



SOUTH WAIRARAPA
DISTRICT COUNCIL

Kia Reretahi Tātau

Environmental Scan

2024

DRAFT

Date of Report	December 2024
Next Review	March 2026

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1. Executive Summary

This environmental scan is a strategic tool used by South Wairarapa District Council (SWDC) to systematically gather and analyse external and internal factors that could impact our operations, goals, or decision-making processes. The scan provides a comprehensive overview of the environment in which SWDC operates, helping it to adapt to trends, take advantage of opportunities, and address potential threats.

This document discusses growing features of our economic, social and cultural development and outlines trends across political, social, technological, legal and strategic, and environmental (PESTLE) spheres. This environmental scan is one tool we can use to inform and support the development of our 2025-2034 Long-Term Plan (LTP).

It also examines the strategies connected to the LTP and the four outcomes which they are based on.

2. Introduction

An environmental scan is essential as it helps SWDC navigate uncertainties, adapt to change and be more competitive.

To plan for the future of the South Wairarapa district, we need to think about the direction of global and national affairs and how the district can adapt to challenges and respond to opportunities.

The Forces of Change section of this environmental scan is based on global prediction from International Research bodies and also on national trends from both Deloitte NZ and Government Departments. New Zealand Trends will look at national and district level shifts across a range of areas which support our strategic direction in the development of the LTP. In this report, we explore each of the following:

- Forces of change that are shaping events, and our social and economic development patterns, both globally and locally.
- Political, economic, social, technological, legal, and strategic and environmental (PESTLE) trends and their implications for New Zealand and the South Wairarapa district.
- Connecting our strategic outcomes with the purpose of local government.

3. Forces of Change (Megatrends)

Many of the trends that shape the possible future of our district – geopolitical instability and the global economy, climate change, and accelerating technology – are global in nature. These forces of change influence the political, economic, social, technological, legal, and strategic and environmental trends across New Zealand and the South Wairarapa.

3.1 Geopolitical Instability

Geopolitical tensions and conflicts continue to have far-reaching impacts on international relations, economies, markets, and our daily lives.¹

EY Parthenon Geostrategic Outlook for 2023 had the overarching theme of “stabilised volatility” as the description for geopolitical tensions and government intervention in economies. The prediction for 2024 and into the middle of the decade, is the global environment will remain volatile and unstable. The future of the relationships between the great powers (the US, EU and China) remains uncertain. The US election, with swing states playing a crucial role in determining the geopolitical situation for the US, continues to create volatility for the global geopolitical landscape, especially in those areas that remain unstable. Geopolitical swing states will continue to expand their influence regarding the topics on the global agenda and how issues are addressed.²

There is an ongoing risk that either the Russia-Ukraine and/or the Israel-Hamas conflicts escalate with additional major powers becoming involved. Further escalation in these conflicts would impact the global economy, create supply chain issues and potential large-scale destruction and consequences.

The threat for the US to withdraw from Nato following the election of Donald Trump is concern for ongoing conflict and European nations. With the US the largest donor of military aid to the Ukraine.³

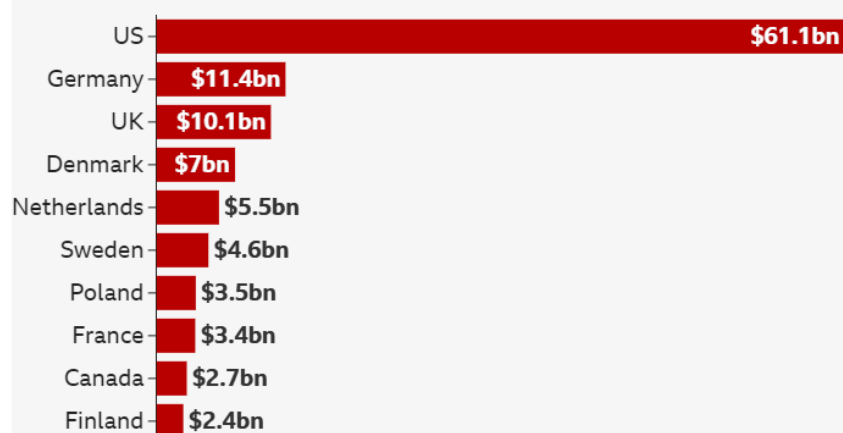
¹ Deloitte. 2023. [Into the wind: Capabilities to navigate uncertainty](#). State of the State 2023 report.

² EY: [ey-2024-geostrategic-outlook-report.pdf](#) 2024 Geostrategic Outlook, Dec 23.

³ BBC - [How this US election could change state of the world](#)

Top donors of military aid to Ukraine

Monetary value of donated weapons and equipment, to 31 August 2024



Source: Kiel Institute for the World Economy
 Figures also include financial assistance for military purposes

BBC

As armed conflict continues around the world, harmful inaccurate information continues to be used to generate tension and target civilians. It is used in relation to the Russia-Ukraine and Israel-Hamas conflicts. These actions have gravely distorted and manipulated facts to justify and support aggression against other countries.⁴ Disinformation is amplified by well-funded foreign groups who seek to benefit from creating disharmony across different countries.⁵

Emerging and frontier markets will be increasingly vocal about what they perceive to be double standards of Western governments. And smaller actors — including both governments and non-state actors — are likely to assert themselves both locally and regionally across the globe.⁶

Less than 8% of the world's population now live in a full democracy, while almost 40% live under authoritarian rule. The increased violent conflict globally has badly dented democracy and seen the lowest levels of democracy since 2006.⁷

⁴ Department of the Prime Minister and Cabinet: [Public Research and Insights into Disinformation | Department of the Prime Minister and Cabinet \(DPMC\)](#) Public Research and Insights into Disinformation 2024.

⁵The Disinformation Project - [Understanding disinformation — The Disinformation Project \(thedisinfo.org\)](#)

⁶ EY: [ey-2024-geostrategic-outlook-report.pdf](#) 2024 Geostrategic Outlook, Dec 23.

⁷ Economic Intelligence Unit (EIU) [Democracy Index 2023 | Economist Intelligence Unit \(eiu.com\)](#)

3.2 Global Economy

World growth unexpectedly held up in 2023, driven by a normalisation of consumption in China and a pick-up in the US growth, which have outweighed a sharp slowdown in Europe following the regional energy shock in 2022.⁸

In Dec 2023, Fitch Ratings predict the world growth to fall sharply in 2024 to 2.1% as the full impact of monetary tightening feeds through to private spending, consumption growth in China fades - with investment and export prospects there remaining weak- and the eurozone recovers only marginally. Global growth is likely to recover in 2025 on interest rate cuts starting in 2024, but although globally interest rates will peak, descent will be shallow. Expectations of a US slowdown ahead, with Europe to stagnate as credit and exports fall and China struggles to stabilise its property sector.⁹

In September 2024, the Fitch Ratings global economic outlook for 2024 increased slightly to 2.7% growth following long awaited monetary easing. The forecasts for the US, UK, Brazil and Russia have also been revised upwards. However, it is expected global GDP will slow to 2.5% in 2025 with the US gradual slowdown in consumption and Chinas economic growth to fall in 2025.¹⁰

The NZ Treasury: Budget Economic and Fiscal update 2024 (30 May 2024) expects a gradual strengthening of the economy from late 2024, through continuing recovery in tourism earnings, an easing inflation outlook and private sector income. The prediction is GDP growth increasing to 1.7% in the year to June 2025 and averaging 2.9% pa over the next three years.¹¹

2022 and 2023 saw inflation rates rise all over the world, from the effect of the Covid pandemic and Russia's invasion of Ukraine. Inflation affects government revenue and expenditure by increasing the price of delivering services. This results in cost increases to maintain current levels of service.¹² Global inflation is expected to decline steadily starting from 6.8% in 2023, to 5.9% in 2024 and 4.5% in 2025.

The latest world economic outlook from IMF (October 24) reports stable but underwhelming global growth as monetary policies ease amid continued disinflation.¹³

⁸ FitchRatings: Global Economic Outlook – December 2023

⁹ Fitch Ratings: Global Economic Outlook – December 2023

¹⁰ Fitch Ratings: [Global Economic Outlook - September 2024 \(fitchratings.com\)](https://www.fitchratings.com/global-economic-outlook-september-2024)

¹¹ The NZ Treasury: Budget Economic and Fiscal update 2024 (30 May 2024) [Budget Economic and Fiscal Update 2024 - 30 May 2024 \(treasury.govt.nz\)](https://www.treasury.govt.nz/publications/budget-2024)

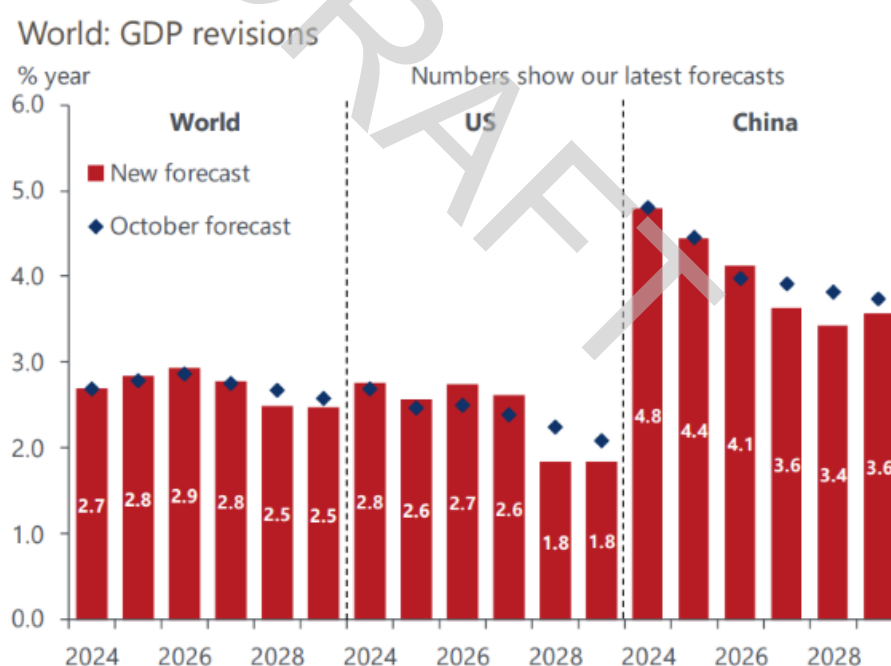
¹² The treasury: FEU Special Topic – Inflation and fiscal policy, 2023. <https://www.treasury.govt.nz/publications/research-and-commentary/rangitaki-blog/feu-special-topic-inflation-and-fiscal-policy#:~:text=Inflation%20will%20affect%20government%20revenue%20and%20expenditure.&text=Rising%20inflation%20increases%20the%20price,a%20given%20level%20of%20service.>

¹³ International Monetary Fund - [World Economic Outlook - All Issues](https://www.imf.org/en/Publications/WEO/Issues/2024/10/24/world-economic-outlook-all-issues)

