

PRE-ELECTION REPORT

HE PŪRONGO I MUA I NGĀ PŌTI
29 JULY 2022



**SOUTH WAIRARAPA
DISTRICT COUNCIL**
Kia Reretahi Tātau

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About this report

The Local Government Act 2002 requires the Chief Executive of each local Council to prepare a pre-election report for voters and candidates independently of elected members. This report should be especially helpful for anyone thinking about standing for South Wairarapa District Council, any of its 3 Community Boards or the Greytown Trust Lands Trust, and for everyone voting this September and October. It is an opportunity to describe the role of Council, the opportunities, and challenges we face, our priorities, and some of our key achievements.

ENROL

- 30 June: Enrolment update packs sent
- By 12 August: Enrol to receive voting papers
- 7 October: Last day to enrol to vote

STAND

- 15 July: Nominations open
- Midday sharp, 12 August: Nominations close

VOTE

- 16 September: Postal voting opens
- 8 October: Election day
- Midday sharp, 8 October: Voting closes

For more information see the last page of this report, visit our website or get in touch with our electoral officer at elections@swdc.govt.nz

Audit information: While this report has not been audited, most of the financial information in it has been reviewed by independent auditors either as part of previous Annual Reports or the 2021-31 Long Term Plan (which informs the annual plan forecasts). The 2022/23 Annual Plan will be published before 30 July and the 2022/23 Annual Report will be available later this year.

Note: Almost all of the information in this document has been sourced from the 2021-31 Long Term Plan, the 2020/21 Annual Report and the 2022/23 Annual Plan. However, it does not contain all of the information from those documents for practical reasons. Please read this document in conjunction with those base documents for a fuller picture of Council's priorities.

Welcome from our Chief Executive



Over September and early October, our district will have the opportunity to vote in their elected members to represent them at Council and on the Community Boards. Potential candidates are already considering whether to put themselves forward for Mayor or Councillor or Community Board member, while some have already decided and are making it known.

I encourage potential local body election candidates and residents to read this report and our earlier accountability documents from 2021 and 2022 to gain an understanding of the big challenges and opportunities which lie ahead for our Council and our district.

The role of local government is to enable democratic local decision-making and action by, and on behalf of, communities; and to promote the social, economic, cultural, and environmental well-being of our communities, now and in the future. Our strategic plan, the 2021-31 Long-Term Plan maps out how we will achieve this.

Keeping rates affordable while continuing to meet our agreed levels of service continues to be our primary concern. One of the ways that will offer insights for improvement, is to begin a planned review of the rating system. We will also carry out a representation review that will look at our ward boundaries, how many elected representatives we have, and how mana whenua can have a say in decision-making. Our relationship with iwi, hapū, and marae is also maturing with the appointment of a dedicated role; Pou Māori, Principal Advisor Māori, to build our capability to engage meaningfully on issues of importance for Māori in the South Wairarapa. A special thanks is offered to the Māori Standing Committee for their untiring commitment and efforts to see this role established.

Council is impacted by the same economic and social drivers that our businesses, communities, and families face. Global supply chain issues are hitting home, affecting the timeliness and costs of many projects. Sourcing key materials and the right people are the main issues. Inflation is driving the increasing costs of delivering our services and making tough choices about priorities is always at the forefront of our thinking.

Pipes, water treatment plants, footpaths, roads, and public amenities are at the heart of the essential infrastructure needed for a positive experience by residents and visitors alike. Our region has an ageing water infrastructure that requires investment so that

people have clean and safe drinking water and that wastewater and stormwater are well managed.

Featherston desperately needs a new wastewater solution, and the Tauherenikau River pipeline which carries drinking water from Greytown to Featherston needs a long-term solution. While these issues continue to be worked through with our business partner, Wellington Water Limited, we have made progress in the last year, and it continues to be a top priority.

Central government reform is moving at pace; the new drinking water regulator, Taumata Arowai, took over on 15 November 2021 when the Water Services Act 2021 came into effect. Three Waters reform continues to move through the legislative process including the first of several bills, the Water Services Entity Bill. There's no denying that large-scale investment in our water network would have long-term benefits for our district. Anticipating change has become complex as we balance the need to maintain business as usual while responding to the requirements of the reform. The review into the future of local government and the reform of the Resource Management Act add to the complexity and the workload.

The reality of climate change is no longer theoretical and is being directly experienced here in South Wairarapa. Ex-Cyclone Dovi in February proved that sudden, heavy rains are going to be a more regular feature in the future, putting our older infrastructure in the spotlight. Severe weather events continue to hammer our coastlines and our flood and slip-prone areas. The Hinekura Road landslide is evidence of the impact we can expect to see more of in the coming years. We have worked alongside key stakeholders and service providers to look at innovative solutions that work for the Hinekura Road community. How Council has responded to events like these in the past might not be how we need to respond going forward.



The EcoReef at Cape Palliser doing what it is designed to do.

The coastline, particularly Cape Palliser Road, is increasingly becoming eroded and the trial of Eco-Reef, an innovative local solution, is proving its worth at some of the most battered points. The plan to build a similar structure at Turners Bay in the summer will be welcomed

Our planners continue to lead some of the most visionary work we've done in years. Having completed our first 30-year Spatial Plan, they have moved on to the Featherston Master Plan. This is a once-in-a-generation opportunity for the community and Council to come together and envision a town as they would like it. What kind of transport should it have? What kind of housing, and where? How can Featherston's culture and fabric be strengthened? It's a discussion for all Featherstonians to participate in.

There are some wonderful projects coming to fruition this year. The Tauherenikau suspension bridge which will connect cyclists between Featherston and Greytown has

been possible through a collaboration between Council and the Five Towns Trails Trust, funded by the Provincial Growth Fund. It will be a real asset to our community, both recreationally and economically. The Greytown Sports Pavilion is being upgraded and we look forward to the Greytown Wheels Park and Martinborough Pump Park taking flight.

We are not without our challenges. We know our people are passionate about their district and our unique communities and, as kaitiaki, we look forward to continuing to work with them to build a better future for our rangatahi and their descendants. This journey is not a sprint, sustainable change takes time.

Ngā mihi
Harry Wilson

South Wairarapa district at a glance

South Wairarapa District Council is one of three local authorities operating in the Wairarapa.

The South Wairarapa district is situated at the southern-most corner of the North Island and has an area of approximately 248,455 hectares (2,484 square kilometres).

The resident population in the district is currently around 11,700 people and is expected to increase to 13,600 by 2031. The median age is currently 45.2 years (compared with 38 nationally) and is projected to increase to 49 by 2043.

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.

In terms of future projections, our medium growth scenario currently indicates that the number of households in the district will increase from 4,800 in 2018 to 5,950 in 2028 and 7,563 in 2048. This is consistent with the planning direction within Wellington Regional Growth Framework which encourages Transit Oriented Developments around existing train stations. The Framework identifies Featherston as a "growth node". We have led initial engagement with Featherston stakeholders and mana whenua on the development of the Featherston Masterplan which will continue over the coming months.



