consent.
- b) For land use resource consents, contributions shall be payable as and when required by any condition of that consent.
- c) For subdivision resource consents, contributions shall be made prior to the issuance of the certificate under section 224 of the Resource Management Act 1991.



**SOUTH WAIRARAPA
DISTRICT COUNCIL**
Kia Reretahi Tātau

Remission and Postponement of Rates on Māori Freehold Land

Date of Approval	29 June 2011
Revised	xx June 2021
Policy Number	M800
Next Review	30 June 2024

Remission and Postponement of Rates on Māori Freehold Land Policy

1. Objectives

- » To recognise that certain Māori owned land may have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide for relief from rates.
- » To recognise that the Council and the community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non-collectable.
- » To meet the requirements of section 102 of the Local Government Act 2002 to have a policy on the remission and postponement of rates on Māori freehold land.

2. Conditions and Criteria

- a) Application for remission or postponement under this policy should be made prior to the commencement of the rating year. Applications made after the commencement of the rating year may be accepted at the discretion of the Council.
- b) Owners or trustees making application should include the following information in their applications:
 - » Details of the rating unit or units involved.
 - » Documentation (e.g. a copy of the Certificate of Title) that shows that the land qualifies as land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court.
- c) The Council may of its own volition investigate and grant remission or postponement of rates on any Māori freehold land in the district.
- d) Relief, and the extent thereof, is at the sole discretion of the Council and may be cancelled and reduced at any time.
- e) Council will give a remission or postponement of up to 100% of all rates for the year for which it is applied and subsequent years unless the status of the land changes or based on the extent to which the remission or postponement of rates will:
 - » Support the use of the land by the owners for traditional purposes.
 - » Support the relationship of Māori and their cultural traditions with their ancestral lands.
 - » Avoid further alienation of Māori freehold land.
 - » Facilitate any wish of the owners to develop the land for economic use.
 - » Recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes.

- » Recognise and take account of the importance of the land for community goals relating to:
 - » The preservation of the natural character of the coastal environment.
 - » The protection of outstanding natural features.
 - » The protection of significant indigenous vegetation and significant habitats of indigenous fauna.
 - » Recognise the level of community services provided to the land and its occupiers.
 - » Recognise matters relating to the physical accessibility of the land.
 - » Provide for an efficient collection of rates and the removal of rating debt.
- f) Council may review the status of Māori freehold land from time to time and advise ratepayers of a change in status if it is considered the land no longer meets the criteria for remission of rates.
- g) Decisions on the remission and postponement of rates on Māori freehold land may be delegated to council officers or a committee of the Council. All delegations will be recorded in the Council's delegation schedule.



**SOUTH WAIRARAPA
DISTRICT COUNCIL**
Kia Reretahi Tātau

Remission of Rates Policy

Date of Approval	29 June 2011
Policy Number	M900
Revised	30 June 2021
Next Review	30 June 2024

Remission of Rates Policy

1. Introduction

In order to allow rate relief where it is considered fair and reasonable to do so, the Council is required to adopt policies specifying the circumstances under which rates will be considered for remission. There are various types of remission, and the circumstances under which a remission will be considered for each type may be different. The conditions and criteria relating to each type of remission are therefore set out separately in the following pages, together with the objectives of the policy.

2. Remission of Penalty Rates

2.1. Objectives

- » To enable Council to act fairly and reasonably in its consideration of rates which have not been received by the due date.
- » To provide relief and assistance to those ratepayers experiencing financial hardship.
- » To encourage an efficient payment regime, recognising the significant benefits accruing by ratepayers using the direct debit payment system.

2.2. Criteria and Conditions

Council will consider each application on its merit and remission may be granted where it is considered that the application meets the following criteria and conditions.

2.3. Conditions and Criteria

- » Council will remit penalty rates where it is demonstrated that penalty rates have been levied due to an error by Council.
- » Remission of one penalty will be considered in any one rating year where payment had been late due to significant family disruption. Significant family disruption is likely to be the ratepayer, or a member of the household being affected by serious illness, serious accident, hospitalisation or death.
- » Remission of penalty may be granted if the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control. Applications under these criteria will only be accepted if the ratepayer has a history of regular payments of rates and has not incurred penalty rates in the previous two years.
- » Remission of penalty rates will be considered for those ratepayers who due to financial hardship, are in arrears and who have entered into an agreement with Council to repay all outstanding and current rates. This repayment scheme will generally be up to a period of 12

months. Penalty rates remission will not be considered if the agreement plan is not being adhered to, or a prior repayment scheme has not been adhered to.

- » Remission will be considered if a new owner receives penalty rates through the late issuing of a sale notice, a wrong address on the sale notice or late clearance of payment by the Solicitor on a property settlement. This only applies to penalty rates incurred on one installment. Future installments do not qualify under these criteria.
- » Application for remission of penalty rates must be in writing using the prescribed form.
- » Penalty rates will not be considered for remission if the penalty rates were incurred in a previous rating year, regardless if the application otherwise meets the criteria.
- » Where a ratepayer agrees to pay rates by direct debit on a weekly, fortnightly, monthly or quarterly basis, no penalties will be charged if the rates for the financial year have been paid in full prior to 30 June in the rating year.

2.4. Delegation

Council delegates the authority to remit penalty rates to the Chief Executive Officer or the Chief Financial Officer

3. Remission of Rates for Land Used by Sporting, Recreational and Community Organisations

3.1. Objective

- » To facilitate the ongoing provision of non-commercial sporting, recreational and community services that meet the needs of the residents of the district.
- » To provide indirect financial assistance to community organisations.
- » To make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These may include children, youth, young families, aged people and economically disadvantaged people.

3.2. Conditions and Criteria

- » This policy will apply to land owned by the Council or owned or occupied by a not for profit organisation, which is used exclusively or principally for sporting, recreation or community purposes.
- » Council will remit 50% of rates, with the exception of targeted rates, for organisations that qualify under this policy, and with the exception of Rural Halls which will receive 100% remission. Sporting organisations will qualify for 50% remission regardless of whether they hold a current license under the Sale and Supply of Alcohol Act 2012.
- » The policy does not apply to organisations operated for pecuniary profit or which charge tuition fees.
- » The policy does not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting or community services as a secondary purpose only.

- » Applications for remission must be made to the Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated. All rating units that have remissions in place at 1 July 2002 are not required to make application.
- » Organisations making application should include the following documents in support of their application: information on activities and programmes, details of membership and statement of objectives.
- » Remissions will apply to the following rating year and will not be retrospective.
- » Remissions will remain in force until the purposes of the organisation change such that the criteria is no longer met. No annual applications are required following the granting of a remission.