However, following the outcome of the US election, Oxford Economics now forecast a lower GDP in 2025 and a reduced forecast in world trade growth, higher investment within the US but a decline in global investment.¹⁴

The recent US elections, with president-elect Donald Trump will see economic consequences for the rest of the world that are likely to be deep and quite immediate. With the Republicans having won the Senate and the House of Representatives it will make it easy for the incoming president to legislate his proposals. Promised import duties include a 10% universal tariff on imports from all foreign countries, 25% tariff for Canada and Mexico and a 60% tariff on imports from China. As firms mostly pass import costs onto the customer, tariffs are likely to be inflationary for US buyers, forcing interest rates to remain high for longer.¹⁵

The NZ Treasury has noted that already there is trade uncertainty following the US elections and that is impacting business decisions globally. In the short-term, there has been an increase in US imports as businesses bring forward import orders, consistent with the experience from the 2018-19 trade war.¹⁶



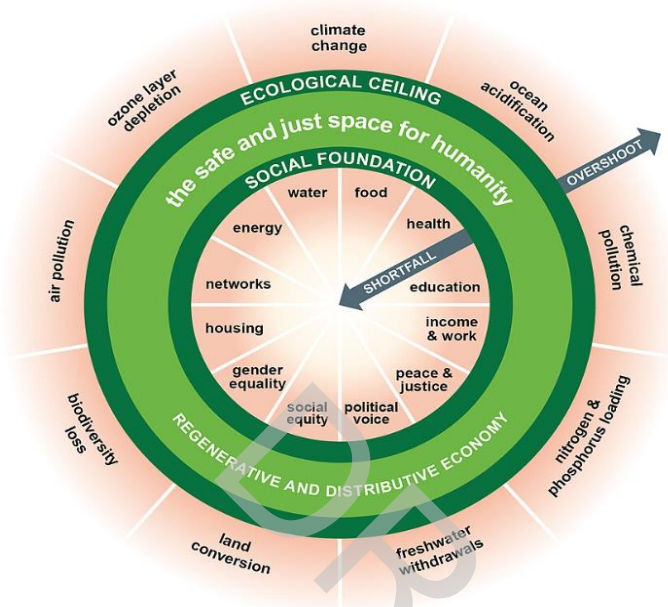
Source: Oxford Economics/Haver Analytics

¹⁴ Oxford economics - [Growth forecasts trimmed on review of Trump 2.0 impact | Oxford Economics](#)

¹⁵ Reuters - [Trump victory to reverberate through global economy | Reuters](#)

¹⁶ NZ Treasury - [Fortnightly Economic Update - 29 November 2024](#)

With the global trend of monetary tightening feeding through all sectors of the economy, there is growing support for the adoption of the principles of a Circular Economy. The circular economy is a system where materials and products are kept in circulation through processes like maintenance, reuse, refurbishment, remanufacture, recycling, and composting.¹⁷ The circular economy attempts to address climate change and other global challenges, like biodiversity loss, waste, and pollution, by decoupling economic activity from the consumption of finite resources.



Both central and local government have an opportunity to make legislation, develop policies, procure services, fund activities, and set levels of service that influences the capacity of a community to act on these principles.

Consumer and government spending are continually affected by the ongoing demographic trend of income-reducing impacts and climate change. As we enter an extended period of volatility, and slower economic growth, pressure will be put on global economic and political systems, leading to the potential for individuals and groups to feel uncertain and distrustful of established institutions and governments.¹⁸

3.3 Climate Change

In 2023, the Intergovernmental Panel on Climate Change (IPCC) delivered its strongest warning. This observation comes at a time when global warming of 1.5°C and 2°C is predicted during the 21st Century, with larger increases over land than over the ocean. The

¹⁷ Ellen MacArthur Foundation. Circular Economy (2023) <https://ellenmacarthurfoundation.org/topics/circular-economy-introduction/overview>

¹⁸ National Intelligence Council. 2021. [Global Trends 2040: A more contested world](#). National Intelligence Council, 31 March 2021

IPCC report observes that global surface temperatures had increased faster since 1970 than in any other 50-year period over the last 2000 years.¹⁹

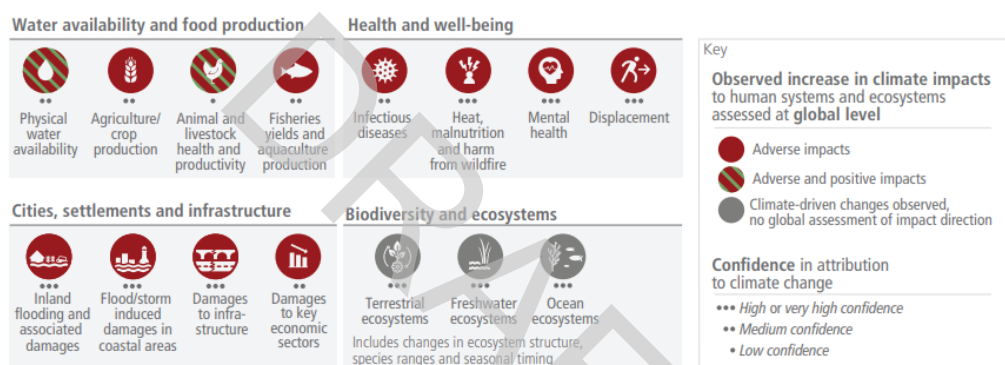
In 2019, contributing factors to climate change include approximately 79% of global GHG emissions coming from the sectors of energy, industry, transport, and buildings together, and 22% from agriculture, forestry and other land use.²⁰

The report highlights the vulnerability of all life to these impacts, including death, displacement, impacts to health and wellbeing, risks to food security including crop failure and reduced yields, impacts on livestock and fisheries, access to water and damage to infrastructure.²¹

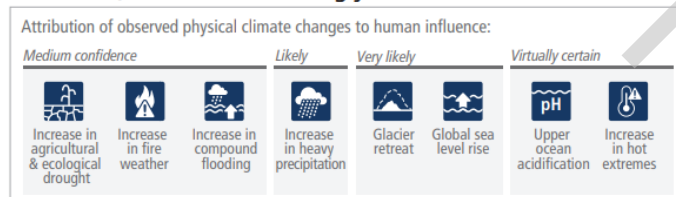
IPCC Synthesis Report on Climate Change includes:

Adverse impacts from human-caused climate change will continue to intensify

a) Observed widespread and substantial impacts and related losses and damages attributed to climate change



b) Impacts are driven by changes in multiple physical climate conditions, which are increasingly attributed to human influence



To understand the effects climate change will have on our district Ministry for the Environment predicts that compared to the base period 1995-2014 the South Wairarapa District is likely to have²²

- By 2021 – 2040: 5.7-13.7 days over 25 °C and 0.5 -0.8 days over 30 °C annually. The average daily temperature is likely to be 0.5- 0.7 C higher.

¹⁹ IPCC Synthesis ReportL Climate Change 2023: [IPCC AR6 SYR SPM.pdf](#)

²⁰ IPCC Synthesis ReportL Climate Change 2023: [IPCC AR6 SYR SPM.pdf](#)

²¹ IPCC Synthesis ReportL Climate Change 2023: [IPCC AR6 SYR SPM.pdf](#)

²² Ministry for the Environment [Aotearoa New Zealand climate projections | Ministry for the Environment](#)

- 2041-2060 will have between 15.3 -21.4 days over 25°C and 1-1.5 days 30°C annual. The average daily temperature is likely to be 0.8 -1.3 °C higher

Potential land-use changes and intensification of agricultural land may increase pollution in our waterways. The number of pollutants entering streams, rivers and the oceans is linked to intensified agriculture and forestry, drained wetlands, industrial and urban development. Structures for diverting or controlling water flow patterns alter the natural integrity of rivers and their ability to adjust.²³

The frequency and severity of severe weather events at a global and national level are on the rise and have increased by a factor of five over the last 50 years.¹ Global, large-scale displacement is already occurring, from wide-spread fires and sudden onset flooding events.

The potential for insurers to abandon parts of the region’s coastal and river settlements in the coming decade in response to inundation and flooding risk is a pressing reality and transitions will be costly for individuals and communities.²⁴

With all this in mind, Environment Aotearoa 2022 takes the view that people are inherently connected to the environment, and that wellbeing is interdependent on the environment. “our health, our livelihoods, our leisure – our wellbeing – are depend on a healthy environment”²⁵

3.4 Global Health Watch

A highly pathogenic strain of avian influenza (H5N1 Bird Flu) has been spreading around the globe since 2020. New Zealand’s geographical isolation has protected us to date. Bird Flu arrived in New Zealand this month via migratory wild birds (although not the H5N1 strain) and has the potential to spread to other wildlife or poultry by direct contact between infected and healthy birds.²⁶

If H5N1 Bird Flu is detected in New Zealand, it is likely to impact:

- taonga species and native biodiversity
- commercial poultry production, and related sectors
- food supply of poultry products
- human health, if in contact with or handling infected birds

²³ Environmental Aotearoa 2022 [Pōhutukawa – Loss, extinction, gratefulness to the environment \(te taiao\) | Ministry for the Environment](#)

²⁴ Storey B, Noy I, Townshend W, Kerr S, Salmon R, et al. 2017 [Insurance, housing and climate adaption: Current knowledge and future research](#), Motu Economic and Public Policy Research.

²⁵ Ministry for the Environment - [About Environment Aotearoa 2022 | Ministry for the Environment](#)

²⁶ NZHerald - [NZ’s first case of high pathogenic strain of bird flu found on Otago egg farm - NZ Herald](#)

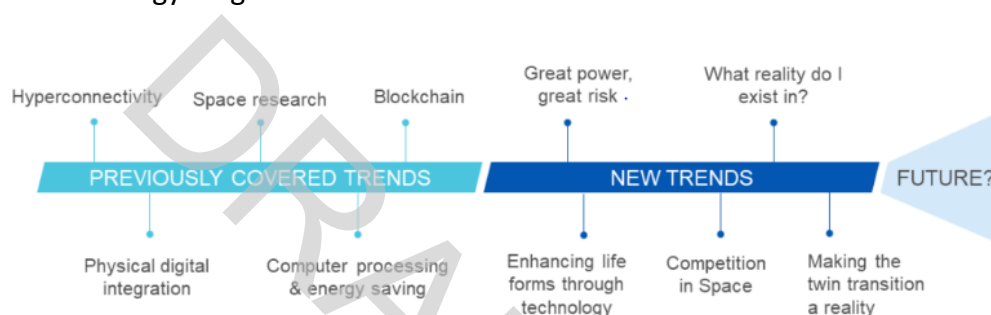
H5N1 Bird Flu is now widespread in wild birds worldwide, with outbreaks in poultry and dairy cows and several recent human cases in dairy and poultry workers in the US.²⁷

3.5 Technology and Artificial Intelligence

Global rapid technological advancement continues to have impacts globally and the ways in which we can use these advancements across all sectors to modernize both infrastructure and services continues to change.¹ We have more information to draw on, than ever before, but our capacity to synthesize information and make decisions lags the rate of data collection and technology aided analysis.¹

As technology, such as artificial intelligence (AI) becomes more accessible, businesses can leverage technology to optimize profits and levels of service.¹ Boston Consulting Group predict we are entering a period of generational change in AI, with the potential to transform entire industries with machines now able to exhibit behaviour indistinguishable from humans.²⁸

European Commission on technology change and hyperconnectivity outline the following timeline for technology megatrends.²⁹



According to the Harvard Business Review, applications of AI to the public sector are broad and growing around the world³⁰. The potential uses of AI in government are wide and varied with Deloitte¹ considering that cognitive technologies could eventually revolutionise every facet of government operations including supporting public policy objectives and assisting in public interactions and customer service.