Forecast Population Change from 2013 to 2043

AREA	2013	2043	CHANGE	AVERAGE ANNUAL CHANGE (%)
Featherston	2,434	3,127	694	0.80
Greytown	2,438	3,581	1,142	1.30
Martinborough	1,569	2,325	757	1.30
Rural	3,360	3,700	340	0.30
Total Population	9,800	12,733	2,933	0.90

Our past

The South Wairarapa coastline features some of the oldest inhabited sites in Aotearoa, and local tradition states that the explorer Kupe made a home here. The southern-most point of the North Island, Cape Palliser, known to Māori as Mātakitakiakupe, and other points along the coast also commemorate Polynesia's most famed explorer. Even today, the careful observer can note ancient stone walls along the coast, and boundary markers for garden sites.

The first Pakeha to live in the district were whalers, sealers, and flax cutters who plied their trades from the coast.

Greytown was established in 1854. Featherston followed in 1857 with Martinborough being established in the early 1880's. The road over the range had been completed in 1856, improving access to the vital Wellington market. The famed Remutaka Incline Railway, which used a fell locomotive, opened in 1878 and allowed the district's butter, cheese, wool and livestock to be carried over the hill for export. This same route is now the Remutaka Rail Trail and is one of the steps to connect the Wairarapa Five Towns Trail Network which aims to develop almost 200km of recreational trails for walking and cycling.

We're growing:

Our population is estimated to increase from **11,700 (June 2021) people to around 13,600 by 2031** – that's 190 extra people every year!



We're building:

Consents increased by almost **55% from 2020 to 2021** – that's an extra 73 buildings!



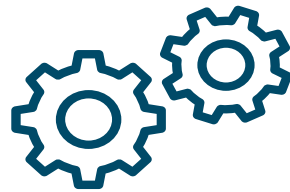
We're ageing positively:

22% of us are over 65 and we are implementing our positive aging strategy over the next 10 years



We're doers:

A greater percentage of us are **labourers, community workers, machinery operators, and tradies**, compared with the rest of the Wellington region



We're investing:

Forty seven percent of our capital spend is on improving water infrastructure (\$5.3M)

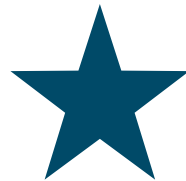


We're participating:

Our 2019 voter turnout (**55.5%**) was in the top 10 of all local governments

We're happy:

81% of residents are satisfied with their life



We're stargazers:

Supporting the work for **dark sky reserve** accreditation so we'll be the largest dark sky reserve in the world!



We're curious:

Our libraries continue to be our most loved service by **85%** of our residents

We're rich in natural resources:

248,455 hectares, 124km of coastline, lakes, rivers, and wildlife

Growth and popularity of South Wairarapa

South Wairarapa has become a popular tourist destination over recent years due to the beautiful scenery, relaxed atmosphere and history, which is well documented in local museums. The district also boasts world famous wineries, good shopping, great eating, bush walks and rugged coastlines. It has also seen significant growth in permanent population over recent years with a large number of people choosing to move here from the cities for a more relaxed and affordable lifestyle. A growing number of residents commute to Wellington city and beyond for work.

The growth in the region puts pressure on Council services and infrastructure and it is important to manage this growth in a sustainable way. To assist with this, Council this year commenced spatial master planning of Featherston town, considered a growth node for the region. The South Wairarapa Spatial Plan was released in early December 2021.

Currently Council is engaging with the community and stakeholders, gauging a good understanding of what our community needs and wants for the future of this town and as part of provisioning for growth.

From research and early engagement work we have compiled a Foundation Discussion Document for informal consultation for the Featherston Masterplan proposal. We have talked to multiple community groups and agencies

to get a feel for what is important to the town, and we have two concept options to put before the community. Option one considers increasing density around the train station and the main street, and option two proposes the relocation of the train station closer into town.

These proposals are thinking very widely and 30 years into the future. We have heard about the need for more and affordable housing and have heard about the need to rejuvenate and revitalise the main street. These two options, in different ways, would help assist this.

The projected population growth of Featherston over the next 30 years is over 1,700 people, meaning that more than 900 houses will be needed. Featherston is considered a key location within the Wellington region for growth because of the accessibility of the train station and proximity to Wellington. The Masterplan is not just about allowing for future housing and accompanying infrastructure, it is also about asking residents about the aspects of the town that they value, so we can protect and build in those things.

Later work this year and into 2023 will involve compiling a Draft Master Plan for formal consultation purposes, which will then lead to any related revision and subsequently forming the final Featherston Masterplan.



Our Strategic Framework

Our community outcomes

SOCIAL WELLBEING

Residents are active, healthy, safe, resilient, optimistic and connected

ECONOMIC WELLBEING

A place of destination, new business and diverse employment that gives people independence and opportunity

ENVIRONMENTAL WELLBEING

Sustainable living, safe and secure water and soils, waste minimised, biodiversity enhanced

CULTURAL WELLBEING

Strong relationships with whānau, hapū and marae, celebrating diverse cultural identity, arts and heritage

Strategic drivers

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

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
- Encourage economic diversity and local vibrancy
- Leverage partnerships with central and regional agencies to enable economic development and employment opportunities

Enhancing three waters delivery & 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

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

- Work in partnership with mana whenua and iwi, 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

Work with Treaty Partners

Strong and Efficient Council

Our Communities and District

OUR VISION

The best of country living with the community at the heart of everything we do.

Where we are today

- Steady population growth: an estimated 1.2% average* annual increase by 2031, from 11,700 to 13,600
- Rapid increase in house prices in 2020 resulting in Featherston median price \$484,100, Greytown \$732,800, Martinborough just over \$700,000
- 1 in 5 people over the age of 65
- Workers challenged to find affordable houses
- GDP per capita is \$27,000 compared to \$62,000 for NZ average, indicating relatively low incomes per person
- Unemployment rate of 4% which is slightly higher than NZ of 3.3% - high employment but low GDP
- Climate change with extreme weather events, droughts, higher temperatures, coastal erosion

*Sense Partners Population Predictions for Council

Three key roles of our district in the region & New Zealand

Roles of Council:

Advocate for sustainable living and community wellbeing
Influence, facilitate, partner, provide services, plan and regulate



A place for agriculture, fishing, forestry, horticulture and viticulture with new and growing business and job opportunities



A destination highlighting diverse cultures, heritage, environmental sustainability and recreational experiences



A town and country lifestyle choice

Role of Council

The South Wairarapa District Council elected members are chosen to lead and represent their communities and support decision making by and on their behalf. They are responsible for the development and adoption of Council policy, monitoring the performance of Council against its stated objectives and policies, and the prudent stewardship of Council's resources.

The community's outcomes define the future shape and form of social, cultural, economic, and environmental wellbeing for the district. Council, along with other key stakeholders, has a role in promoting the sustainable well-being of its district community. It achieves this through the collective application of its eight significant activities, being:

- Governance and Policy
- Finance and Corporate Support
- Planning and Regulatory Services
- Community Facilities and Services
- Land Transport
- Water Supply
- Wastewater
- Stormwater Drainage

Each significant activity comprises sub-activities. The scope and cost of providing each significant activity is determined through a series of agreed levels of service. The quantity and quality of each level of service translates into cost – generally the higher the level of service the higher the cost. In many cases, the minimum levels of service are determined by statutory and regulatory compliance rather than community requirements e.g., the quality of drinking water.