3.3. Delegation

Council delegates the authority to remit 50% of rates for sporting, recreational and community organisations to the Chief Executive Officer or the Group Manager Corporate Support.

4. Remission of Rates on Land Protected for Natural, Historical or Cultural Conservation Purposes

4.1. Objective

- » To preserve and promote natural resources and heritage.
- » To encourage the protection of land for natural, historic or cultural purposes.

4.2. Conditions and Criteria

- » Ratepayers who own or occupy rating units which have some feature of cultural, natural or historic heritage which is voluntarily protected may qualify for remission of rates under this part of the policy.
- » Land that is non-rateable under section 8 of the Local Government (Rating) Act and is liable only for rates for water supply, wastewater disposal or refuse collection will not qualify for remission under this part of the policy.
- » Applications must be made in writing. Applications should be supported by documentary evidence of the protected status of the rating unit e.g. a copy of the covenant or other legal mechanism. Receipt of evidence of protection without a written application will not be considered.
- » In considering any application for remission of rates under this part of the policy the Council will consider the following criteria:
 - » The extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit.
 - » The degree to which features of natural, cultural or historic heritage are present on the land.

- » The degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land.
- » In granting remissions under this part of the policy, Council may specify certain conditions before remissions will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.
- » Council will decide what amount of rates will be remitted on a case-by-case basis. Remissions will apply to the following rating year and will not be retrospective.

4.3. Delegation

Applications for the remission of rates for protection of heritage will be considered by Council.

5. Remission of Uniform Annual General Charge in Certain Circumstances

5.1. Objectives

- » To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple Uniform Annual General Charges (UAGCs).
To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation.

5.2. Conditions and Criteria

5.2.1. *For subdivision purposes*

This policy will apply to land that is:

- » subdivided into two or more lots; and
- » where title has been issued; and
- » the unsold lots remain in common ownership.

Remission will be the charge for each unsold lot except one.

5.2.2. *For multiple rating units*

This policy will apply to land that is:

- » Owned by the same person or persons; and
- » used jointly as a single unit (including being used as part of the same farming operation); and
- » contiguous or separated only by a road, railway, drain, water race, river, or stream.

Remission will be the UAGC for each unit except the main farm residence unit. Remissions will apply to the following rating year and will not be retrospective.

5.3. Delegation

Council delegates the authority to remit UAGCs to the Chief Executive officer or the Group Manager Corporate Support.

6. Remission of Reserves and Civic Amenities Charge

6.1. Objectives

- » To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple Reserves and Civic Amenities Charges (UACs).
- » To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation.
- » To provide relief to rural farming properties for a vacant unit used as a run-off.

6.2. Conditions and Criteria

6.2.1. *For subdivision purposes*

This policy will apply to land that is:

- » subdivided into two or more lots; and
- » where title has been issued; and
- » the unsold lots remain in common ownership.

Remission will be the charge for each unsold lot except one.

6.2.2. *For multiple rating units*

This policy will apply to land that is:

- » owned by the same person or persons; and
- » used jointly as a single unit (including being used as part of the same farming operation); and
- » contiguous or separated only by a road, railway, drain, water race, river, or stream.

Remission will be the UAC for each unit except the main farm residence unit.

6.2.3. *For a run-off unit*

The policy will apply to one unit that is:

- » used as a run-off for a farming operation. A separate application in writing must be made for consideration of this remission.

Remissions will apply to the following rating year and will not be retrospective.

6.3. Delegation

Council delegates the authority to remit Reserves and Civic Amenities Charge to the Chief Executive Officer or the Chief Financial Officer.

7. Remission of Rates for Natural Disasters

7.1. Objectives

- » To provide relief to properties affected by natural disasters.

7.2. Conditions and Criteria

- » Council will remit rates to those properties identified according to the conditions and criteria set by central government.
- » The level of remission will be to the extent of funding provided by central government.



**SOUTH WAIRARAPA
DISTRICT COUNCIL**
Kia Reretahi Tātau

Grants Policy

Date of Approval	xx June 2021
Policy Number	M700
Next Review	30 June 2024

GRANTS POLICY

1. Purpose

The SWDC Grants Policy guides the allocation of grants to groups and organisations delivering projects, events and services that benefit the people of the South Wairarapa and contribute to the vision ‘Best of country living with the community at the heart of everything we do’.

By providing community groups and organisations with direct financial assistance, SWDC can support shared objectives, be a catalyst for positive change, deliver value for money to ratepayers, and help to sustain a thriving and independent community sector. The Grants Policy is applicable to the following discretionary grants programmes:

- » Community and youth grants programme; and
- » Community board grants and Māori Standing Committee grants.

2. Operation and scope

The grants programme will operate transparently in all respects and at all stages of the process, while protecting financial confidentiality. We will provide clear information in a timely way about the opportunities to apply for funding and our expectations of applicants and recipients.

We will publish information about the grants we provide – who has received them and for what purpose. We will also provide feedback to unsuccessful grant applicants about why their application has been declined.