Along with AI, data is an increasing valuable business asset. By 2024, more organisations will have streamlined their operations and improved their customer offering by taking a strategic approach to data. Access to large-scale data collection and AI driven analytics will become increasingly democratised.³¹

As this occurs, cybersecurity and information privacy become ever more important. New Zealand is already vulnerable to cyber threats based on our current internet infrastructure.³²

²⁷ Centers for Disease Control and prevention - [H5 Bird Flu: Current Situation | Bird Flu | CDC](#)

²⁸ Boston Consulting Group - [What is Generative AI and How Does it Impact Businesses? | BCG](#)

²⁹ European Commission Feb 2023 - [Accelerating technological change and hyperconnectivity | Knowledge for policy \(europa.eu\)](#)

³⁰ Martinho-Truswell, Emma (2018-01-26). "How AI Could Help the Public Sector". Harvard Business Review. Retrieved 2018-12-31

³¹ Forbes - [The 10 Biggest Business Trends For 2024 Everyone Must Be Ready For Now \(forbes.com\)](#)

³² Daalder M. 2021. [The gaping holes in our cyber borders](#). Newsroom, 3 June 2021

4. New Zealand Trends

This section explores growing feature of the New Zealand economic, social, and cultural development taking place nationally and locally. It will discuss political, economic, social, and litigation trends that sit below the global forces of change and their implications for New Zealand and the South Wairarapa District.

4.1 Te Ao Māori

At a national level, the Māori economy is continuing to diversify and demonstrates significant growth, with most recent estimates indicating it is worth \$69 billion in assets.³³ The Māori economy grew at nearly twice the rate of the total economy between 2013 and 2018.³⁴

As part of the crown negotiations with Ngāti Kahungunu ki Wairarapa and Rangitāne o Wairarapa the bed of Lake Wairarapa and much of the surrounding public reserve land, has been returned to iwi.³⁵ To support management of the Ruamāhanga River Catchment, a statutory board has been developed with members from Ngāti Kahungunu ki Wairarapa Tamaki Nui a Rua Settlement Trust (including members representing Kohunui and Pāpāwai Marae), Rangitāne Tū Mai Ra Trust, and members representing the Ministry of Conservation, Greater Wellington Regional Council and SWDC.

4.2 Persistent Inequality

Globally and across New Zealand, there is a continuation of persistent inequity in the distribution of wellbeing across financial, educational, health, and social domains. In New Zealand, net worth varies significantly between different demographic groups and the top 10% of households continue to hold approximately 50% of the country's total household new worth.³⁶

These disparities in financial wellbeing translate into systemic inequities that are persistent and entrenched in social, educational, and health domains. Over the last two decades NZ has experienced the largest growth in inequalities in the OECD.³⁷

³³ Nana G, Reid A, Schulze H, Dixon H, Green S, Riley H. 2021. [Te Ōhanga Māori 2018 – The Māori Economy 2018](#). Reserve Bank of New Zealand & BERL.

³⁴ RNZ - [Māori 'too often' under-served by financial system - Adrian Orr | RNZ News](#)

³⁵ Wairarapa Moana Wetlands (2023) <https://www.waiwetlands.org.nz/about-the-project>

³⁶ "Distribution of Wealth Across New Zealand Households Remains Unchanged Between 2015 and 2021." Stats NZ.

<https://www.stats.govt.nz/news/distribution-of-wealth-across-new-zealandhouseholds-remains-unchanged-between-2015-and-2021>.

³⁷ MSD: [The widening gap: perceptions of poverty and income inequalities and implications for health and social outcomes - Ministry of Social Development \(msd.govt.nz\)](#) The widening gap: perceptions of poverty and income inequality and implications for health and social outcomes. 2011

The impact of inflation is typically distributed unequally across certain social groups and continues to perpetuate persistent inequity in the distribution of wellbeing.³⁸

The New Zealand Index of Deprivation³⁹ is an area-based measure of socio-economic deprivation which measures level of deprivation based on nine 2023 Census variables. 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.

Location	Deprivation
Aorangi Forest	3
Kahutara	4
Featherston	7
Tauwherenikau	2
Martinborough	3
Greytown	2

Note: Deprivation 1 is the least and Deprivation 10 is the most.

This persistent inequality will continue with the cost of living for the average household in NZ increased by 6.2% in the 12 months to March 2024. This follows a 7% increase in the 12 months to Dec 2023.⁴⁰ The largest contributors to the increase in the cost of living for households were:

- Interest payments increased by 28.2%
- Private transport supplies and services increased by 9.6%
- Insurance increased by 17.9%

4.3 Polarised Perspectives

The complexity of the information landscape highlights the impacts of misinformation and disinformation on social cohesion.¹ Globally, studies show significantly increased disagreement on economic and social issues over the last 20 years and there has been a downward trend in the public's level of trust in government and institutions since 2007.⁴¹

³⁸ National Institute of Economic and Social Research (2023). <https://www.niesr.ac.uk/blog/unequal-impact-rising-inflation>

³⁹ Massey University socioeconomic deprivation profile - [EHINZ](#)

⁴⁰ Stats NZ: [Household living costs increase 6.2 percent | Stats NZ](#)

⁴¹ Political Polarisation: the Phenomenon That Should Be on Everyone's Lips." CaixaBank Research. Last modified 25 November 2022. <https://www.caixabankresearch.com/en/economics-markets/public-sector/political-polarisation-phenomenon-should-be-everyones-lips>.

Following the Covid pandemic, The World Health Organisation (WHO), warned of an infodemic (too much information, which includes false and misleading information) to cause confusion and risk-taking behaviour that can harm health.⁴²

In New Zealand, we are experiencing the highest levels of disinformation and widespread conspiracy theories seen yet⁴³. Disinformation is defined as false or misleading information created or shared with the intent to cause harm. It is both a global and local issue that is having a growing impact on society. It is often centred around exiting fears, stereotypes and harmful beliefs about groups, as well as a belief that government seeks to harm people.⁴⁴ In New Zealand, the rise of disinformation has taken place alongside a reduction in mainstream journalism. With 2024 seeing the largest loss of journalism jobs in NZ history.⁴⁵

Locally this shift will make it increasingly harder to address the range of issues for our communities, may mean a loss of diversity and make it difficult to provide the public good that makes for a healthy society.⁴⁶ For example, issues like Climate Change become more complex with communication, consultation and public image being adversely impacted.

Political polarisation is the divergence of political attitudes away from the centre, towards ideological extremes as NZ has experienced recently with Te Tiriti and more locally Māori wards. The increasing political divide at a national level is also fuelling polarising perspectives locally as well.

4.4 Political Trends

Over the last several years, the world has entered a period of political instability and uncertainty⁴⁷ and New Zealand has not been immune to these global forces of change.⁴⁸

Political change was a strong theme of the last elections, both at central government and locally. The change of government in 2023 for New Zealand has resulted in a dramatic change in government direction with large-scale public-sector job cuts and rapid legislative changes including Local Water Done Well, Māori wards, infrastructure, roading and the Resource Management Act. Central government continues to reset the role of local government and the current narration around “core” duties adding to the pressures of legislative change with no financial support to implement.

Despite this, New Zealand is well positioned in terms of political external stresses, as we continue to rank highly in democratic processes and anti-corruption indicators, in comparison to other nations. In 2023, New Zealand was ranked third (behind Denmark and Finland) out of 180 countries for a lack of corruption. However, the corruption score for NZ

⁴² World Health Organization [Infodemic \(who.int\)](https://www.who.int)

⁴³ Russell Palmer. "Rise in Disinformation, Conspiracy Theories Prompts Calls for Election Protections." RNZ. Last modified 8 April 2023. <https://www.rnz.co.nz/news/political/487555/rise-in-disinformationconspiracy-theories-prompts-calls-for-electionprotections>.

⁴⁴ [Understanding disinformation — The Disinformation Project \(thedisinoproject.org\)](https://www.thedisinoproject.org/)

⁴⁵ The Spinoff - [This could be the biggest loss of journalism jobs in New Zealand history. What's next? | The Spinoff](https://www.thespinnoff.co.nz/news/this-could-be-the-biggest-loss-of-journalism-jobs-in-new-zealand-history-what-s-next-|the-spinoff)

⁴⁶ Princeton University - [Political polarization and its echo chambers: Surprising new, cross-disciplinary perspectives from Princeton](https://www.princeton.edu/news/2023/05/16/political-polarization-and-its-echo-chambers-surprising-new-cross-disciplinary-perspectives-from-princeton)

⁴⁷ World Economic Forum. 2022. [The Global Risks Report 2022](https://www.weforum.org/reports/the-global-risks-report-2022). World Economic Forum.

⁴⁸ Daalder M. 2021. [The gaping holes in our cyber boarders](https://www.ey.com/en-us/issues-and-insights/cybersecurity/the-gaping-holes-in-our-cyber-boarders). Newsroom, 3 June 2021

has been slowly declining since 2020 following reduced confidence from the business community in the integrity of public contracting, taxation and trade.⁴⁹

In 2023, The Democracy Index rated New Zealand second for most democratic country, out of 24 countries globally that are considered full democracies by the EIU (the research and analysis division of The Economist Group).⁵⁰

At a local level, we are seeing active participation in local democracy. We continue to remain in the top ten councils with the highest voter turnout levels and see voter turnout well above the national average. In 2022, we had a voter turnout rate of 54.28%, compared to total turnout rate of 40.44% or the lowest turnout rate, which was Hamilton City 29.4%.⁵¹ We are also experiencing increasing expectations from the public to be fully informed and actively involved in decision making processes.

4.5 NZ Economic Trends

October 2024 saw New Zealand return to 2.2% inflation, which falls within the inflation target set by the Government of between 1-3% over the medium term, with a focus on keeping future inflation near the 2% midpoint.⁵²

Households have faced a variety of pressures in recent years. Rapidly rising prices have put pressure on household budgets with prices measured by the consumer price index increasing nearly 19% over the past three years. Wages initially did not keep up with increasing prices, in part reflecting the unanticipated nature of inflation. This saw real hourly wages decline. The Reserve Bank's May 2024 Financial Stability Report shows the average mortgage rate increased from a historical low of 2.8% in September 2021 to 6.0% in March 2024.⁵³ Higher interest rates have resulted in the share of disposable income now being used for mortgage interest payments, which have doubled between the end of 2021 and the beginning of 2024.