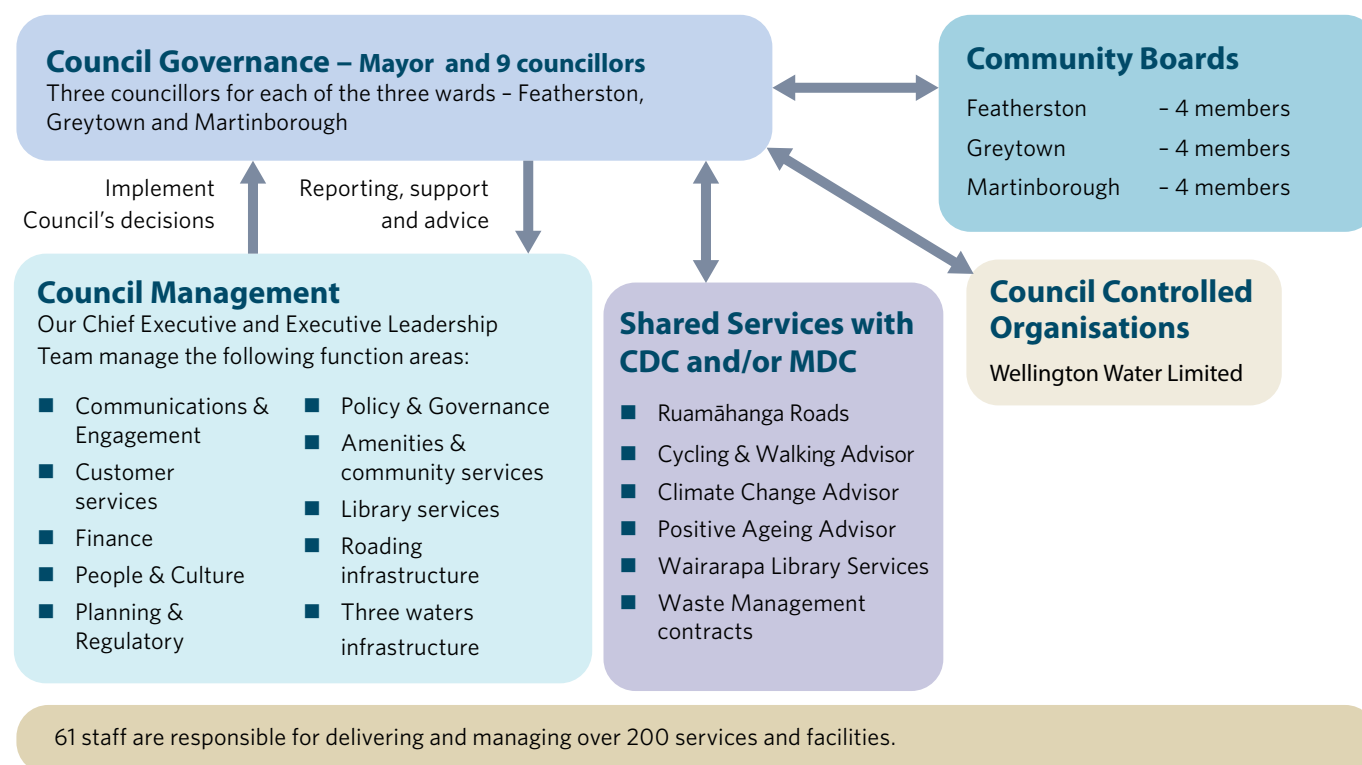
Our community outcomes are:

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 whānau, hapū and marae, celebrating diverse cultural identity, arts and heritage

Council Governance

The role of our elected members is to set the direction of the district, approve the budgets which fund the district's services and facilities, and adopt bylaws, policies and plans to meet the needs of our diverse communities.

South Wairarapa District Council has one Council-Controlled Organisations (CCOs), Wellington Water Limited, that independently manages Council's three waters and deliver the service for residents and visitors to enjoy.



Significant activities

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 that follow. Details of the service we provide, any assets we own, performance and financial information for each group of activities can be found in the 2021-31 Long Term Plan and Annual Report.

The groups of activities align with the strategic framework, so we can clearly communicate how well we are achieving our vision and community outcomes.

Governance and Policy

The Governance activity provides for the governance, leadership, advocacy, and policy-making activities for Council. Council aims to be a vigorous advocate for issues of concern to the community and demonstrate leadership in carrying out its work. We seek to build confidence in our decisions by being as transparent as possible, clearly communicating the reasons for the things we do, and encouraging public participation in the decision-making process.

Council carried out a Governance Review and a Representation Review over three years ago. The outcome of the Representation Review was to retain the status quo on ward boundaries and the number of elected members for each of the three wards (Featherston, Greytown, and Martinborough). A further representation review is scheduled for 2022/23 that will include the option of Māori representation.



Finance and Corporate Support

The role of Finance and Corporate Support is to provide critical strategic support services to Council. It is responsible for financial management, human resource management and development, health, safety and wellbeing, communications and engagement, Information Communication Technology (ICT), and customer and office support services.

Rates set in 2021/22 became controversial when the impact of the loan taken out during 2020 to relieve ratepayers of some of the rates burden was not clearly communicated to ratepayers in 2021 as part of the LTP consultation process. The full extent of the impact on the rates payable in 2021/22 was therefore not fully understood by ratepayers, resulting in many receiving rates bills significantly higher than they had expected. How we explain rates to our community is an important consideration in all our future communication.

The rating model is used to calculate the rates income required and how it will be allocated across all ratepayers. This system is scheduled for review over 2022/23 so a fairer model may be used in the future. Council is also looking to upgrade its IT system, its website and design and launch a new staff intranet in 2023/24 to allow it to work more efficiently and adopt technology to streamline processes and strengthen communication.

Access to equipment is problematic as supply chain issues continue to impact our ability to source replacement equipment. All staff are equipped to work from home in the event of any further business impact, and our business continuity planning ensures that we are able to support staff who are either directly affected by Covid or who are impacted through household members. A pandemic plan was developed in 2021 and this guides management decision-making around Covid-19.

Key roles have been stretched due to additional work demands and playing dual roles at Council and as part of the response team for regional emergency management during lockdowns and alert level changes.



Planning and Regulatory Services

Planning and Regulatory Services promote the sustainable management of natural and physical resources in the district through the administration of the Resource Management Act, the Wairarapa Combined District Plan, and the protection of public health, welfare, and safety through a broad range of legislation and implementation. Planning work also covers growth planning, compilation and implementation of the South Wairarapa Spatial Plan, and related Master Plan work in regard to future growth via integrated land use planning.

From the Council’s district spatial planning process, Featherston was prioritised as the first town in South Wairarapa to be ‘masterplanned’. The town is also seen as an urban renewal area within the wider Wellington Regional Growth Framework. Masterplanning includes developing a plan that integrates transport, housing, reserves, infrastructure, land use patterns, iwi, and community aspirations. The Featherston Masterplan project has been a key focus for Council, including engagement with local community groups and agencies and work has progressed steadily during 2022. Following feedback on the recent Foundation Discussion Document, a draft Master Plan will be compiled for further consultation, which will then lead to the final Masterplan.