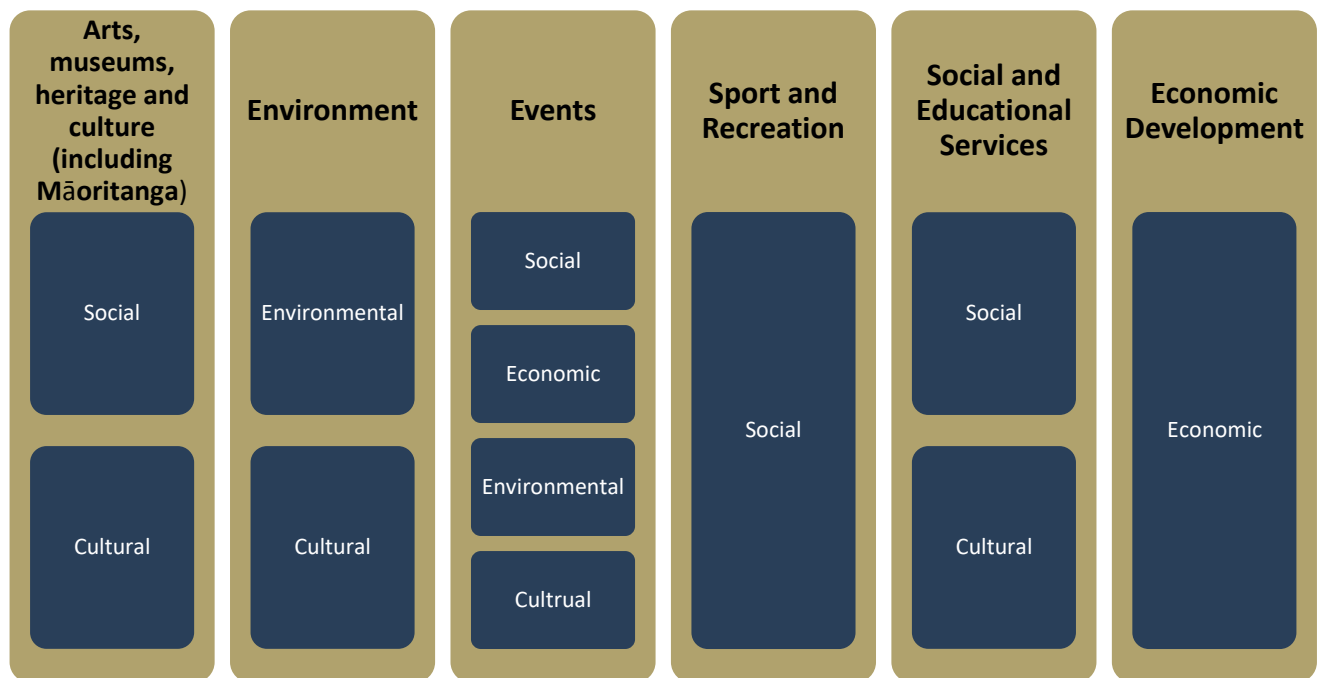
We seek to enable sustainable organisations and initiatives, while avoiding organisations and groups becoming financially dependent. Where the intention is to provide support on an ongoing basis, including for multi-year or operational funding, decision-makers may consider entering into a partnership arrangement with the applicant. However, past funding doesn’t represent a commitment to future funding beyond the term of the agreement.

Grant funding can only be allocated to activities for a public purpose and that meet the goals of the SWDC, community board or Māori Standing Committee from which funding is sought. Grants can be allocated to deliver one-off projects, provide ‘seed funding’ to test new ideas and approaches to help with start-up or expansion costs into the South Wairarapa, or to enable recipients to leverage more sustainable sources of financial support.

2.1. Community Grants

Grants will be allocated to organisations for activities that contribute to the community in at least one of the funding categories below. The funding categories are aligned to the four community wellbeings, as outlined in the Local Government Act 2002, and SWDC’s community outcomes, as outlined in the Long Term Plan.

Our Six Funding Categories: Goals and Community Outcomes they Deliver



Our Goals and Community Outcomes

Social wellbeing -	Residents are active, healthy, safe, resilient, optimistic and connected
Environmental wellbeing -	Sustainable living, safe and secure water and soils, waste minimised, biodiversity enhanced
Economic wellbeing -	A place of destination, new business and diverse employment that gives people independence and opportunity
Cultural wellbeing -	Strong relationships with iwi, hapū and whānau, celebrating diverse cultural identity, arts and heritage

2.2. Youth Grants

Targeted funding to support activities that encourage development and enable participation of young people in the South Wairarapa.

2.3. Community Board Grants

The Featherston, Greytown and Martinborough community boards operate their own local grants programme in accordance with this policy. The community boards may identify priority areas for funding which should be linked to the [board's strategic plan](#).

Grants may be awarded to community groups and organisations for projects, services, events and other activities that benefit their local community.

2.4. Māori Standing Committee Grants

The Māori Standing Committee (MSC) operates a grants programme in accordance with this policy. The MSC may identify priority areas for funding which should be linked to its [strategic plan](#).

3. Eligibility

3.1. Community and Youth Grants

Who can apply for grants?

- » Community organisations with a formal legal structure e.g. incorporated societies, trusts, clubs with formal rules.
- » Commercial organisations where the activity has tangible benefit to the wider South Wairarapa community and the application is:
 - » To cover the costs of delivering a free community event or activity;
 - » To subsidise the costs of a charged-for event or activity (i.e. reducing fees to enable community access); or
 - » To provide a charged-for event or service that would otherwise not be commercially viable, where that event or service will help achieve community outcomes. Any charge must be set at level that encourages broad participation.
- » The applicant does not need to be based in the South Wairarapa but the applicant must be able to demonstrate that the activity benefits the South Wairarapa community. Applications for region-wide or national activities must have tangible benefit to the South Wairarapa community.
- » Applicants may not be in receipt of any other Council or Council-administered grant given for the same activity in the same financial year. Applicants are encouraged to apply for Community or Youth Grants where the activity benefits more than one ward or the wider South Wairarapa community.

3.2. Community Boards

Who can apply for grants?

- » Non-profit community organisations with a formal legal structure or a group of individuals who have come together for a common purpose but who do not have a legal structure.
- » The applicant does not need to be based in the South Wairarapa or the ward from where the funds are being sought but the applicant must be able to demonstrate that the activity benefits the ward where the funds are being sought.
- » Applicants may not be in receipt of any other Council or Council-administered grant for the same activity in the same financial year.

3.3. Māori Standing Committee

Who can apply for grants?

- » Non-profit community organisations with a formal legal structure or a group of individuals that have come together for a common purpose but who do not have a formal legal structure.
- » An individual who can demonstrate their connection to South Wairarapa through whakapapa or family connection, or can demonstrate how the activity will benefit the South Wairarapa Māori and non-Māori community.
- » Applicants may not be in receipt of any other Council or Council-administered grant for the same activity in the same financial year.

4. Ineligible Applications

Applications that will not be funded are:

- » Overseas travel.
- » Private expenses outside of the agreed scope.
- » Activities seeking to promote commercial, political or religious objectives.
- » Sponsorships or endowments.
- » Applications to provide social welfare or health treatment/benefits to individuals.
- » Costs associated with fundraising events where profits or proceeds are redistributed to other organisations or individuals.
- » Sports team accommodation, travel or uniform without evidence of an application being made to a Gaming Trust or other funding provider or clear evidence of club contribution.
- » Applications from individuals (except applications to the Māori Standing Committee).
- » Ongoing operational expenses e.g. staff or contractor salaries, rent, rates, insurance, vehicle operating and maintenance costs, and debt payments, except where covered by a partnership arrangement.
- » Applications from organisation which have not completed accountability requirements for previous grant funding.

5. Grant Assessment Criteria

Applications received must:

- » State how the application links to one or more of SWDC's community outcomes and the Community Board/Maori Standing Committee's funding priority and strategic direction where applicable.
- » Be from an eligible applicant and meets all the requirements of this policy.