In line with households, Councils are also experiencing significant cost escalation. A report commissioned by Local Government New Zealand (October 2024) demonstrates that in the last three years, building bridges, sewerage systems, roads and water supplies has become 38%, 30%, 27% and 27% more expensive to build respectively.⁵⁴

With inflation pressure currently abating, interest rates will begin gradually easing from late 2024, slightly earlier than initially forecast. As interest rates ease, domestic activity is forecast to gradually pick up over the second half of 2024 and into 2025 with gradually rising house prices supporting residential investment and household spending.

⁴⁹ [New Zealand - Transparency.org](https://www.transparency.org)

⁵⁰ EIU: Democracy Index 2023 . [Democracy Index 2023 \(eiu.com\)](https://www.eiu.com)

⁵¹ VOTE 2022: Final voter turnout results. <https://www.votelocal.co.nz/final-voter-turnout-results/>

⁵² Reserve Bank of New Zealand - [Inflation - Reserve Bank of New Zealand - Te Pūtea Matua](https://www.reservebank.govt.nz)

⁵³ Reserve Bank of NZ - [Financial Stability Report - Reserve Bank of New Zealand - Te Pūtea Matua \(rbnz.govt.nz\)](https://www.reservebank.govt.nz)

⁵⁴ Wellington Regional Leadership Committee 1 October 2024 - [Wellington Regional Leadership Committee \(wrlc.org.nz\)](https://www.wrlc.org.nz)

Weak demand and record high net migration have seen the NZ unemployment rate increase from a record low 3.2% at the start of 2022 to 4.3% in the March quarter 2024.

Unemployment is forecast to peak at 5.3% at the end of 2024. The current number of unemployed in South Wairarapa is 645 (a year-to-date increase of 75 people) as of June 2024 (this includes job seekers, sole parents, supported living and other benefits).⁵⁵

Economy

The economy is clearly weaker, with households tightening their belts as job security deteriorates, unemployment rises, and businesses reporting lower sales and limiting further hiring. Provisional estimates from Infometrics show a fall in economic activity in the June 2024 quarter, with quarterly activity down 0.2%pa from a year ago.⁵⁶

Economic sentiment remains poor, with numbers looking less downbeat than many are feeling. Retail trade activity, manufacturing, and the primary sector are all facing more challenging environments, as are the likes of construction and professional services. The housing market remains flat too, although the beginning of interest rate relief might well start to introduce some limited optimism for the year ahead.⁵⁷

Heightened trade tensions globally will tend to reduce NZ trade activity overall. With President-elect for the US proposed 10% universal tariff on all import impacting our local markets. About 40% of NZ's beef exports are in the US and this is expected to create a 5% decrease in average farm-gate prices for cattle in NZ.⁵⁸

2024-25, lamb and beef farming through the east coast (including Wairarapa) had the lowest level of farm profit on record (expect for 2007-08).⁵⁹ Overall, Farm profit is forecast to decrease 7.4% with smaller increases in revenue being offset by higher increases in expenditure. With sheep, lamb and beef numbers decreasing across NZ.⁶⁰

⁵⁵ Ministry for Social Development latest benefit fact sheet Territorial Authorities June 2024 - [Benefit Fact Sheets - Ministry of Social Development \(msd.govt.nz\)](#)

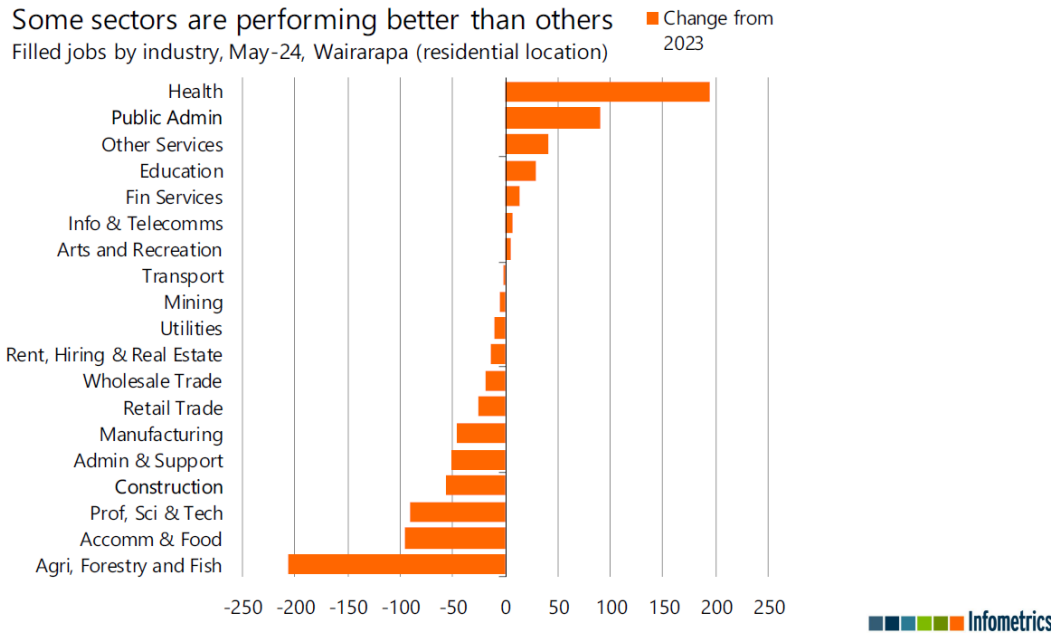
⁵⁶ Infometrics, Brad Olsen: Wairarapa Business Summit July 2024

⁵⁷ Infometrics, Brad Olsen: Wairarapa Business Summit July 2024

⁵⁸ Beef and Lamb NZ - [new-season-outlook-2024-25.pdf](#)

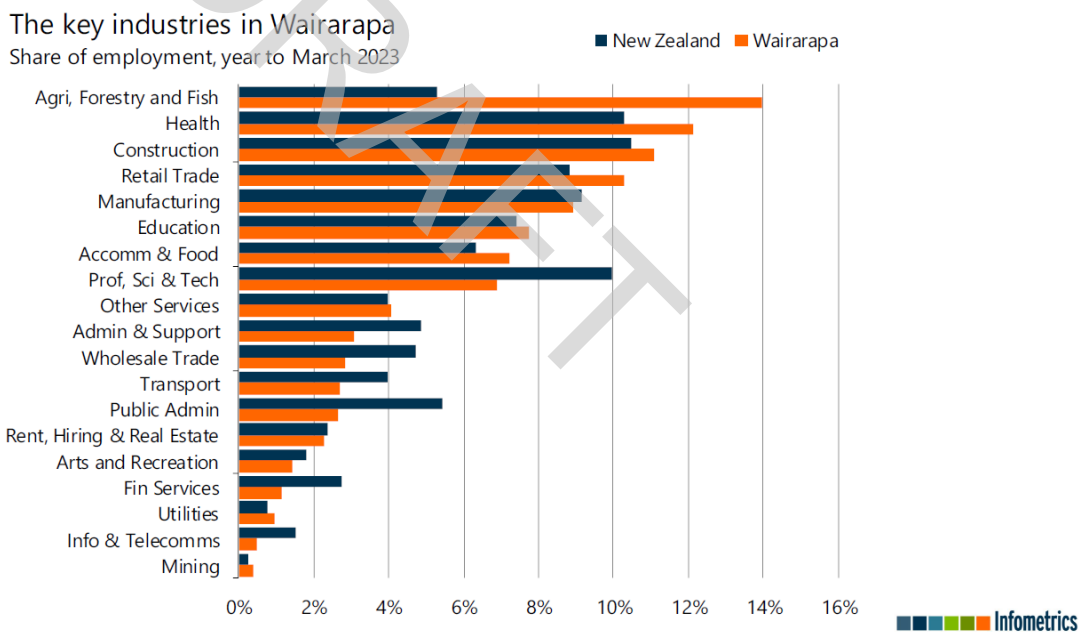
⁵⁹ Beef and Lamb NZ - [new-season-outlook-2024-25.pdf](#)

⁶⁰ Beef and Lamb NZ - [new-season-outlook-2024-25.pdf](#)



Wairarapa job activity is growing, but slower, currently up 0.8% pa, with some sectors performing better than others.⁶¹

Key industries for the Wairarapa in the year to March 2023 include⁶²:



International tourism recovery post covid for NZ continues to hover at around 80% of pre-pandemic levels, with domestic tourism levelling out for the Wairarapa (see graph below).⁶³

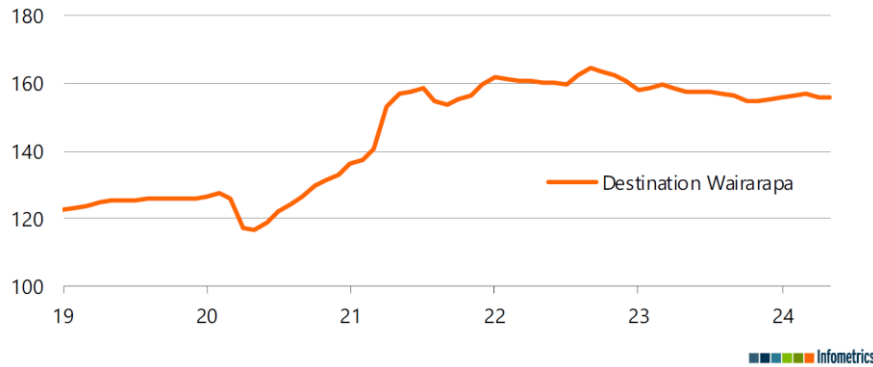
⁶¹ Infometrics, Brad Olsen: Wairarapa Business Summit July 2024

⁶² Infometrics, Brad Olsen: Wairarapa Business Summit July 2024

⁶³ Infometrics, Brad Olsen: Wairarapa Business Summit July 2024

Domestic tourism levels out, but at higher level

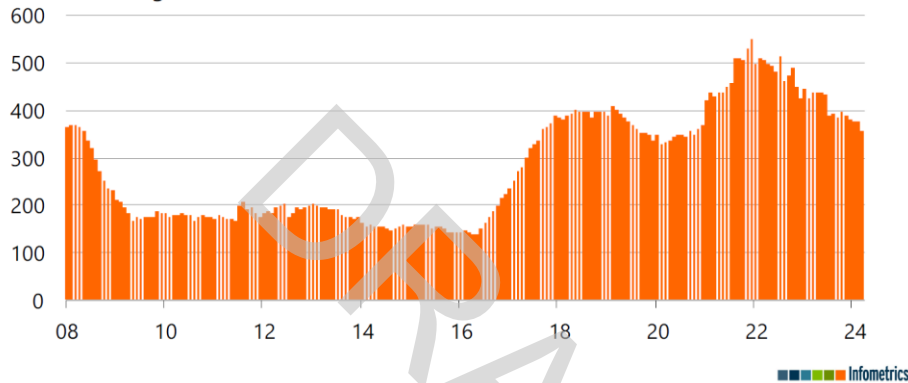
\$m, domestic tourist electronic card spending, annual running totals