The planning team is managing increasing numbers of resource consent applications due to growth in the district. The team is also working on opening up more urban land for housing in Featherston, Greytown, and Martinborough due to increased demand for housing.

The team is also reviewing the Wairarapa Combined District Plan with officers from Masterton and Carterton District Councils. This work will take several years to complete and will be an important component of managing sustainable growth in the region for the future. This team is leading the spatial plan project and will also be responsible for reviewing and implementing the proposed changes to the Resource Management Act.



The public protection teams’ responsibilities relate to and include:

Public nuisances and health	Noise control
Safe and sanitary buildings	Management of dogs and stock
Alcohol licensing and safe food	Camping grounds
Hairdressers	Offensive trades
Amusement devices	Beauty therapy operators

Due to the popularity and growth in the district, these teams continue to be busy with record numbers of building consents due to growth in each of our towns, and the wider district, and a higher than normal ratio of food and licensed premises than would normally be expected in a district our size.

Community Facilities and Services

The Community Facilities and Services activity brings together those areas of Council’s business that have a direct interface with the community’s wellbeing. Services range widely from working collaboratively with business partners; supporting the day-to-day wellbeing of our community; supporting land and water conservation efforts; providing essential services such as rubbish/ recycling, library facilities, swimming pools, parks and sports facilities; to advocating strongly for climate change adaptations and mitigations.

There is a deliberate focus on working more closely with our communities to help facilitate their wellbeing. This is aligned with the likely changes to the role of local authorities as a result of Local Government Reforms. It is especially salient as we work through social and economic impacts on our community as a result of factors such as Covid-19, inflation, cost of living increases, and other unknowns.

Council cannot do this work in isolation – it actively partners with community organisations and local groups to help deliver relevant services needed by our communities. Coordinating the delivery of much-needed services from different service providers for the small Hinekura Road community, that has limited access in and out of their community to due a massive landslide, is one such example. Another is the concerted effort by our library services, Positive Ageing Coordinator, and Community Development Advisor who are actively facilitating community discussion, skill-building, connection, cohesion, enrichment, entertainment, and recreation. Their efforts also help build intergenerational and inter-communities’ linkages.

This year South Wairarapa District is joining Carterton and Masterton District Councils to review and develop a combined Wairarapa Rangatahi Strategy. This is a new strategy for our Council and will create a vision and goals to progress youth development outcomes for our district and support a regional lens on rangatahi development needs.

South Wairarapa District Council was invited by MBIE to submit an Expression of Interest for the Te Waharoa ki Ngā Hapori - Welcoming Communities Programme (WCP) in April 2022 and was delighted to be successful in its application. The aims of WCP are to create thriving regions and inclusive communities, with not only newcomers, but all residents benefiting, resulting in a number of economic, social, civic, and cultural benefits. Various forms of support and resources, including a 3-year funding package towards a coordinator, is provided to member councils.

The recycle and upcycle efforts of Council have increased so as to reduce/eliminate tonnes of rubbish piling up at refuse stations.

We acknowledge the significant community involvement and contributions to some of the work Council needs to do. This partnership saw the refurbishment of the Town Hall and playground in Martinborough. We couldn’t have produced this result from Council funds alone.

Road Transport

Road transport is a vital element to enable social and economic development. With a vast road network and limited money, consideration needs to be given to the sustainability of maintaining roads over the long term. Council will continue to focus on applying to attract maximum subsidies in the areas of drainage, bridging, road safety, footpaths, streetlights, signage, vegetation control, sealed and unsealed road maintenance, and renewals. Council embarked on a joint roading contract in conjunction with CDC from 1 July 2019.

Water Supply

Council’s primary aim is to provide reliable and sustainable reticulated water supplies to our three towns and to encourage the conservation of this valuable resource.

Council’s responsibilities include a duty under the Water Services Act 2021 to improve, promote, and protect public health within the district. This means that Council has an obligation to identify where potable water service is required and to either provide it directly itself or to maintain an overview of the supply if it is provided by others. Through its Council Controlled Organisation Wellington Water Limited, Council provides and maintains potable water supplies to properties throughout the district. This doesn’t include premises that have their own rainwater tanks or bores.

Council’s priorities include the upgrade of all our water treatment plans to provide safe drinking water to communities. Projects at Waiohine and Memorial Park water treatment plants are currently ongoing.



Water conservation – With the aim of increasing awareness and understanding of water conservation, Council increased the promotion of messaging via radio advertising, social media, website information, and our rates newsletter. Further education about water metering, household thresholds, and fixing leaks has been communicated in past years and will be ongoing, especially as climate change continues to affect our natural resources. Efforts to improve our water meter readings to identify water leaks have been given a boost with the trial of Smart water meters in Greytown.



Wastewater

Through our partnership with its Council Controlled Organisation Wellington Water Limited (WWL), Council provides and maintains wastewater services to properties in the district. This does not include single premises that have their own septic tanks. Council aims to collect, treat, and dispose of wastewater from the urban areas of Featherston, Greytown, Martinborough, and Lake Ferry to provide public health protection with minimal effects on the environment.

Council’s responsibilities include its duty under the Water Services Act 2021 to improve, promote, and protect public health within the district. This means that Council has an obligation to identify where such a wastewater service is required and to either provide it directly itself, or to maintain an overview of the supply if it is provided by others.

There are four wastewater systems, approximately 4,365 serviced ‘pans’ and 286 properties that are serviceable.

One of Council’s largest projects is the upgrade of wastewater treatment in all three towns. Council decided in 2008 to move away from disposing wastewater via waterways and to

disposing wastewater to land. This is far more environmentally sustainable, and Council completed the first stages of the Martinborough and Greytown wastewater to land projects in 2019. Thirty-five-year consents were granted by Greater Wellington Regional Council in 2016 and the Martinborough disposal to land went live in November 2017, followed by Greytown in May 2019.

Council is currently working to obtain a consent for the Featherston wastewater disposal scheme trial. Considerable feedback was received against the original proposal from the Featherston community, so Council is carrying out further investigations on this subject through Wellington Water.

Inflow and Infiltration, which relates to stormwater and groundwater getting into the wastewater system, is an ongoing issue requiring much attention. Featherston’s Donald Street pump station is one such asset in poor condition and in need of an upgrade. A recent flyer delivered to affected households explaining what is wrong with this pump station and how Wellington Water is addressing issues is an education and information opportunity, so residents have an increased understanding of the issues and plans to remediate.



Stormwater

Through Wellington Water Limited, Council provides and maintains stormwater drainage assets, and the requirements for these assets where provided by others.