In making a decision, consideration will be given to:

- » The need for funding in terms of the financial health of the applicant and/or the availability of other funding sources.
- » The viability and sustainability of the activity and/or applicant, including suitable governance and management arrangements in place to oversee grant expenditure.
- » The extent of the benefit to the community.
- » The extent the application meets SWDC's community outcomes and the Community Board/Māori Standing Committee's funding priority and strategic direction where applicable.
- » The activity scope and cost.
- » Where the application relates to an activity on Council-owned land or amenities, or an amenity that will be gifted or sold to the Council, evidence of consultation with the community and council officers, and status of any consent applications and approvals.
- » The applicant's compliance with relevant legislative requirements and recognised standards of good practice.
- » Previous or current grant funding, concessionary or financial assistance given by SWDC, community boards or the Māori Standing Committee and the applicants endeavours towards financial independence.
- » The contribution to the activity being provided by the applicant.
- » Collaboration or partnerships with other groups or organisations and evidence of minimisation of duplicated services.
- » Whether the activity can be completed within 12 months, except where covered by a partnership arrangement.
- » Funding for new activities or expansion of services will be preferred over funding to retain the status quo. Applications that are directly or indirectly intended to supplement projects that are not viable on their own merits will have a low priority for funding.

6. Who Makes the Decision?

6.1. Community and Youth Grants

Allocation decisions for community and youth grants will be made by a Grants Subcommittee, a subcommittee of the Finance, Audit and Risk Committee. The Terms of Reference of the Grants Subcommittee include the following:

- » Membership to include the Mayor and two councillors from each ward, selected from members of the Finance, Audit and Risk Committee in the first instance with other councillors appointed in order to achieve a balance of ward representation.
- » Delegation to make a decision on the distribution of the Community and Youth Grants.
- » The Mayor will be the chairperson.
- » Standing orders apply.

The Grants Subcommittee will meet once a year to make the allocation decisions, generally this meeting will be held in August of each year. If funds remain unallocated a second funding round will be held in February of the following year.

Applications for funding outside of this process and budget allocation will not be received by the Subcommittee or other committees. SWDC may receive applications for funding of an urgent nature or where exceptional circumstances apply on approval of the Mayor and Chief Executive. Urgent applications will not be accepted while a funding round is open.

6.2. Community Board and Māori Standing Committee Grants

Allocation decisions for community board and Māori Standing Committee grants will be made at their regular scheduled meetings. The frequency for considering grants will be determined by the community boards and the Committee and will be notified on the application form and on the grants page on SWDC's website.

7. The Application Process

The following process outlines the process for making an application and having that application assessed.

- » All applications must be submitted to SWDC officers by the advertised date.
- » Applications will not be considered if the fund has been fully allocated or is outside of a grant funding round (see exception in section 6.2).
- » For community and youth grants only, a report will be provided to the Subcommittee detailing:
 - » The total amount available for allocation and the total amount requested.
 - » A copy of the grant criteria so that the Subcommittee can assess if the application meets the criteria and how the application relates to the community outcomes.
 - » The applicant, a brief summary of the activity, how much is requested, the category they are applying under, and any grant, concessionary or financial support received within the last three years.
 - » Any applications that do not meet the policy, with the reasons why.
 - » Any other information required that will assist the Subcommittee in their deliberation.
- » Applications will be considered in a formal meeting which is open to the public.
- » Applicants are able to speak to their application at the applicable meeting and may be contacted for purposes of clarification prior to the meeting by SWDC officers.
- » A grant may be subject to conditions.
- » Applications will be considered against the grants criteria.
- » Where an application is declined, reasons will be specified.
- » No appeals on merits of decisions will be considered.

- » Grants will be paid as follows:
 - » For GST registered organisations, on receipt of a GST invoice.
 - » For applicants not GST registered, payment will be made to the account number and organisation as submitted in the application.
 - » On receipt of evidence of any conditions imposed being fulfilled.

8. Terms and Conditions

Applications must meet the following terms and conditions:

- » All applications must be completed using the correct form and delivered either by hand to SWDC's main office or libraries or by email by the closing time on the closing day as advertised.
- » All applications must be signed; an electronic signature is acceptable.
- » The last set of financial accounts and a full project budget must be attached to all applications over \$5,000.
- » A completed accountability form must be returned to SWDC within 12 months of the date of the grant being paid out, or prior to any future grant application being made.
- » Any unspent funds must be returned to SWDC within one year of receipt unless there is prior agreement to carry over such funds.
- » Any discrepancies in funding (e.g. funds spent out of scope) may result in an audit of the organisation's accounts and a request to return the grant funding to SWDC.
- » The recipient is required to inform the grant distributors if any difficulties and/or potential difficulties arise which may compromise delivery of the activity.



**SOUTH WAIRARAPA
DISTRICT COUNCIL**

Kia Reretahi Tātau

**SCHEDULE OF
FEES & CHARGES
2021 - 2022**

(Effective 1/7/2021)

CONTENTS

	Page No.
Community Services: Rubbish Bags / Photocopying	2
Libraries / Service Centres	3-4
Pools	4
Sports Stadium	5
Community Buildings:	5-7
All Venues – Small, Medium & Large	5
Small Venues	5
Medium Venues	6
Large Venues	6-7
Parks and Reserves	7
Cemeteries: Burial / Plot	8
Housing for Seniors	8
Dog Registration	9
Dog Impounding	9
Stock Ranging	9
Environmental Services:	10
Safe Food / Bylaws / Noise Control / General / Gambling	10
Liquor Licensing	10
Planning - Resource Management	11-12
Deemed Permitted Boundary/Marginal Activities / Non Notified Land Use	11
Non-Notified Subdivision / Limited Notified Application	11
Publicly Notified Application / Plan Change / Additional Charges	11
Certification / Variation to Consent	12
Land Information Memorandum / Certificate of Title Searches	12
Building Consents & PIMs	12-15
Minor Work	12
Sheds/Garages/Conservatories Etc. / Residential New Dwellings	13
Residential Dwelling Additions & Alterations	13
Relocated Residential Dwellings / Commercial/Industrial	14
Other Charges	14-15
Swimming Pool Charges – Existing Pools	15
Infrastructure & Services	16
Roading / Water & Sewer Connections / Sewerage (Septic Tank Waste)	16
Financial Contributions / Water Rates / Vehicle Crossings / Rapid Numbers	16
Transfer & Recycling Stations	17
Refuse / Recycling / Green Waste / Car Bodies / Tyres	17