Annual spending has flattened, up just 0.5% pa (based on card spending and annual running totals). Construction in the Wairarapa is down 19% pa (see graph below).⁶⁴

Pulling back from highs, down 19%pa

Annual running total, residential consents



4.6 Population Trends

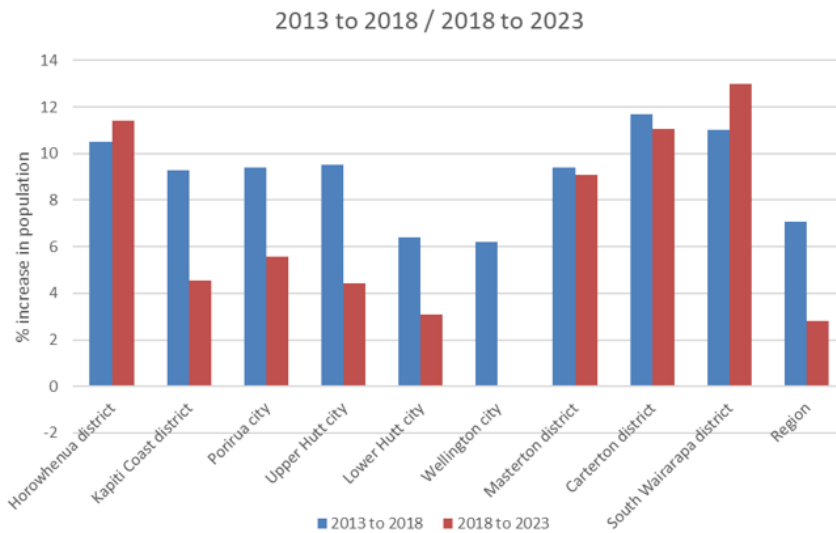
New Zealand’s population is estimated at 5.12 million and has a 90% probability of increase to between 5.17-5.55 million in 2028 and to between 5.28 and 5.85 million in 2033.⁶⁵

The distribution of growth for the Wellington region over the last five years is broadly as forecast by Sense Partners. Between 2018-2023 South Wairarapa and Horowhenua had the highest growth rates for the Wellington Region, as seen in the graph below from the Wellington Regional Leadership Committee 1 October 2024.⁶⁶

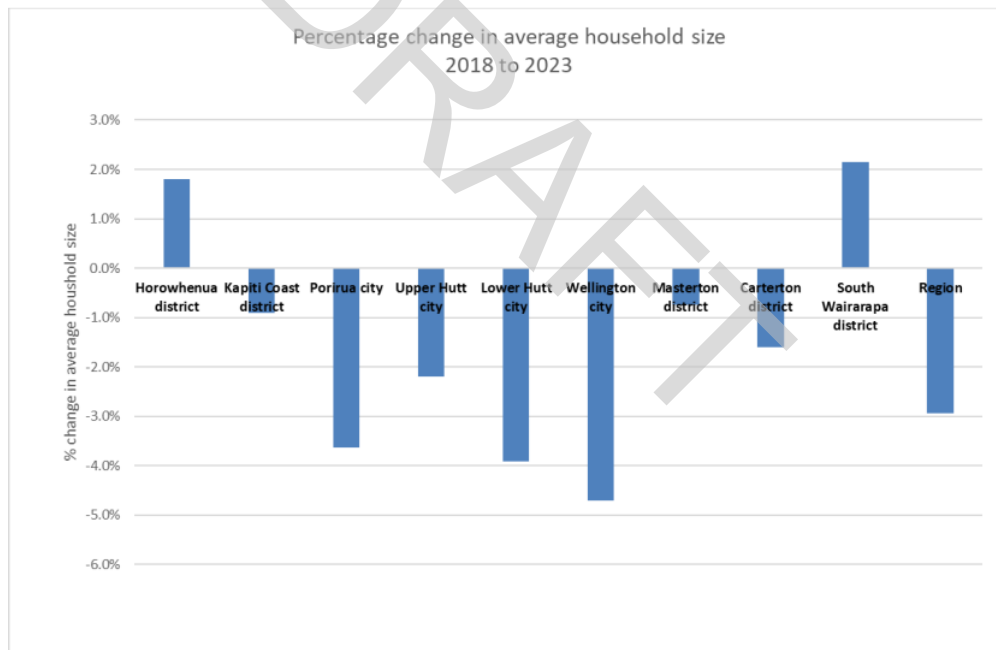
⁶⁴ Infometrics, Brad Olsen: Wairarapa Business Summit July 2024

⁶⁵ Statistics [National population projections: 2022\(base\)-2073 | Stats NZ](#)

⁶⁶ Wellington Regional Leadership Committee 1 October 2024 - [Wellington Regional Leadership Committee \(wrlc.org.nz\)](#)



However, what is interesting to note is for the Wellington region the number of dwellings increased at a faster rate (6.4%) than population (2.6%) and across the Wellington Region the average household size is significantly decreasing reflecting a large proportion of new dwellings being similar within multi-unit development. This trend is not seen in the South Wairarapa at this stage.⁶⁷



Population Growth

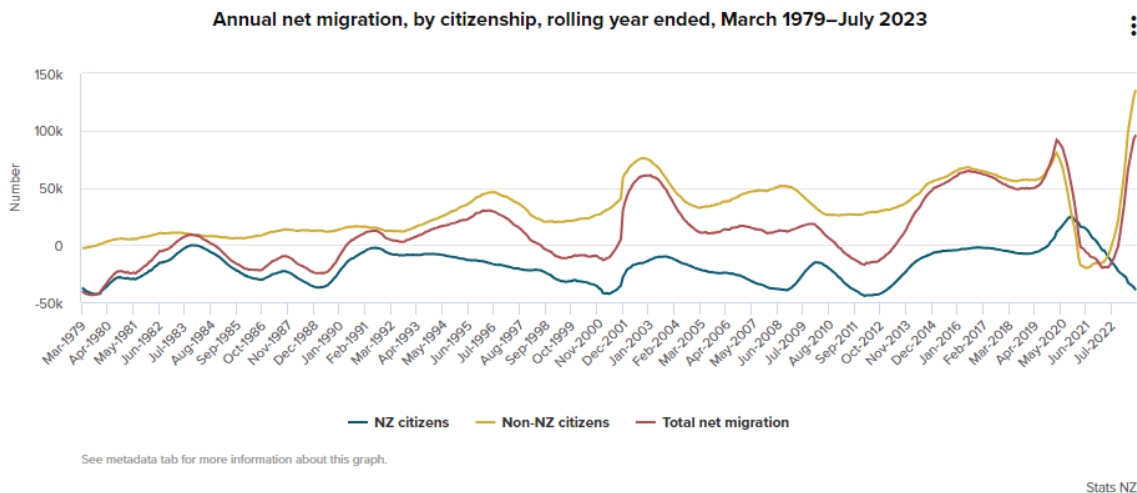
The population growth of New Zealand has increase by 6.3% from the 2018 to the 2023 census. South Wairarapa’s grown was slightly higher at 11.7% (10,575 population in 2018 to 11,811 population in 2023).⁶⁸

⁶⁷ Wellington Regional Leadership Committee 1 October 2024 - [Wellington Regional Leadership Committee \(wrlc.org.nz\)](https://www.wrlc.org.nz)

⁶⁸ Stats NZ - [2023 Census population change | 2023 Census maps and data](https://www.stats.govt.nz)

As at the 2023 census, the population count for New Zealand is 4,993,923. 49.3% of the population is male and 50.3% of the population is female.⁶⁹

New Zealand has a record net migration gain of 96,200 in the July 2023 year⁷⁰ By the end of June 2024 net migration was 73,300 (78% of the total population growth of NZ), with growth having slowed.⁷¹



For the year ending August 2024, citizens of India were the largest group of migrant arrivals in New Zealand, and Citizens of New Zealand were the largest group departing New Zealand. On average about 30,000 New Zealand’s leave for Australia each year.⁷²

The Wellington Regional Leadership Committee (WRLC) outlines the project population changes for the district (sourced from Senese Partners) and expects the region to have a median increase by 1,200 residents by 2032 and 3,000 residents by 2052⁷³.

The Sense partners median forecast has analysed predicted growth over the short-term (2022-2025), medium-term (2025-2032), and long-term (2032-2052) periods (3, 10, and 30-year periods).

Table 10.1: Total projected population by short, medium, and long-term periods for the South Wairarapa District, 2022-2052.

Type	Projected Population				Projected Population Change			
	2022	2025	2032	2052	2022-2025	2025-2032	2032-2052	Total
Sense Partners Median	11,800	12,200	13,400	16,400	400	1,200	3,000	4,600

In 2020, the South Wairarapa Spatial Plan identified Greytown has potentially the largest expected urban growth. The current challenges with infrastructure highlight the importance of this for population growth.

⁶⁹ Stats NZ - [Aotearoa New Zealand as a village of 100 people | Stats NZ](#)

⁷⁰ Stats NZ - [Record net migration gain | Stats NZ](#)

⁷¹ Stats NZ - [National population estimates: At 30 June 2024 \(2018-base\) | Stats NZ](#)

⁷² Stats NZ - [International migration: August 2024 | Stats NZ](#)

⁷³ Wrlc - [HBA working version](#)

Sense Partners forecast an additional demand of over two thousand houses by 2052 to meet demand for dwellings.⁷⁴

Table 10.2: Dwelling demand (including competitive margin) for the South Wairarapa District 2022-2052.

Type	2022-2025	2025-2032	2032-2052	Total
Sense Partners Median	285	592	1,499	2,376
Demand with competitive margin	342	710	1,723	2,775

Based on Featherston being identified as a Growth Node in the South Wairarapa Spatial Plan, the Featherston Masterplan was developed to provide mana whenua, community, central and regional government agency and neighboring councils input in the future plans for the area.