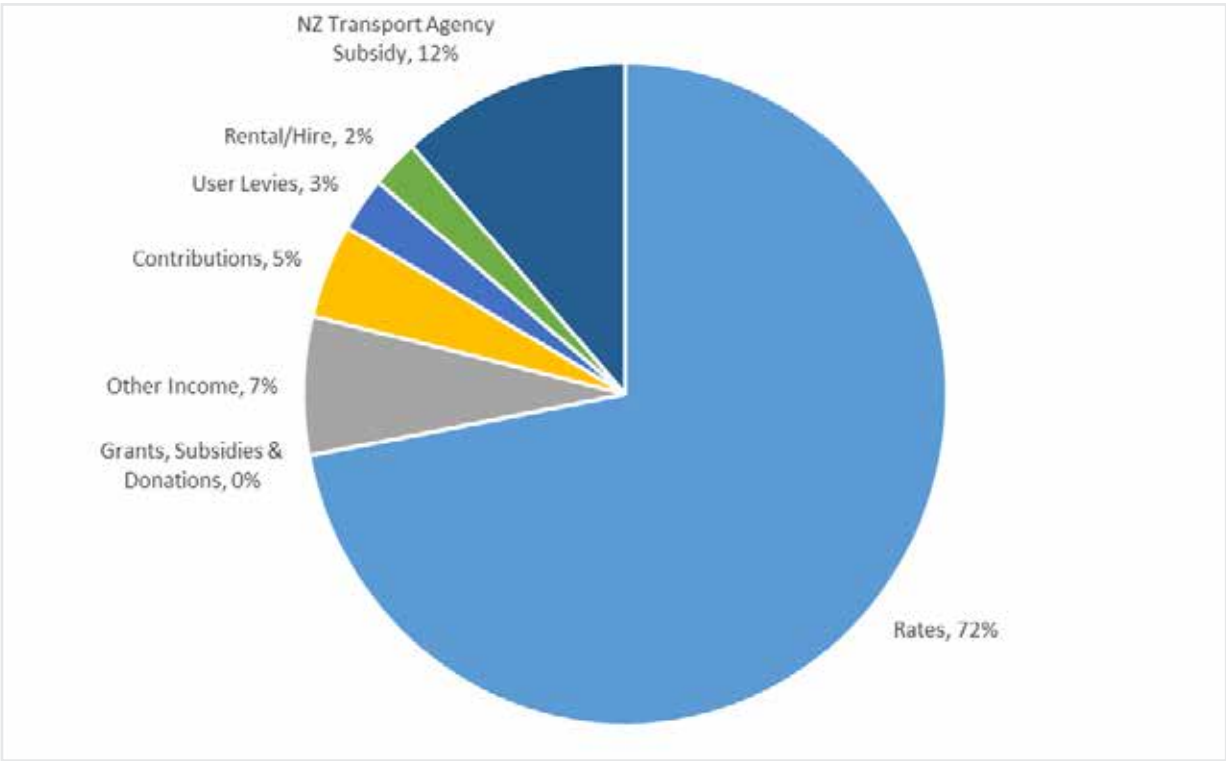
Council’s responsibilities include an obligation to identify where a public stormwater management service is required and to either provide it directly or to maintain an overview, where it is provided by others. The Stormwater Drainage activity contributes to community well-being and Council’s community outcomes and strategic drivers.

Wellington Water Limited is undertaking extensive modelling work to understand system performance and planning for the future. This will be relevant to all future development work planned for our district.

Where does Council's funding come from, and where do my rates go?

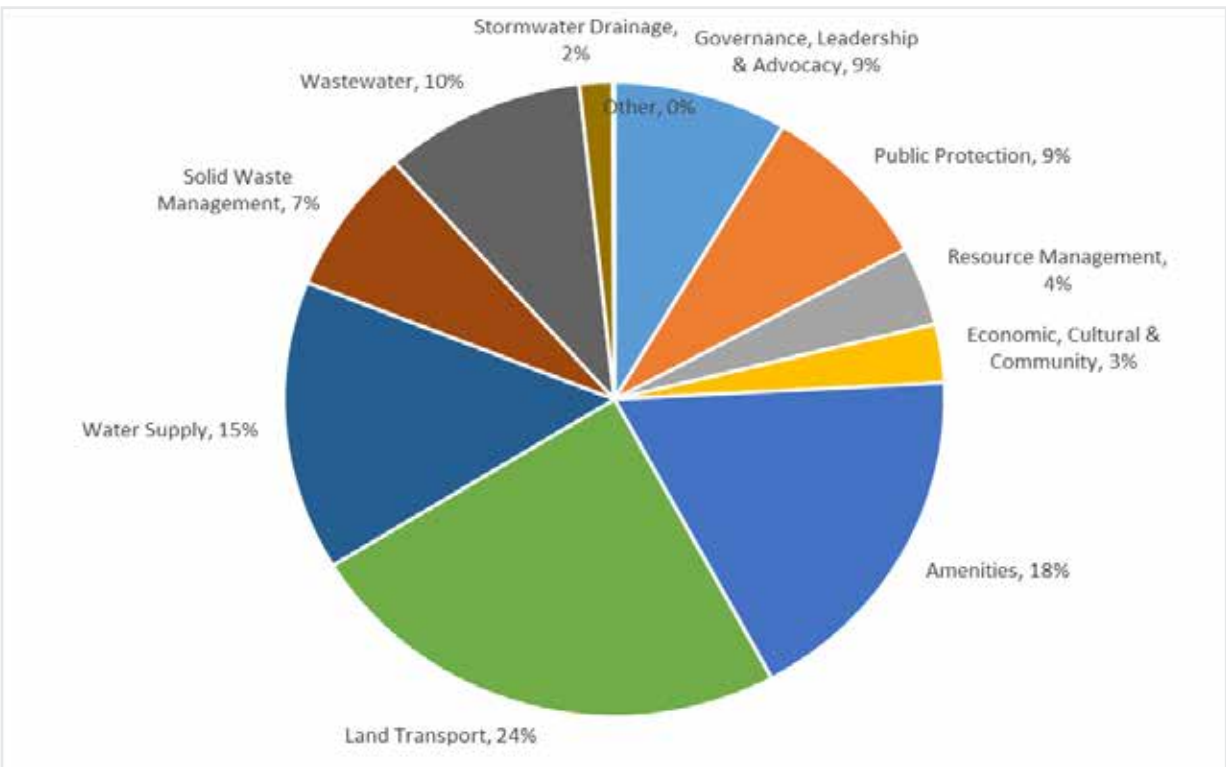
Seventy-two percent of Council income comes from ratepayers. These ratepayers are comprised of homeowners, lifestyles, farmers, and businesses.

Graph 1: Council's revenue streams



Of the total revenue generated, nearly 40% is spent on land transport and water supply. This is partly a reflection of ageing infrastructure past its use by date, and the effects of climate change on our infrastructure and surrounds. Facilities used by our communities such as swimming pools, libraries, parks, and reserves also consume a large chunk.

Graph 2: Council's expense categories



Key challenges and opportunities

In South Wairarapa our population is around 11,500, made up of approximately 4,500 households, spread over 2,500 square kms of land. Agriculture, forestry, and fishing are still our largest industries. This also means many of our communities are isolated and dispersed.