2021-2022 SCHEDULE OF FEES AND CHARGES

Fees shown are inclusive of GST

COMMUNITY SERVICES	FEES \$
COUNCIL OFFICES	
19 Kitchener Street, Martinborough 5711	
Postal: P O Box 6. Martinborough 5741	
Website: www.swdc.govt.nz	
Opening Hours:	
9:00am-4.00pm Monday - Friday	
Rubbish Bags – purchased from Council Office and Service Centres	
Per bag	3.00
Bundle of 10	30.00
Photocopying: Black and white (per copy)	
Single sided A4	0.20
Single sided A3	0.40
Double sided A4	0.30
Double sided A3	0.80
Photocopying: Colour (per copy)	
Single sided A4	0.30
Single sided A3	0.50
Double sided A4	0.50
Double sided A3	1.00
Laminating	
A3	3.00
A4	2.00
Street Index – with rates	127.00
Photocopy plans etc:	
Time involved to retrieve and/or photocopy plans (per 10 minutes)	10.00
Any other services not covered elsewhere (per hour)	75.00

LIBRARY / SERVICE CENTRES			
	<u>FEATHERSTON</u>	<u>GREYTOWN</u>	<u>MARTINBOROUGH</u>
	(Library & Service Centre)	(Library & Service Centre)	(Library Only)
		Greytown Town Centre	Waihinga Centre
	70-72 Fitzherbert Street	89 Main Street	Texas Street
	Ph: 06 308 9030	Ph: 06 304 0961	Ph: 06 306 9758
Opening Hours:			
Monday	9.30am – 5.00pm	9.30am – 5.00pm	9.30am – 5.00pm
Tuesday	9.30am – 5.00pm	9.30am – 5.00pm	9.30am – 5.00pm
Wednesday	9.30am – 5.00pm	9.30am – 5.00pm	9.30am – 5.00pm
Thursday	9.30am – 5.00pm	9.30am – 5.00pm	9.30am – 5.00pm
Friday	9.30am – 5.00pm	9.30am – 5.00pm	9.30am – 5.00pm
Saturday	10.00am - 2.00pm	10.00am - 2.00pm	10.00am - 2.00pm
Sunday	Closed	Closed	Closed

CHARGES FOR ALL LIBRARIES:	Fees \$
Rental – Adult	No Charge
Rental – Children and Youth	No Charge
Magazines	No Charge
Reservation of Books	0.50
Replacement Cards	No charge
Overdue charges (Adult only)	
First day	0.50
Every 7 days thereafter \$1 per 7 days	1.00
Lost or damaged Library Book	At replacement cost
Inter-loan Items	10.00 plus cost charged by lending library
Book Covering:	
Paperback	0.50
Hardback	1.00
Large	2.00
Photocopying/Printing: Black and White (per copy)	
Single sided A4	0.10
Double sided A4	0.20
Single sided A3	0.40
Double sided A3	0.80
Photocopying/Printing: Colour (per copy)	
Single sided A4	0.20
Double sided A4	0.40
Single sided A3	0.50

Double sided A3		1.00
Internet		No charge
DVD/Video Hire (one week)		2.00
Laminating		
A4		2.00
A3		3.00
POOLS		
<u>FEATHERSTON</u>		
Opening Hours	School Terms	School Holidays And Public Holidays
Monday	2.00pm – 7.30pm	1.00pm – 7.30pm
Tuesday	2.00pm – 5.30pm	1.00pm – 5.30pm
Wednesday	2.00pm – 7.30pm	1.00pm – 7.30pm
Thursday	2.00pm – 5.30pm	1.00pm – 5.30pm
Friday	2.00pm – 7.30pm	1.00pm – 7.30pm
Saturday - Sunday	11.00am – 7.30pm	11.00am – 7.30pm
<u>GREYTOWN</u>		
Opening Hours	School Terms	School Holidays And Public Holidays
Monday	2.00pm – 7.30pm	1.00pm – 7.30pm
Tuesday	2.00pm – 5.30pm	1.00pm – 5.30pm
Wednesday	2.00pm – 7.30pm	1.00pm – 7.30pm
Thursday	2.00pm – 5.30pm	1.00pm – 5.30pm
Friday	2.00pm – 7.30pm	1.00pm – 7.30pm
Saturday - Sunday	11.00am – 7.30pm	11.00am – 7.30pm
<u>MARTINBOROUGH</u>		
Opening Hours	School Terms	School Holidays And Public Holidays
Monday - Friday	2.00pm – 7.30pm	1.00pm – 7.30pm
Saturday - Sunday	11.00am – 7.30pm	11.00am – 7.30pm
No Charges (All towns)		

SPORTS STADIUM	
FEATHERSTON SPORTS STADIUM AND ANNEX	FEES \$
Hours	
Daytime: 8:00am – 6:00pm	
Evening: 6:00pm – 12:00am	
Rates	
Daytime:	85.00
Evening:	52.00
Hourly: (Stadium) – minimum 2 hours	11.00 per hr
Hourly: (Annex) – minimum 2 hours	2.50 per hr

COMMUNITY BUILDINGS	
ALL VENUES – SMALL, MEDIUM AND LARGE	FEES \$
Fees and Charges – (in addition to hire charges)	
Deposit (if required)	50% of hire charge
Bond (if alcohol to be served)	300.00
Additional Cleaning fee - per hour (if required)	35.00
- Small & Medium venues (1 hour minimum)	
- Large venues (2 hours minimum)	
Projector/TV use - per session	20.00
PA/Sound System use - per session	30.00
Access to Kitchen Facilities (Small and Medium venues)	20.00
Custodian Call-out – per hour (if required)	25.00

SMALL VENUES (6 – 20 GUESTS) *	
GREYTOWN UPSTAIRS ROOMS (ONLY AVAILABLE DURING LIBRARY OPENING HOURS) GREEN ROOM AND JOE REWI ROOM	FEES \$
Weekday – morning or afternoon	30.00
Weekday – full day	55.00
Saturday – 10.00am – 12.00 noon	25.00
<i>* Actual room capacity will depend on the venue being hired</i>	