Population Diversity

New Zealand's population continues to diversify. With 17.3% of New Zealand's population identify as Māori as of June 2023, with the median age for Māori being 27.2 years, more than a decade younger than that of the total NZ population (38.1 years).⁷⁵

Iwi population has increased by an average of 46% during that last 10 years.⁷⁶ From the 2023 Census we know that 15.4% of people in the South Wairarapa are of Māori ethnicity.⁷⁷

New Zealand's population identifying as Asian has also increased in the 2023 census to 17.3%. The ethnic makeup of New Zealand is also projected to change in coming years, with the Pacific population expected to make up 11% of our population by 2043 (currently at 8.9%).⁷⁸ From the 2023 Census, 2.7% of South Wairarapa population identified as Pacific people and 3.5% as Asian.⁷⁹

A change of demographic is seen across the Wellington region with the relative population increase of Māori higher than the total population increases - in some cases as much as six times higher. The Pasifika populations have flourished as well, increasing across the region at a rate higher than the average population increase in all territorial authorities excluding Kāpiti Coast. The majority of the Pasifika population within the region is focused on the central territorial authorities between Porirua, Lower Hutt and Wellington City.⁸⁰

These changes to population, through diversity and youth will see new ways of engagement required for Council activities in economic and social development. As New Zealand becomes more ethnically diverse how this becomes reflected in politics will become more

⁷⁴ wrlc - [HBA working version](#)

⁷⁵ Stats NZ - [Māori population estimates: At 30 June 2023 | Stats NZ](#)

⁷⁶ NZ Herald - [Census data released shows iwi populations increased significantly - NZ Herald](#)

⁷⁷ Infometrics - [Regional Economic Profile | South Wairarapa District | Census](#)

⁷⁸ "Subnational Ethnic Population Projections: 2018(base)-2043." Stats NZ. Last modified March 2022.

<https://www.stats.govt.nz/information-releases/subnational-ethnic-population-projections-2018base2043>

⁷⁹ Infometrics - [Regional Economic Profile | South Wairarapa District | Census](#)

⁸⁰ Wellington Regional Leadership Committee 1 October 2024 - [Wellington Regional Leadership Committee \(wrlc.org.nz\)](#)

crucial as disengagement was the main reason for not voting in the 2014 General Elections.⁸¹

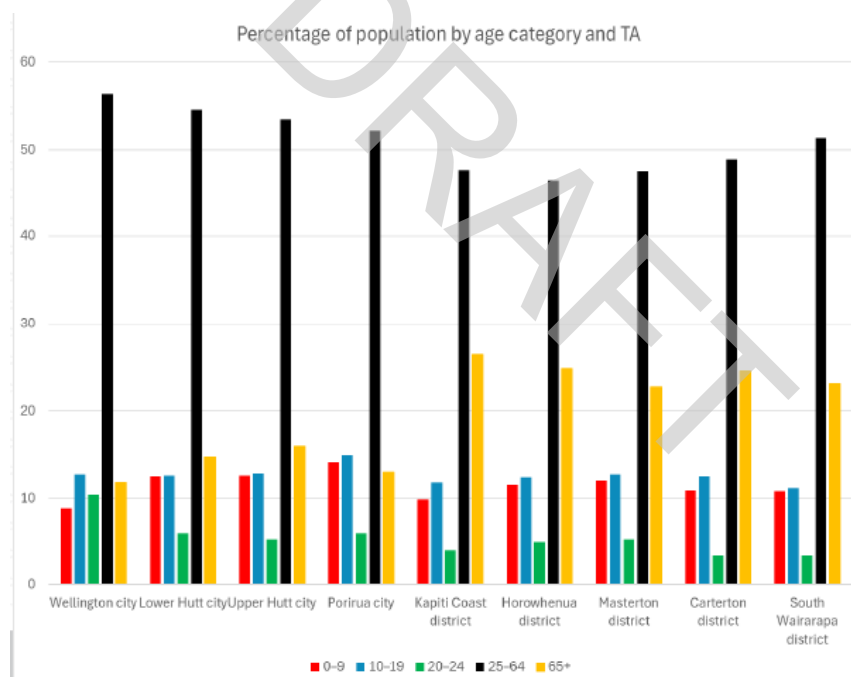
These trends are important to consider when looking towards opportunities in our LTP. The youthfulness of these population groups has implications for the cultural responsiveness of services and systems.⁸²

Age

New Zealand's population continues to age with the median age from the 2023 census increasing to 38.1 years, with the median age for South Wairarapa, even higher at 47.5 years.⁸³

In New Zealand, the 65+ population is expected to reach one million by 2028, with the potential to account for a quarter of the country's population by 2050.⁸⁴ 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).

Wellington has the most 20–24-year-olds, Porirua the most under 19s, Wellington has the fewest under 9s, and Horowhenua/Kapiti/Wairarapa have the highest percentage of over 65s.⁸⁵



From the 2023 Census South Wairarapa currently has 23.2% of its population over 65 (well above the national average of 16.6%).⁸⁶

⁸¹ Statistics - [Voting and political participation](#)

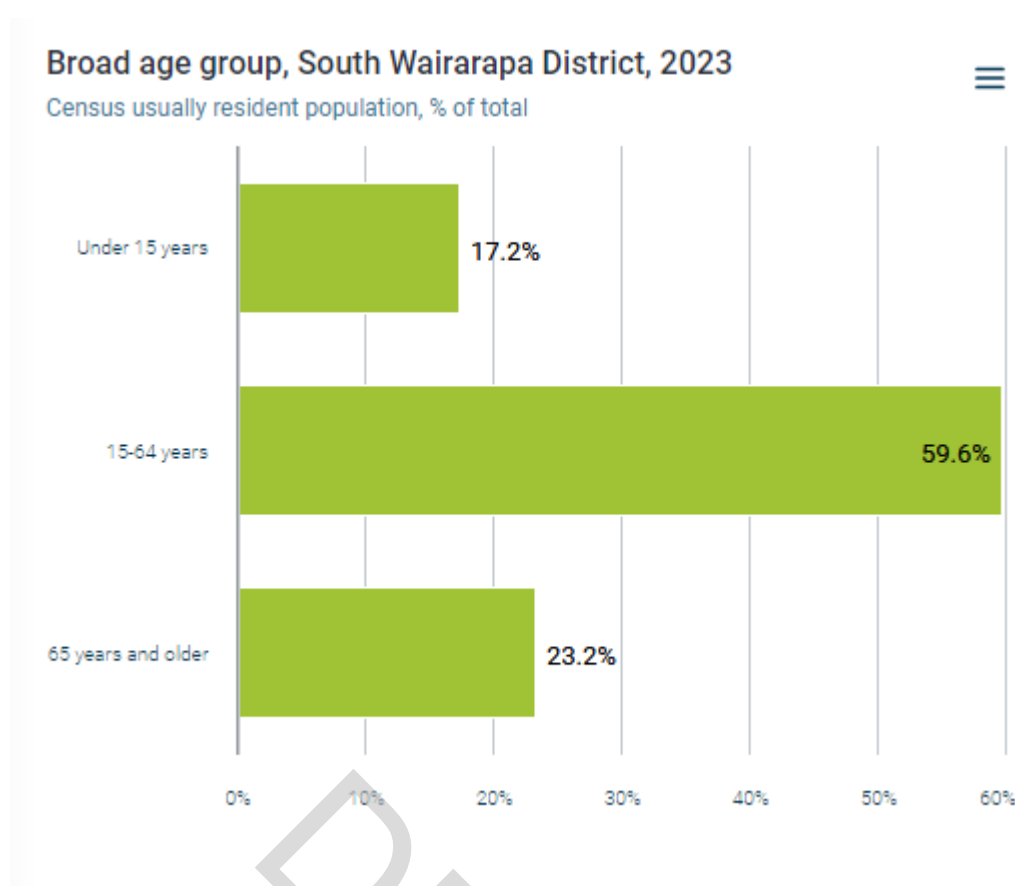
⁸² McIndoe C. 2022. [New Zealand's ethnic diversity will continue to increase](#). BERL, 04 April 2022

⁸³ Stats NZ - [Population | Stats NZ](#)

⁸⁴ "One Million People Aged 65+ by 2028." Stats NZ. Last modified July 2022. <https://www.stats.govt.nz/news/one-million-people-aged-65-by-2028/>

⁸⁵ Wellington Regional Leadership Committee 1 October 2024 - [Wellington Regional Leadership Committee \(wrlc.org.nz\)](#)

⁸⁶ Infometrics - [Regional Economic Profile | South Wairarapa District | Census | Broad age group](#)



There will be a future balance between ensuring that aged people are able to access the services they need to engage in their community, while at the same time focusing on creating systems that ensure young people can flourish. For many organisations (including SWDC) this means an increasing proportion of resources will be required to support aged people in the district.⁸⁷

Wealth

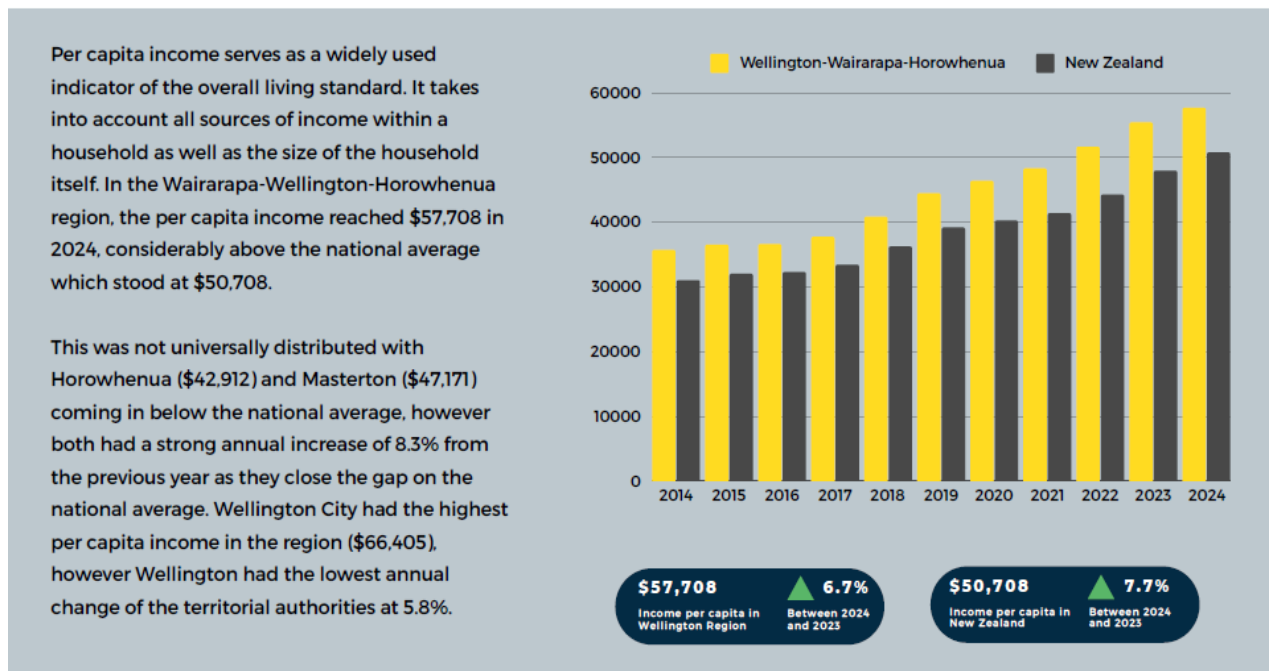
The median weekly earnings from wages and salaries in New Zealand, for June 2023 was \$1,273.⁸⁸ The average income per capita went up for South Wairarapa from March 23 to March 24 by 7.2%, in line with Carterton and slightly behind Masterton, which had the highest wealth growth of 8.3% (based on average per-person income).⁸⁹