Inflation at 7.3% as of July 2022 is driving up the cost of fuel, food, and other necessities. People on fixed incomes have no room to absorb these costs and our local food banks and social support organisations are reporting increasing reliance on their services. Interest rate rises are increasing mortgage repayments. The share market downturn is stripping valuable equity off people who were relying on that income to support them during retirement. Limited public transport, lack of Wi-Fi coverage, and poor digital literacy contribute to the sense of isolation. This inhibits social and economic development. Our district is similar in geographic area to the Hutt Valley, Wellington, Porirua, and Kapiti combined, yet we have a fraction of the number of residents to fund the costs of delivering services essential to our community's wellbeing. There is evidence of a duality of the populace between those with the means to live here and those who struggle on an ongoing basis. The outlook for the economy in the short term suggests worse is to come.

Elected officers together with the leadership team at Council regularly assess and monitor our top risks, and these inform decision-making and prioritisation of all our work. Our risk management approach has been informed by the All of Government Enterprise Risk Maturity Assessment Framework which has helped us redesign our approach and we apply a wide range of information and data to set risks.

Our key areas of work to ensure we are resilient and

prepared for the future include (in no particular order):

- Climate Change resilience
- Improving our relationships with iwi, hapū, and marae
- Emergency management
- IT architecture, information systems, information management, and security
- Financial management, sustainability, and protection from fraud, and corruption
- Legislative and regulatory reform (3Waters, RMA, and the future for local government)
- Social licence to operate, trust, and transparency (reputation)
- Asset management
- Economic conditions resilience
- Organisation design and capability to respond to change
- Health and safety of our community and our staff.

This improved approach to managing risk is still developing, and we expect it to have an impact on our service delivery in the longer term, including how we prioritise future projects.

All of this makes for wicked problems – issues that cannot be solved by a single entity or solution alone. Complex problems mean we will need to be innovative, creative, and collaborative as we head into the next three-year election period.

Major projects in progress

Council has several major projects planned over the next three years. The table below provides details of the major projects that are underway or proposed for the next three financial years. These focus on upgrading existing facilities, improving levels of service, or enhancing the quality of service offered to residents and visitors.

Note: This table is not a full list of Council’s projects, activities, and business as usual. Refer to the Long Term Plan 2021-2031, the 2020/21 Annual Report, and the 2022/23 Annual Plan for more information.

Water supply & Wastewater \$000	Amenities \$000	Land transport \$000
Featherston wastewater to land project \$1,027	Parks and reserves	Renewals and new urban footpaths in each of the three towns \$540
Smart Meters (paused) \$1,027	Library services	Road reseals \$805
Cyclical renewal of underground water assets \$375	Community buildings	Safety works \$420
Cyclical renewal of underground wastewater assets \$568	Cemeteries	Road metalling \$415
	Housing for seniors	
	Playgrounds	
	Swimming pools \$1,613	



Our Finances

Funding Impact Statements

For the years ended 30 June 2020-2026

SOUTH WAIRARAPA DISTRICT COUNCIL							
FUNDING IMPACT STATEMENTS	AR	AR	LTP	LTP	LTP	LTP	LTP
	Annual Report 2020 \$000	Annual Report 2021 \$000	LTP 2022 \$000	LTP 2023 \$000	LTP 2024 \$000	LTP 2025 \$000	LTP 2026 \$000
Sources of operating funding							
General rates, uniform annual general Charges, Rates Penalties	10,300	8,104	13,473	14,158	14,601	15,516	15,480
Target rates (other than a targeted rate for water supply)	4,482	7,577	6,548	7,475	7,729	9,042	9,539
Subsidies and grants for operating purposes	2,412	3,683	1,463	1,580	1,635	1,663	1,711
Fees, charges, and targeted rates for water supply	1,786	2,423	2,039	2,168	2,230	2,295	2,363
Interest and Dividends from investments	476	100	109	139	254	194	201
Local authorities fuel tax, fines, infringement fees, and other receipts	1,247	977	1,150	1,218	1,249	1,281	1,315
Total operating funding (A)	20,703	22,864	24,782	26,738	27,698	29,991	30,610
Applications of operating funding							
Payments to staff and suppliers	13,844	20,177	18,718	20,057	20,278	21,448	21,750
Finance costs	1,129	586	614	745	894	1,232	1,377
Other operating funding applications	485	-	-	-	-	-	-
Total applications of operating funding (B)	15,459	20,763	19,332	20,802	21,172	22,680	23,128
Surplus (deficit) of operating funding (A-B)	5,244	2,101	5,450	5,936	6,525	7,310	7,482
Sources of Capital funding							
Subsidies and grants for capital expenditure	-	1,521	2,307	1,937	2,161	1,816	1,869
Development and financial contributions	842	1,413	900	951	974	998	1,022
Increase (decrease) in debt	1,121	2,500	7,503	2,600	4,944	8,418	5,547
Gross proceeds from sale of assets	-	7	-	-	-	-	-
Lump sum contributions	494	697	397	427	439	452	465
Other dedicated capital funding	-	-	-	-	-	-	-
Total sources of capital funding (C)	2,457	6,137	11,107	5,915	8,519	11,684	8,904
Applications of capital funding							
Capital Expenditure							
- to meet additional demand	397	932	1,175	2,607	3,259	7,474	1,815
- to improve the level of service	2,863	1,658	6,494	3,840	5,292	11,907	8,327
- to replace existing assets	4,381	8,200	4,645	3,538	3,779	4,625	4,734
Increase (decrease) in reserves	60	(2,554)	4,243	1,866	2,714	(5,012)	1,510
Increase (decrease) of investments	-	-	-	-	-	-	-
Total applications of capital funding (D)	7,701	8,237	16,557	11,851	15,044	18,994	16,386
Surplus (deficit) of capital	(5,244)	(2,101)	(5,450)	(5,936)	(6,525)	(7,310)	(7,482)

Summary Statement of Financial Position

As at 30 June 2020-2026

	AR	AR	LTP	LTP	LTP	LTP	LTP
	Annual Report 2020	Annual Report 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS							
Current assets							
Cash and cash equivalents	2,203	3,452	(536)	(549)	(223)	(58)	503
Investments	11,700	6,561	11,253	14,628	18,123	14,564	15,518
Debtors and other receivables	2,300	3,510	2,300	2,300	2,300	2,300	2,300
Inventories	54	46	54	54	54	54	54
Non-current assets held for sale	-	-	-	-	-	-	-
Total current assets	16,258	13,569	13,071	16,433	20,255	16,861	18,376
Non-current assets							
Investments	401	1,634	508	508	508	508	508
Investment properties	11,223	14,322	11,696	12,036	12,337	12,645	12,974
Intangible assets	53	192	228	355	323	843	1,296
Property, plant and equipment	452,025	507,812	494,356	498,941	549,506	566,460	573,537
Total non-current assets	463,702	523,961	506,788	511,840	562,674	580,456	588,315
Total assets	479,959	537,530	519,859	528,274	582,929	597,317	606,691
LIABILITIES							
Current liabilities							
Creditors and other payables	3,655	4,923	3,655	3,655	3,655	3,655	3,655
Employee entitlements	404	468	404	404	404	404	404
Provisions - current portion	35	34	35	35	35	35	35
Public debt - current portion	5,700	5,900	-	-	-	-	-
Finance leases - current portion	-	-	-	-	-	-	-
Total current liabilities	9,793	11,325	4,093	4,093	4,093	4,093	4,093
Non-current liabilities							
Provisions - non-current portion	443	381	408	408	408	408	408
Public debt - non-current portion	16,200	18,500	28,247	32,342	38,391	48,421	53,969
Finance leases - non-current portion	-	-	-	-	-	-	-
Total non-current liabilities	16,643	18,881	28,654	32,750	38,799	48,829	54,376
Equity							
Public equity	153,237	158,479	155,029	154,521	153,933	160,383	161,370
Restricted reserves and trust funds	28,264	27,768	28,435	33,261	38,629	36,537	39,376
Asset revaluation reserve	272,022	321,077	303,647	303,647	347,475	347,475	347,475
Loan redemption reserve	-	-	-	-	-	-	-
Share Revaluation Reserve	-	-	-	-	-	-	-
Total equity	453,523	507,324	487,112	491,430	540,037	544,395	548,221
Total liabilities and equity	479,959	537,530	519,859	528,274	582,929	597,317	606,691