MEDIUM VENUES (20 – 150 GUESTS) *

MARTINBOROUGH SUPPER ROOM, FEATHERSTON KIWI HALL AND/OR SUPPER ROOM, GREYTOWN WBS ROOM	FEES \$
Meetings/Conferences/Performances	
Weekday – morning or afternoon	50.00
Weekday – full day	90.00
Monday to Thursday evening	50.00
Friday evening, Saturday, Sunday, Public Holidays	110.00
Functions – (Weddings/Dinners/Balls)	
Weekday – morning or afternoon	110.00
Weekday – full day	200.00
Monday to Thursday evening	120.00
Friday evening, Saturday, Sunday, Public Holidays	270.00
Displays/Exhibitions/Sale of Goods/Auctions (Clear Floor)	
Community Group and Free Admission Event	25.00 per day
Admission Charged or Commercial:	
Weekday – morning or afternoon	35.00
Weekday – full day	60.00
Monday to Thursday evening	35.00
Friday evening, Saturday, Sunday, Public Holidays	80.00
Sport and Fitness	
Clear floor, activities with no audience	25.00 per hr
Pack In/Out Per Day	25.00
<i>* Actual room capacity will depend on the venue being hired</i>	

LARGE VENUES (50 – 300 GUESTS) *

GREYTOWN TOWN CENTRE FORUM, GREYTOWN TOWN CENTRE FORUM & WBS ROOM, ANZAC HALL (INCL. SUPPER ROOM), MARTINBOROUGH TOWN HALL (INCL. SUPPER ROOM)	FEES \$
Kitchen Access Included in Hire Charge	
Meetings/Conferences/Performances	
Weekday – morning or afternoon	110.00
Weekday – full day	210.00
Monday to Thursday evening	120.00
Friday evening, Saturday, Sunday, Public Holidays	350.00
Each hour after midnight	100.00

LARGE VENUES (50 – 300 GUESTS) CONTINUED

Functions – (Weddings/Dinners/Balls)	
Weekday – morning or afternoon	185.00
Weekday – full day	295.00
Monday to Thursday evening	200.00
Friday evening, Saturday, Sunday, Public Holidays	450.00
Each hour after midnight	100.00
Displays/Exhibitions/Sale of Goods/Auctions (Clear Floor)	
Community Group and Free Admission Event	25.00 per day
Admission Charged or Commercial	
Weekday – morning or afternoon	50.00
Weekday – full day	75.00
Monday to Thursday evening	50.00
Friday evening, Saturday, Sunday, Public Holidays	125.00
Sport and Fitness	
Clear floor, activities with no audience	25.00 per hr
Pack In/Out Per Day	
	50.00
* Actual room capacity will depend on the venue being hired	

PARKS AND RESERVES		FEES \$
Use of any Council park or reserve <i>(Bookings must be made in advance on the Event Application Form for events, or the Application to Use Form for seasonal sports use)</i>		No Charge
Additional rubbish bins		At cost
Additional toilet cleaning/stocking		At cost
Lost keys	Replacement cost	
Staff call out (per call out, per hour)		150.00

CEMETERIES	FEES \$
Burial	
Adult	750.00
Child – Under 10	320.00
Infant – Under 1	150.00
Burial of Ashes	230.00
Extra Depth Charge (not available in Featherston)	275.00
Top Soil Charge	320.00
Burial on weekends, holidays or before noon on a Monday or the day after a Public Holiday	1150.00
Additional Fee – Non-Resident	900.00
Breaking Concrete	Actual cost
Disinterment or Re interment by Arrangement	Actual cost
Plot Fee	
Adult	1000.00
Infant under 1	160.00
Child under 10	320.00
Cremation Plot	260.00
Columbarium Wall	300.00
RSA	
No charge for plot, or out of district fee – charge interment fee only.	

HOUSING FOR SENIORS	NEW RENT PER WEEK \$	NEW RENT PER FORTNIGHT \$
Greytown		
Westhaven (Double)	110.00	220.00
Martinborough		
Cecily Martin (Double)	120.00	240.00
Featherston		
Burling (Single)	100.00	200.00
Burling (Double)	110.00	220.00
Matthews (Double)	120.00	240.00

DOG REGISTRATION		FEES \$
General Fees:		
Urban	Entire	110.00
	Desexed	77.00
Rural	Entire	70.00
	Desexed	43.00
Flat fee for up to 10 Rural Dogs		220.00
Additional Rural dogs over 10 (per additional dog)		22.00
Late Fees:		
Urban	Entire	165.00
	Desexed	115.00
Rural	Entire	105.00
	Desexed	64.50
Late Flat fee for up to 10 Rural dogs		330.00
Additional Rural dogs over 10 (per additional dog)		33.00
Impounding Fees:		
First Impounding		80.00
Second Impounding		170.00
Third Impounding		270.00
Housing (per day)		25.00
Other Fees:		
Micro-chipping (per dog)		20.00
Seizure Fee		80.00
Costs and expenses relating to seizing a dog		Actual cost plus 10%
Surrender a dog for euthanasia		Actual cost plus 10%
Permit application to keep more than two dogs in an urban area, including breeder		150.00
Replacement registration tag (if tag lost or damaged)		8.00
Bark Control Collars		Actual cost plus 10%

STOCK RANGING		FEES \$
Costs and expenses for impounding and securing impounded stock		Actual costs plus 10%
Call out fee per hour (or part of)		150.00
Impounding Fees:		
First Impounding per animal		200.00
Second Impounding per animal		400.00
Third impounding per animal		600.00
Housing (per day per animal)		50.00

ENVIRONMENTAL SERVICES – SAFE FOOD, BYLAWS, NOISE, GENERAL, GAMBLING	FEES \$
Food Act Registration	100.00
Food Act Verification	345.00
EHO Hourly Rate for Compliance Enforcement (per hour)	150.00
Camping Ground (per annum)	260.00
Relocatable Home Park	150.00
Hairdressers Registration (per annum)	260.00
Offensive Trade Registration (per annum)	260.00
Bylaw Permit Fee (includes hawkers, advertising signs, hoardings, street stalls [large], amusement galleries, event registration)	156.00
Bylaw Permit Fee (includes street stall [small])	21.50
Beauty Therapy, Tattooing and Skin Piercing, Funeral Directors (registration and inspection fee one hour)	156.00
Amusement Devices – for one device, for the first seven days of proposed operation or part thereof	11.50
- Additional Device – first week (or part week)	2.30
- Additional Weeks (or part week) per device	1.15
Noise Control	
Noise control charges (seizure) - per callout to property	250.00
Return of seized equipment – administration and return fee per property, PLUS:	102.00
Burglar alarm disconnection (if required) (Actual contractor costs, plus staff time @ \$150.00 per hour, plus 10%)	Actual costs, plus staff time + 10%
General	
Abandoned vehicles removal and disposal (Actual contractor costs, plus staff time @ \$150.00 per hour, plus 10%)	Actual costs, plus staff time + 10%
Bylaws Enforcement (incl. long grass removal (fire risk) and removal of vegetation over-hanging public places). (Actual contractor costs, plus staff time @ \$150.00 per hour, plus 10%)	Actual costs, plus staff time + 10%
Gambling	
Venue and gaming machine per consent	357.00
ENVIRONMENTAL SERVICES - LIQUOR LICENSING	FEES
Licence Applications	As per Act
Manager's Certificates	As per Act