⁸⁷ Rouzet D, Sanchez A, Renault T, Roehn O. 2019. Fiscal challenges and inclusive growth in ageing societies. OECD Economic Policy Papers. <https://doi.org/10.1787/c553d8d2-en>

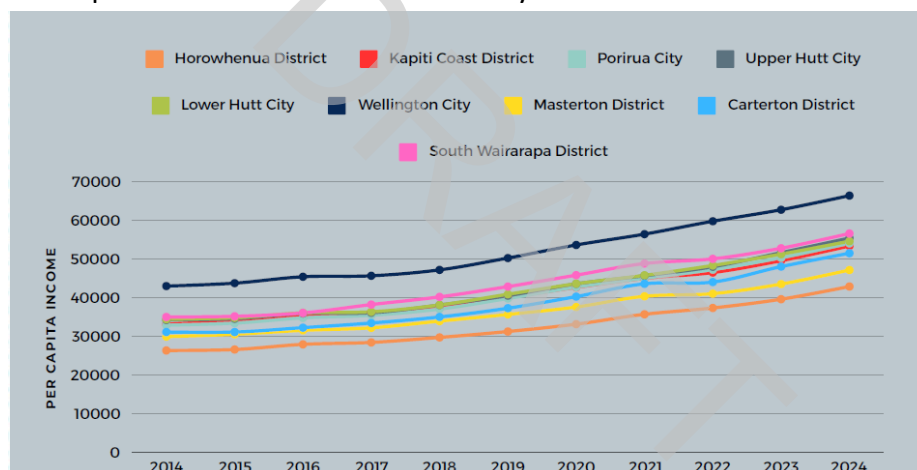
⁸⁸ Stats NZ - [Employment indicators: July 2024 | Stats NZ](#)

⁸⁹ Wellington Regional Leadership Committee 1 October 2024 - [Wellington Regional Leadership Committee \(wrlc.org.nz\)](#)

Per Capita Income - National Comparison⁹⁰



Per Capita Income - Territorial Authority Level⁹¹

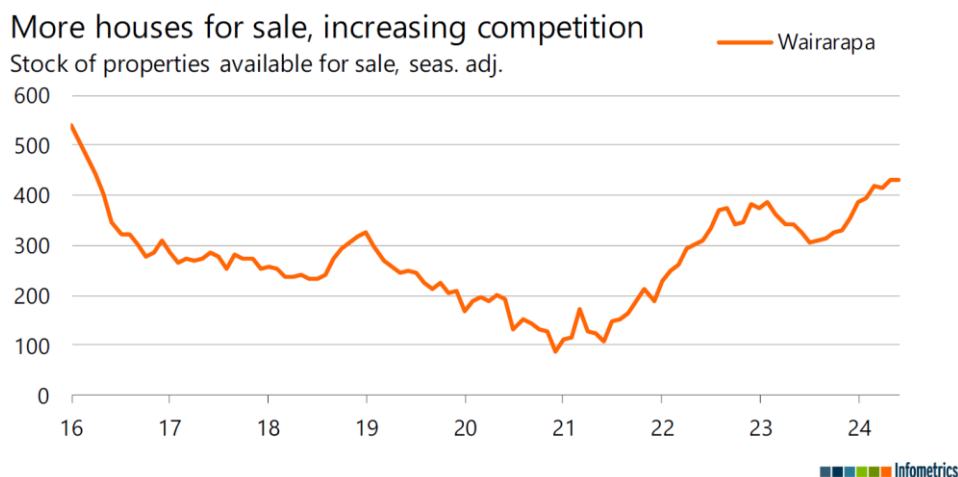


In New Zealand the wider housing market remains sluggish across several metrics, including the number of house sales, the time taken to achieve sales and consenting activity. Residential investment has declined nearly 11% from its peak at the start of 2021.⁹²

⁹⁰ Wellington Regional Leadership Committee 1 October 2024 - [Wellington Regional Leadership Committee \(wrlc.org.nz\)](https://www.wrlc.org.nz)

⁹¹ Wellington Regional Leadership Committee 1 October 2024 - [Wellington Regional Leadership Committee \(wrlc.org.nz\)](https://www.wrlc.org.nz)

⁹² The NZ Treasury: Budget Economic and Fiscal update 2024 (30 May 2024) [Budget Economic and Fiscal Update 2024 - 30 May 2024 \(treasury.govt.nz\)](https://www.treasury.govt.nz)



The average price of a South Wairarapa property is currently \$787,787, with a property price increase of 7.04% per year (on average) between 2004 – 2024. The average rent in South Wairarapa is \$600 per week (as of April 2024).⁹³ However, house values are currently flat, down 1.9%pa this year.

A revised figure from Beef and Lamb NZ has confirmed sales from 2022 saw 63,956 hectares in NZ shift from farming to forestry in that year along, predominantly in the North Island, with the main increase happening in Taranaki and Waikato. Legislation is expected in 2025 to curb this trend.⁹⁴

In 2023, six Wairarapa sheep and beef farms were sold for the purpose of pine forests, all to international companies.⁹⁵

4.7 Technological Trends

Hyperconnectivity continues to accelerate both globally and nationally and digitisation has changed the way we work, shop, and interact with one another.⁹⁶ Nationally, usage is also increasing, and the demand is not expected to slow as we continue to increase our levels of digitisation.⁹⁷

The New Zealand government has created interim guidance of the use of AI in the public service. The guide outlines “10 dos for trustworthy use of GenAI for the Public Service” which aim to balance the benefits and risks.⁹⁸

⁹³ Opes Partners, Ed McKnight - [South Wairarapa District | Opes Partners](#)

⁹⁴ Beef and Lamb NZ - [Latest land-use change report reinforces need for intervention | Beef + Lamb New Zealand](#)

⁹⁵ Wairarapa Times Age - [More farms sold for forestry - Wairarapa Times-Age](#)

⁹⁶ European Commission. 2022. [Competence Centre on Foresight: Hyperconnectivity & IoT](#). European Commission. 1 June 2022

⁹⁷ Wheatley L, Brent M. 2021. [COVID-19 and technology: Trust and connectivity in a new digital world](#), Deloitte, 14 May 2021

⁹⁸ Interim AI Guidance for the Public Service. <https://www.digital.govt.nz/standards-and-guidance/technology-and-architecture/interim-generative-ai-guidance-for-the-public-service/what-is-generative-ai/>

It's important to consider that the growth in connectivity has not been equal, and as a result digital inequality is evident on a global scale.⁹⁹ According to the 2018 census data, 85.4% of residents in the district have access to the internet, and 91.2% have access to a mobile phone.¹⁰⁰ Studies have shown that Māori and Pasifika, those living in larger country towns and older members of society are comparatively less likely to have internet access.¹⁰¹ For those residents who have limited skills or access to digital technology, it's important to continue to provide services and engagement opportunities across a variety of platforms.

Globally, popular social media platforms continue to play an important role in social movements and major conflicts¹⁰² and the ownership of media brands is becoming more centralised, providing an increased opportunity to push particular agendas of minorities.¹⁰³

Prioritisation of cybersecurity is being increasingly important to manage the increase of cyber threats and attacks at a national and district level. New Zealand must constantly work to improve its security capability, both for the public and private sector as we remain vulnerable to cyber threats due to our internet architecture and limited cables connecting New Zealand to offshore.¹⁰⁴

4.8 Legal (regulatory) and Strategic Trends

The pace and level of change related to government reform in New Zealand is currently significant, particularly in the local government sector and is contributing to additional costs, complexity and uncertainty for councils. These changes highlight a current shift towards national decision-making and local-level implementation. The effects of which will raise questions for SWDC on its role within the district and community, including the services it provides in both the short and longer term. This will raise uncertainty around the role of local government; what we are here to do and how we do it.

In the short term both water reform and resource management reform are currently taking place. The legislative changes coming in the resource management reform will have three core tasks:¹⁰⁵

- Unlocking development capacity for housing and business growth
- Enabling delivery of high-quality infrastructure for the future, including doubling renewable energy
- Enabling primary sector growth and development (including aquaculture, forestry, pastoral, horticulture, and mining)

These regulatory changes are likely to have an impact for SDWC in cost and additional work.

⁹⁹ International Telecommunication Union. 2021. [Measuring digital development: Facts and figures 2021](#). ITU, Geneva

¹⁰⁰ StatsNZ. 2018 Census Data. Retrieved from: <https://www.stats.govt.nz/tools/2018-census-place-summaries/south-wairarapa-district#telecommunications>

¹⁰¹ Digital.govt.nz. 2022. [Digital inclusion and wellbeing in New Zealand](#). Accessed July 2022.

¹⁰² The Economist. 2022. [The invasion of Ukraine is not the first social media war, but it is the most viral](#). The Economist, 02 April 2022

¹⁰³ Neate R. 2022. ['Extra level of power': billionaires who have bought up the media](#). The Guardian, 3 May 2022

¹⁰⁴ SCOOP International News. 2022. [Apple, Google & Microsoft Commit to Expanded Support for FIDO Standard to Accelerate Availability of Passless Sign-ins](#). SCOOP, 6 May 2022

¹⁰⁵ NZ Government - [Replacement for the Resource Management Act takes shape | Beehive.govt.nz](#)

MinterEllisonRuddWatt outline key litigation trends shaping NZ future, including the ever-changing geopolitical landscape and the impact of sanctions becoming increasingly relevant for NZ businesses. Recognising kanga Māori as a source of law within NZ's legal system brings both new opportunities and additional complexities. A shifting workplace landscape including workplace safety concerns and evolving regulatory environments for New Zealand (eg the Whakaari/White Island tragedy continues to raise complex legal questions). The increasing cyber-crimes leading to litigation and the need for stronger cyber response plans and preparedness for legal risk that may follow (including privacy and data protection).¹⁰⁶

This could potentially mean more legal complexity for SWDC and further legislative reform over the coming years. Cyber security and legal risk will require further mitigation and attention from council over the coming years.

4.9 Environmental

Climate justice is a growing call to action in NZ and communities are increasing pressure on governments to respond. Iwi have particular interests in supporting healthy and sustainable environments and significant resources from Treaty settlements are focused on contributing to restoring environments across the district.

Greater Wellington Regional Council provided Climate Change Assumptions for the Wellington region and Wairarapa combined¹⁰⁷. Based on their projections, our district is particularly vulnerable to climate change. Because of our small tidal range, even a small rise in sea level can have a large impact.

The NZ SeaRise Programme has predicted a 30-centimetre sea level rise in 10 to 20 years when land subsidence is combined with climate-driven changes in sea levels.¹⁰⁸

With South Wairarapa having a particular risk in this area, with a long and exposed coastline, and a large geographical area with isolated coastal communities.