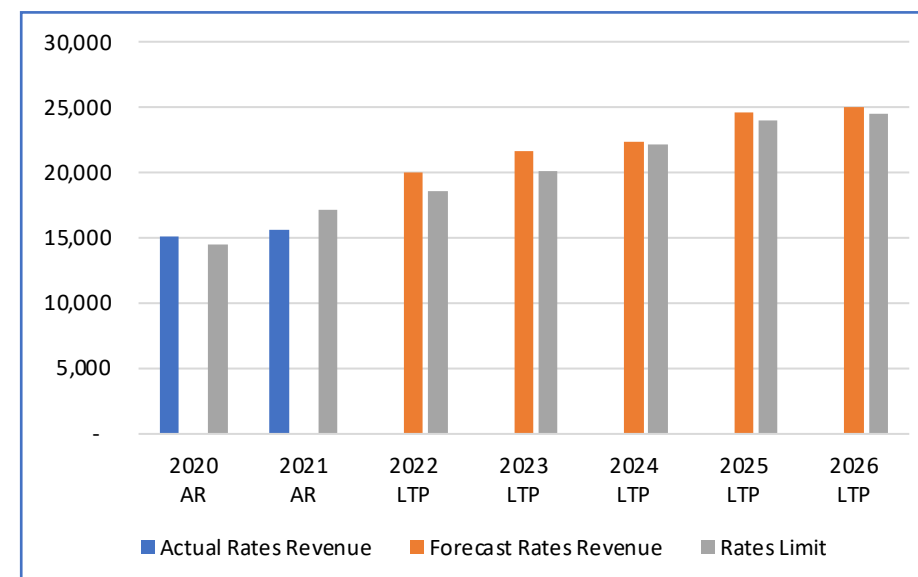
Financial Strategy

The Council's financial strategy is set out in the 2021-2031 Long-Term Plan and includes limits on rates increases, total rates collected, and debt levels.

The graph below compares the Council's planned rates increases with the limits contained in the Financial Strategy and included in the 2021-2031 Long-Term Plan.

Rates affordability

The rates increases for the 2019/20 and 2020/21 years were higher than the internally set limits due to additional initiatives Council consulted on as part of the Long-Term Plan and Annual Plan processes. These initiatives included grant funding for youth training and development, free swimming in Council pools, lowering library fees and charges, extending swimming pool hours, and spatial planning..

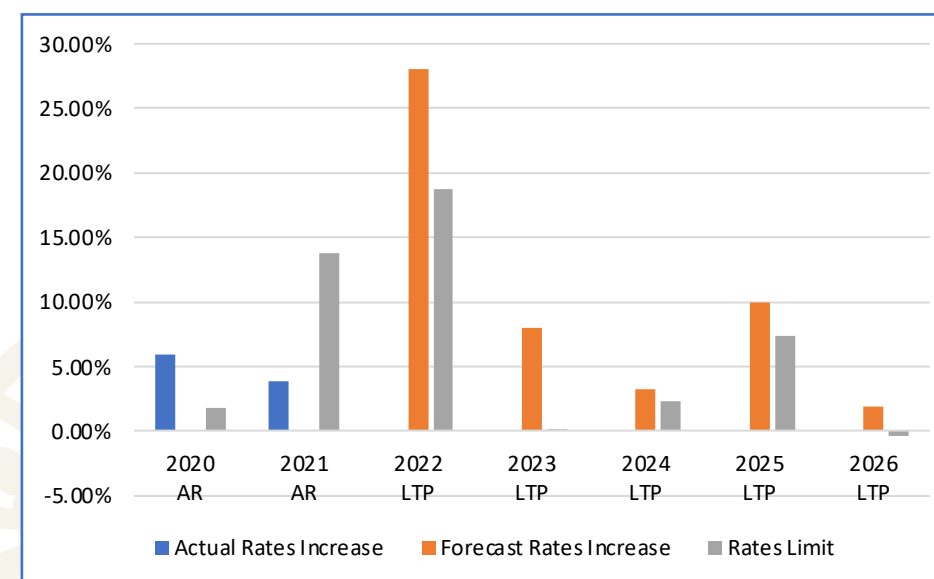


Rates increase affordability

The following graph compares the Council's planned rates (\$'000s) with the limit on rates contained in the Financial Strategy and included in the 2021-2031 Long-Term Plan.

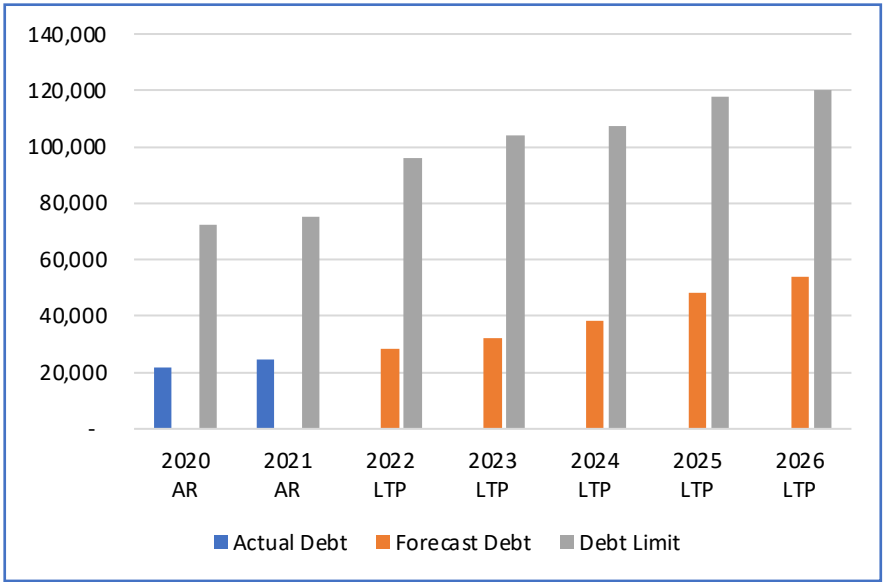
Rates increases are in line with the financial strategy rates limit and over in the 2022, 2023 and 2025 years due to initiatives consulted on with the community.