PLANNING - RESOURCE MANAGEMENT; LOCAL GOVERNMENT ACTS	FEES \$
Deemed Permitted Boundary/Marginal Activities	
Permitted Boundary Activity (PBA)	250.00
Permitted Marginal Activity (PMA)	250.00
Non-Notified Land Use	
Controlled	900.00
Restricted Discretionary	1050.00
Restricted Discretionary (minor)	600.00
Discretionary	1350.00
Discretionary (Heritage – Minor)	600.00
Non-Complying	1950.00
s221 Consent notice	1350.00
Non-Notified Subdivision	
Controlled	1,275.00
Restricted Discretionary	1,345.00
Discretionary	1,755.00
Non-Complying	1,960.00
Limited Notified Application	2,090.00
Publicly Notified Application	2,660.00
Plan Change	
<i>All fees are a deposit only. Where the costs for processing an application exceed the fee deposit, the additional cost will be payable.</i>	
Staff time (per hour)	150.00
Plan change	5,700.00
Additional Charges	
Site Inspections (per inspection up to one hour, then hourly rate shall apply)	100.00
Pre-hearing	535.00
Hearing	1,225.00
Hourly rate above deposit	150.00
External consultancy	Actual cost + 10%
Engineering plans for approval	No Charge to Applicant*
Protected trees	No Charge to Applicant*
<i>* Fees will not be charged for applications relating to in-ground disturbance work/trimming or removing trees listed in Appendix 1.4 (Notable Trees) of the Wairarapa Combined District Plan. This only applies where no other aspect of the proposal requires resource consent; e.g. a yard encroachment.</i>	

Certification	
s223 Certificate (surveying approval)	500.00
s224 Certificate (subdivision Certificate)	650.00
s226 Certificate (de-amalgamation)	650.00
s240/241 Approval (de-amalgamation/amalgamation)	650.00
s243 Approval (easements)	650.00
s348 of LGA Approval	650.00
s139 Certificate (Certificate of Compliance)	1050.00
s176 Outline Plans	750.00
s125 Request to extend Consent Timeframe	1050.00
s357 Objection to Decision/Conditions of Consent	850.00
s10 Existing Use Certificates	1050.00
Planning Certificate (SSoA 2012)	100.00
s222 Bond Certificate	400.00
s127 Variation to Consent	
Land Use Consent	1050.00
Subdivision Consent	1800.00
Land Information Memorandum Report	
LIM – Urgent (5 working days)	460.00
LIM – Standard (10 working days)	255.00
Certificate of Title Searches	30.00

BUILDING CONSENTS AND PIMs <i>Description: P & D = Plumbing and Drainage</i>	<i>All fees 15% GST Inclusive. The total fee, including levies is to be paid at lodgment time</i>	
	PIM FEES \$	TOTAL FEE EXCLUDING BRANZ AND DBH LEVIES \$
Minor Work		
Solid Fuel Heater	49.50	322.00
Inbuilt Solid Fuel Heater	49.50	449.00
Minor Plumbing & Drainage Work e.g. Fittings/Drain Alteration (1 inspection)	49.50	406.00
Drainage Work e.g. New Effluent Disposal System – Minor Subdivision Services	49.50	921.00
Wet Area Shower	49.50	515.00
Marquee >100sqm	49.50	307.00
Also see discretionary exemptions for marquees		
Sheds/Garages/Conservatories Etc.		
All Swimming Pool and Pool Fences	50.00	673.00
Garden Sheds/Carports & Other Minor Works	50.00	545.00
Minor Farm Buildings/Sheds 1-6 Bays etc, incl. Farm Bridges	99.00	713.00
Larger Farm Buildings (if P&D included add Minor P&D fee)	99.00	1,119.00
Proprietary Garages Standard (if P&D included add Minor P&D fee)	99.00	752.00
Proprietary Garages with Fire Wall	99.00	871.00
Proprietary Garages with Sleepout (if P&D included add Minor P&D fee)	99.00	871.00
Garages, Simple Custom Design Single Level (if P&D included add Minor P&D fee)	99.00	941.00
If outbuilding to be built wholly as Sleepout use Dwelling fee		
Transportable Outbuilding (Yard built to be moved offsite)	99.00	1376.00
Residential Repile	50.00	614.00
Residential Removal	50.00	257.00
Residential New Dwellings (including Multiproof)		
Hourly rate \$198.00 applies after maximum processing hours exceeded		
Single Storey Dwelling < \$500k (max. 6 hours processing)	347.00	4703.00
Complex Single Storey Dwelling > \$500k and Multi Storey (max. 10 hours processing)	594.00	5,742.00
Transportable Dwelling (Yard built to be moved off site)	99.00	3,029.00
Note: Double Units Charged at Single Unit Rate Plus 50%		
Residential Dwelling Additions & Alterations		
Hourly rate \$198.00 applies after maximum processing hours exceeded		
Minor building work - only 1 inspection, 1 hour processing	20.00	376.00

Building Alterations – up to 3 inspections (if P&D included add minor P&D fee), max. 2 hours processing.	99.00	921.00
Building Alterations – up to 8 inspections (if P&D included add minor P&D fee), max. 8 hours processing.	99.00	2,752.00
Note: Hourly rate applies to any alteration work where additional inspections are required.		
Relocated Residential Dwellings (Includes Transportable Dwellings placed Onsite)		
Note: If Relocation includes Alterations or Additions; add Alteration & Addition rate as above		
Relocated Residential Dwelling - Urban	594.00	1,723.00
Relocated Residential Dwelling - Rural	594.00	2,039.00
Commercial/Industrial		
Commercial demolition	50.00	574.00
Single Storey Shop Fit Outs	99.00	1,119.00
Multi Storey Shop Fit Outs	99.00	1,436.00
Single Storey Multi Unit Apartments/Motels	396.00	2,226.00 plus 452.00 per unit
Multi Storey Multi Unit Apartments/Motels	594.00	2,602.00 plus 755.00 per unit
Minor Commercial Work e.g. Signs/Shop Fronts/Minor Fit Outs (No P&D) <\$20,000	99.00	812.00
Commercial/Industrial <\$50,000	317.00	2,035.00
Commercial/Industrial \$ 50,001 - \$100,000	317.00	3,208.00
Commercial/Industrial \$100,001 - \$150,000	317.00	4,000.00
Commercial/Industrial \$150,001 - \$250,000	317.00	4,891.00
Commercial/Industrial \$250,001 - \$350,000	317.00	5,683.00
Commercial/Industrial \$350,001 - \$500,000	317.00	6,475.00
Commercial/Industrial \$500,001 - \$1,000,000	317.00	7,108.00
Commercial/Industrial Agricultural > \$1,000,001	1,056.00	7,431.00 plus 755.00 per \$100,000 value
Development levies may apply to commercial building consents. Please check with Council.		
Other Charges		
Hardcopy Application Fee		99.00
Electronic Application Fee (Simpli or email)		75.00
Re-inspection Fee (includes ¾ hour inspection) – plus \$207/hour over and above first ¾ hour		158.00