Emergency Management and emergency preparedness will become increasingly important for South Wairarapa and the council. The intensifying weather events will mean river flooding may also become more frequent, particularly in low-lying areas and floods are likely to become more intense. The capacity of our minimal stormwater systems may be exceeded more frequently due to heavy rainfall events which could lead to increased surface flooding. More frequent and intense heavy rainfall events also lead to erosion and landslides, and more frequent droughts are likely to lead to water shortages. This will undermine infrastructure, and asset maintenance will become increasingly unaffordable for local councils.¹

¹⁰⁶ MinterEllisonRuddWatts Feb 2024 - [Leading litigation team explores key trends shaping New Zealand's future \(minterellison.co.nz\)](https://www.minterellison.co.nz/leading-litigation-team-explores-key-trends-shaping-new-zealand-s-future)

¹⁰⁷ Climate Change Projections and Impacts Summary. <https://www.gw.govt.nz/assets/Documents/1970/01/FINAL-WellINCC-projectionsimpacts.pdf>

¹⁰⁸ NZ SeaRise. 2022. <https://searise.takiwa.co/map/6233f47872b8190018373db9/embed>

As of 13 May 2024, New Zealand Drought Index map shows abnormally dry conditions for the Wairarapa at this time of year.¹⁰⁹ With an expectation that NZ will continue to experience droughts, and with rising temperatures due to climate change the frequency and length of droughts will slowly increase over this century.¹¹⁰ Farmers might benefit from faster growth of pasture and better crop growing conditions when short periods of heavy rain and rising temperatures combine. 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. Farm profitability in 2023-24 was worse than forecast mainly due to the impacts of drought across the Country and the 2024-25 season, at this stage, is expected to be just as challenging.¹¹¹ Water shortages and water as a resource are key future discussions for local communities.

5. Weaving it All Together: Connecting our Strategic Outcomes with the Purpose of Local Government

The purpose of local government heading into the future remains unsettled. Currently local government enables democratic local decision-making and action by, and on behalf of, communities, to promote the social, economic, environmental, and cultural well-being outcomes for our communities in the present and for the future¹¹².

¹⁰⁹ Niwa hot spot watch - [Hotspot Watch 16 May 2024 | NIWA](#)

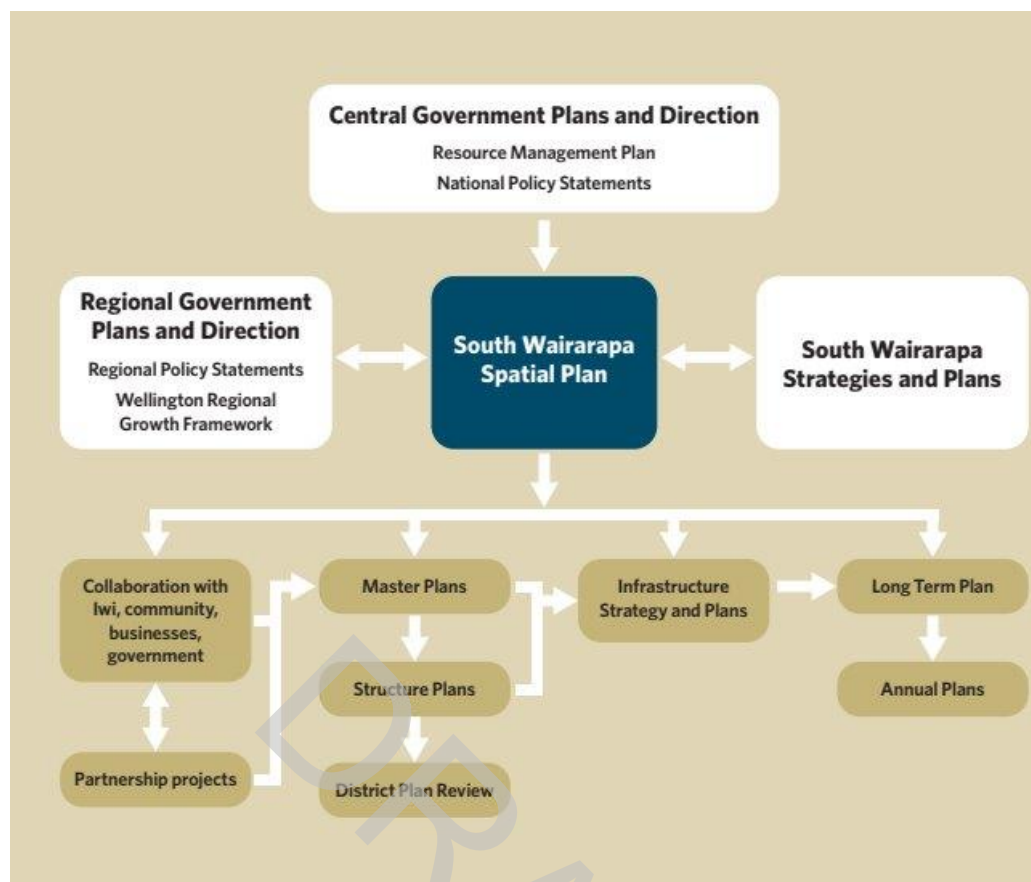
¹¹⁰ Niwa NZ Drought Indicator [NZ Drought indicator products and information | NIWA](#)

¹¹¹ Beef and Lamb NZ - [new-season-outlook-2024-25.pdf](#)

¹¹² Local Government Act 2002, section 10 (1) <https://www.legislation.govt.nz/act/public/2002/0084/latest/DLM171803.html>

5.1 Council Strategies, Plans, and Future Priorities

There are several key documents that give specific direction to this at SWDC:



[The Wellington Region Future Development Strategy](#) sets out a long-term plan to ensure a ‘well-functioning’ urban environment, showing where growth will be, in what form, and what infrastructure is needed to support that growth.

This strategy has followed the [Wellington Regional Growth Framework](#) that describes a long-term vision for how the region will grow, change, and respond to key urban development challenges and opportunities in a way that gets the best outcomes and maximises the benefits across the region.

Connected to these two documents are the [Wairarapa Combined District Plan](#) and the [Featherston Masterplan](#). The [Spatial Plan 2020-2050](#) is a plan about people and places, including what is happening now and where, and the future aspirations for the district. The Spatial Plan is also a guide to future strategies, plans and actions of council including the district plan, infrastructure plan and the LTP.

Other local and regional strategies give guidance on key areas including [Climate Change](#), [Youth](#), [Positive Aging](#) and [Waste Minimisation](#).

These strategies and plans are based around four community outcomes as are currently legislated for with local government:

1. Social Wellbeing Outcomes: residents are active, healthy, safe, resilient, optimistic, and connected.

- Strengthen social connections with the community.
- Encourage civic pride and participation.
- Provide universally accessible, safe, and diverse spaces to strengthen connection between people and space.
- Advocate for better transport and technology to improve social and business opportunities.

2. Economic Outcomes: a place of destination, new businesses 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.
- Support the transition to a low carbon economy.
- Leverage partnership with central and regional agencies to enable economic development and employment opportunities.

3. Environmental Outcomes: sustainable living, safe and secure water and soils, waste minimised and biodiversity enhanced.

Enhancing three waters delivery and environmental quality.

- 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.

4. Cultural Outcomes: strong relationships with whānau, hapū, and marae, celebrating diverse cultural identity, arts, and heritage.

Nurturing and creating the district's special character, qualities, and culture.

- Work in partnership with mana whenua and iwi, respecting tikanga, kaitiakitanga, and taha Māori.
- Take opportunities to embrace and celebrate diversity.
- Take opportunities to advance and showcase arts, culture, and heritage.
- Protect town and rural community character, retaining our unique look and feel.

- Improve urban design and integrate what we build with natural features.

At a regional level, there are several strategies and plans that guide and support our economic development at a district level. The Wellington Regional Economic Development Plan 2022-2032 was developed to “guide the long-term direction of our economy, identify issues and opportunities in key focus areas and help prioritise initiatives over the next 10 years, to contribute towards creating decent jobs for our growing population and continuously improving quality of life in our region.”¹¹³

Similarly, the Wairarapa Economic Development Strategy (WEDS), aims to establish, extend, improve and upscale small businesses and the primary sector in the key focus areas, including added-value food and beverage, visitor and tourism and the knowledge economy.¹¹⁴

Finally, Destination Wairarapa has developed a Management Plan for the region focused on ensuring that the ‘Wairarapa is a well-established, year-round destination where visitors are encouraged to discover the region’s hidden gems that leave them wanting more’.¹¹⁵ The goal of the organisation is to grow the value of the visitor economy for the Wairarapa that is compatible with the lifestyle, environment, and culture of the region.

5.2 What Could the Future Look Like?

As a small council, SWDC will face some difficult decisions ahead.

Councils are directed by legislation to oversee regulation, strategies, by-laws, and policies. These documents guide local government direction, decisions elected members make and how the council operated. Irrespective of future legislative changes, the direction and decisions made at a local level based on mega trends, national or local trends will directly impact our communities social, economic, environmental and cultural outcomes.

The councils LTP is required to balance and priorities those four pillars for our community over a decade of unknown change and the need to try and stabilise volatility for our people and our district.

Volatility that may include, but not be limited to:

1. Climate: the need to respond to changes in extreme weather, average weather patterns and what that means to our community, our assets and infrastructure.
2. Demographic: shifts in an aging population, diversity in our youth and ethnicity, urbanisation and increasing inequity.

¹¹³ Wellington Regional Economic Development Plan: August 2022-2032. Retrieved from: [Wellington-Regional-Economic-Development-Plan.pdf \(bynder.com\)](#)

¹¹⁴ Wairarapa Economic Development Strategy: 2022-2032 and Beyond. Retrieved from: [635eff906c0ae0743769f0ee_WEDS Strategy LR.pdf \(webflow.com\)](#)

¹¹⁵ Destination Wairarapa: Destination Wairarapa Management Plan (October, 2021). Retrieved from: [FINAL Wairarapa Destination Management Plan 20211011 KRK-compressed \(3\) \(1\) compressed.pdf \(wairarapanz.com\)](#)

3. Technology: The changing use of technology and the benefits and risks it will bring to our region.
4. Economic: supply chain pressure from both a global and local market.
5. Trust: global instability and an increasing distrust and polarization in views make local government operations more complex and at risk of rapid, significant change.
6. Infrastructure: Impacts from climate change, legislative & regulatory change and population change will see greater pressure put on infrastructure. Infrastructure is also likely to have a direct impact on the rate of growth and prosperity in our region as either an enabler or preventor to these things.
7. Employment and shifting industry: South Wairarapa's proximity to Wellington and the current job losses could see a rise in unemployment within the region in the short term. Long term, changes to farming and global growth may include increased volatility around international and regional markets and result in further changes for the region.

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