Rates increases are in line with the financial strategy rates limit and over in the 2022, 2023, and 2025 years due to initiatives consulted on with the community.



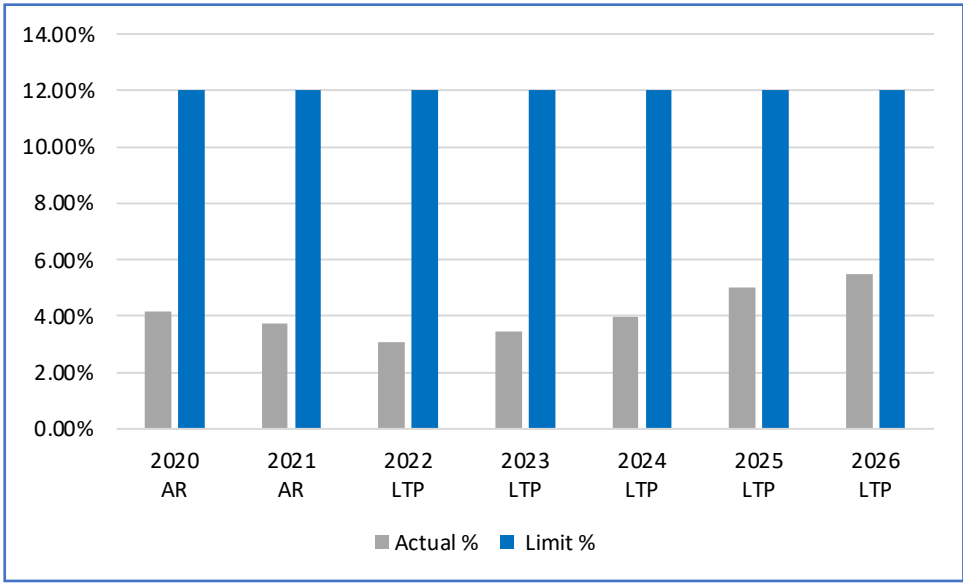
Debt affordability benchmark

The following graph compares Council's planned debt with the maximum debt borrowings as outlined in the 2021-2031 Financial Strategy and Long-Term Plan.



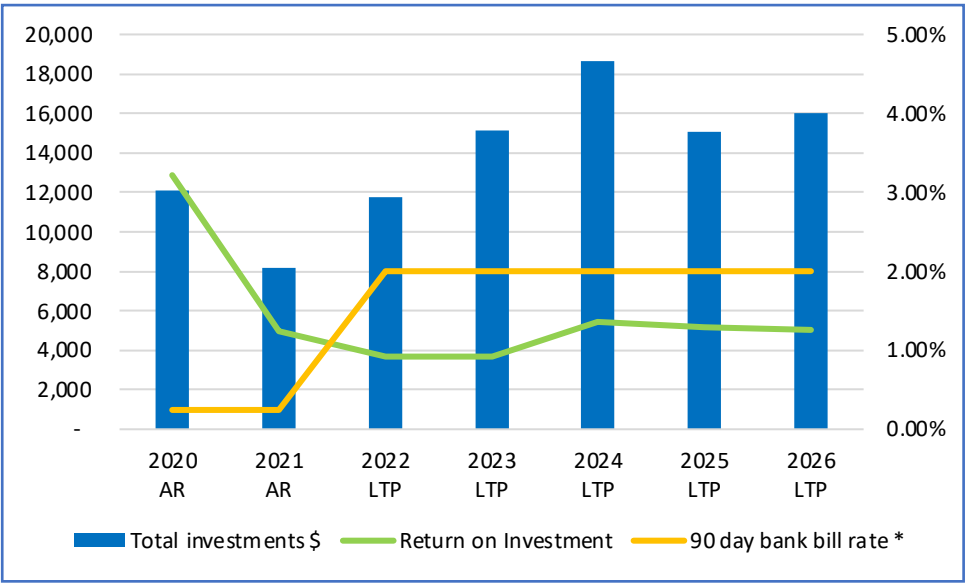
Debt servicing benchmark

The 2021-2031 Long-Term Plan also sets a maximum limit on interest cost at no more than 12% of rates revenue. The graph below shows interest cost is well below this limit as a percentage of rates revenue in all years from 2021 to 2026.



Investments

Council maintains investments on behalf of ratepayers for the benefit of various Council activities and principal loan reduction. The graph below shows total investments, return on investment and the 90-day bank bill rate for the period from 2020 to 2026..



Further Information

The pre-election report is not audited, however, a lot of the information is sourced from audited documents such as the Annual Report 2020/21, and the 2021-2031 Long-Term Plan.

These documents are available on the Council's website www.swdc.govt.nz.

Hard copies are available for viewing at the Council offices at Kitchener Street in Martinborough, and the Martinborough, Greytown, and Featherston libraries.



Enrol

Stand

Vote

Be
heard

Make a
difference

Major issues are driving widespread change in our community and across councils. This year's elections are occurring at a time of significant change to the role and function of local government.

Candidates with vision, leadership, empathy, and commitment are required to listen, to collaborate and make a difference to the lives of residents, businesses and visitors. People who are passionate about this district, think strategically, and see the big picture to make (often difficult) decisions for the longer-term wellbeing of our community are needed now, not just the loud voices.

VOTE or STAND - BE THAT PERSON

Enrol:

Enrol to vote or check your enrolment details today. You must be correctly enrolled on the parliamentary roll to be able to vote, nominate a candidate and stand in local elections.

Visit www.vote.nz to check you are eligible – enrol or update your details or pop into our offices for an enrolment form.

Enrol before 12 August

*Or visit Council after
16 September to cast
a special vote before
midday 8 October.*

Stand:

Being an elected member is hard work yet rewarding. You will be required to be present at numerous meetings and forums, represent the district at various civic events, read tomes of reports and information and be ready for healthy, well-informed, meaningful discussions so the right decisions are made for the right reasons.

Check the Council's website for the candidate handbook and nomination forms swdc.govt.nz/local-body-elections-2022

*Nominations open
on 15 July*

*And close at noon
on 12 August 2022.*

Vote:

To get the best, you must vote. Make your voice heard so that our district has the best of leaders and decision-makers with the best interests of our community at heart. Voting is your way of having a say on what matters most to you by choosing people who can represent that.

If you're enrolled to vote, you'll receive your voting papers in the post between 16 and 21 September. Use the Freepost envelope provided in the pack to cast your vote and mail back your papers to the Council electoral Officer before 8 October 2022. Or you can choose to hand deliver to any of our libraries or the Council offices where there will be secure voting boxes.

*Voting opens
16 September.*

*All votes must be
received by noon on
Election Day, 8 October
2022.*



**SOUTH WAIRARAPA
DISTRICT COUNCIL**
Kia Reretahi Tātau

South Wairarapa District Council
19 Kitchener Street, Martinborough 5711
PO Box 6, Martinborough 5741
New Zealand
swdc.govt.nz
06 306 9611