Amendment Fee (includes ½ hour assessment) – plus \$207/hour over and above first ½ hour plus additional inspections		297.00
Minor Variation Fee – No application form required (includes ¾ hour processing and admin.)		166.00
BRANZ Levy is \$1.00 per \$1,000. of GST Inclusive work of \$20,000. or more		
Building Levy is \$1.75 per \$1,000. of GST Inclusive work of \$20,444. or more		
<i>The building consent fee does not include the cost of any structural or fire engineer's assessment which may be required.</i>		
Structural Engineering or Fire Engineering Assessment/Peer Review		Cost + 10%
Fire and Emergency Design Review		No Charge
Compliance Schedule – new or amended		198.00
Building Warrant of Fitness – audit inspection fee per hour		198.00
Building Warrant of Fitness - Renewal		102.00
Certificate of Acceptance – Building consent fee for the applicable building payable with lodgment, plus actual cost charges at \$189.00 per hour payable on issue of certificate.		
Change of Use Notification		207.00 per hour
Building Certificate (Sale and Supply of Alcohol)		83.00
Building Consent Exemption Fee (Schedule 1 Exempt Building Work)		297.00
Application for Certificate of Public Use		297.00
Application for a Modification or Waiver to a Building Consent		99.00
Building Consent Minor Works printed		10.00 per 10 mins
Building Consent Residential Consents printed		50.00
Building Consent Commercial Consents printed (based on time taken)		50.00 +
Scan Documents, Dropbox, Email, Google Drive (per property)		20.00
Infrastructure Protection Deposits (refundable)		1,000.00
- All relocated dwellings (onto site or off site)		
- All work over a value of \$100,000.		
- All commercial work in urban areas with a value of more than \$20,000.		
- And at Officer's discretion when there is a risk to infrastructure		
Swimming Pool Charges – Existing Pools		
Triennial audit carried out by Council Officer		207.00
Site re-visit by Council Officer		103.50
Admin Fee for Audit carried out by IQPI		103.50
Removal of Pool – Owner to supply evidence (photos)		No charge

INFRASTRUCTURE AND SERVICES	FEE\$
Roading	
Land Purchase (including road stopping)	
Application fee	635.00
Water and Sewer Connections	
(All New Dwellings on Town Supply)	
Road Opening Bond	550.00
Water Administration Fee (paid to Council)	67.00
Sewer Administration Fee (paid to Council)	67.00
1. New water and sewer connections are administered by Council	
2. The applicant must use a contractor acceptable to Council	
3. No work may commence until the administration fee has been paid, and Council's maintenance contractor or the contractor have been notified	
4. Council's maintenance contractor must be advised of <u>all</u> work	
Sewerage	
Dumping Septic Tank Waste (per cubic metre)	62.00
Trade Waste Application	150.00
Trade Waste Annual Permit Fee	20.00
Trade Waste Annual Consent Fees (auditing/monitoring)	
- High Risk	460.00
- Moderate Risk	225.00
- Low Risk	105.00
- Reinspection Fee	100.00
For large discharges:	
Flow	0.56/m3
BOD	0.59/kg
SS	0.61/kg
Financial Contributions *	
Financial Contribution water	3,736.83
Financial Contribution sewer	2,013.17
<i>* Note there are specific charges levied under the RMA/Wairarapa Combined District Plan in relation to Greytown developments. Contact SWDC for more detail.</i>	
Water Rates	
Ad hoc water reading fee	40.00
Urgent water reading fee (within 48hrs)	100.00
Use over 350m3	1.84 per m3
Vehicle Crossings	
Vehicle Run Up Charge	550.00
<i>(Refunded after completed to Council specifications)</i>	
Rapid Numbers	
Rapid Numbering (per number)	50.00

TRANSFER & RECYCLING STATIONS

	<u>FEATHERSTON</u>	<u>GREYTOWN</u>	<u>MARTINBOROUGH</u>	<u>PIRINOA</u>
	Recycling Station	Recycling Station	Transfer and Recycling Station	Recycling Station
	60 Johnston Street	Cotter Street	Lake Ferry Road	3031 Lake Ferry Road
Monday	Closed	Closed	Closed	Closed
Tuesday	Closed	1.00pm - 3.30pm	Closed	Closed
Wednesday	Closed	Closed	10.00am - 4.00pm	1.00pm – 3.00pm
Thursday	11.00am – 3.00pm	Closed	Closed	Closed
Friday	Closed	Closed	Closed	Closed
Saturday	11.00am – 3.00pm	10.00am – 12.00pm	10.00am - 4.00pm	10.00am – 12.00pm
Sunday	11.00am – 3.00pm	10.00am – 1.00pm	10.00am - 4.00pm	3.00pm – 5.00pm (May – August) 4.00pm – 6.00pm (September – April)

	FEES \$
REFUSE	
Official Council Refuse bag	No charge
All other – up to 30 kg	10.00
General Refuse (Martinborough Only)	200.00 per tonne
RECYCLING	FEES \$
Clean and sorted recyclable items	No charge
Replacement Recycling Bins	17.50
Replacement Wheelie Bins	60.00
Green Waste (Recycling Stations)	
Car Boot	5.50
Van/Trailer Up to 250 kg	15.00
Large Trailer/Small Truck Up to 2 tonne	30.00
Large Truck Up to 6 tonne	60.00
Larger loads by the discretion of Council's Operator	
Car Bodies – Stripped (Martinborough Only)	40.00
Tyres (Martinborough Only)	
Car Tyres (per tonne)	555.00
Car & 4WD Tyres – up to four tyres on rims	5.00 each
Truck, Tractor or Earthmover Tyres, more than four tyres per load (any type) or mixed load containing tyres	555.00 per tonne