



SOUTH WAIRARAPA  
DISTRICT COUNCIL  
*Kia Reretahi Tātau*

# Summary of Environmental Scan 2021

Date of Report	1 March 2021
Next Review	March 2024

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

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# Population and households

## Population Growth

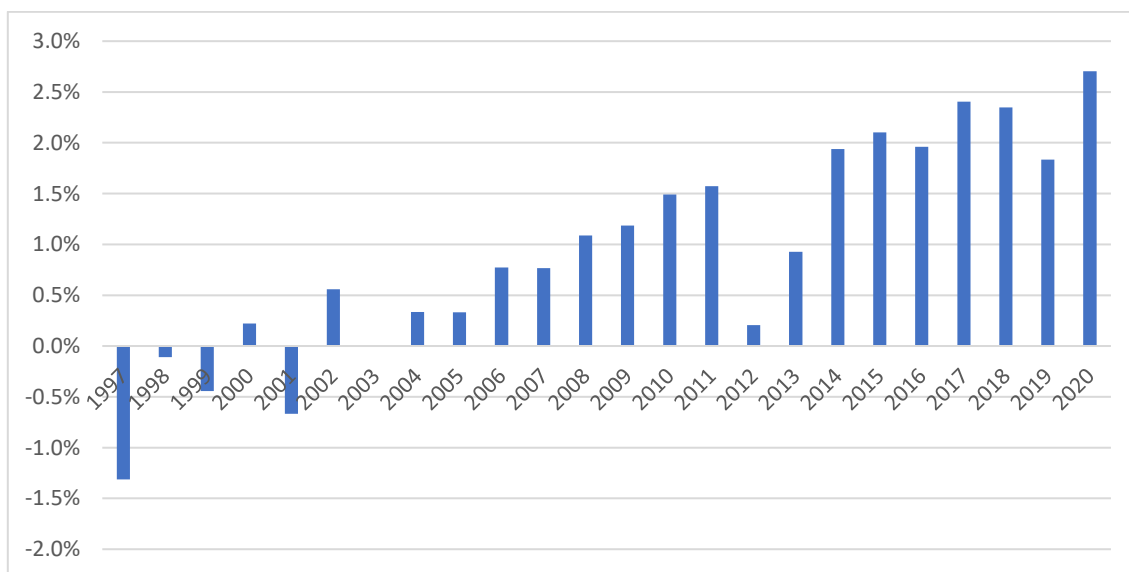
Census data shows that the population in the South Wairarapa district increased by 11% from 9,800 in 2013 to 10,900 in 2018. This represents an average annual change over the 5-year period of 2.2%. We have obtained population projections for the period 2019 to 2051 from Infometrics. South Wairarapa’s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

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

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

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

**South Wairarapa Annual Population Change**

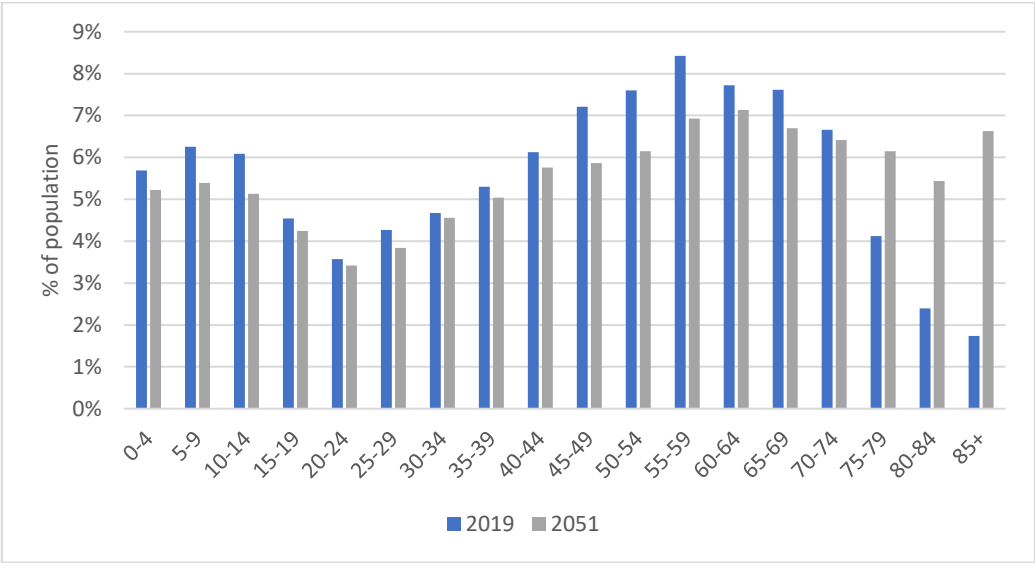


<sup>1</sup> Population and age projections are sourced from Infometrics Population Projections 2019 – 2051.

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

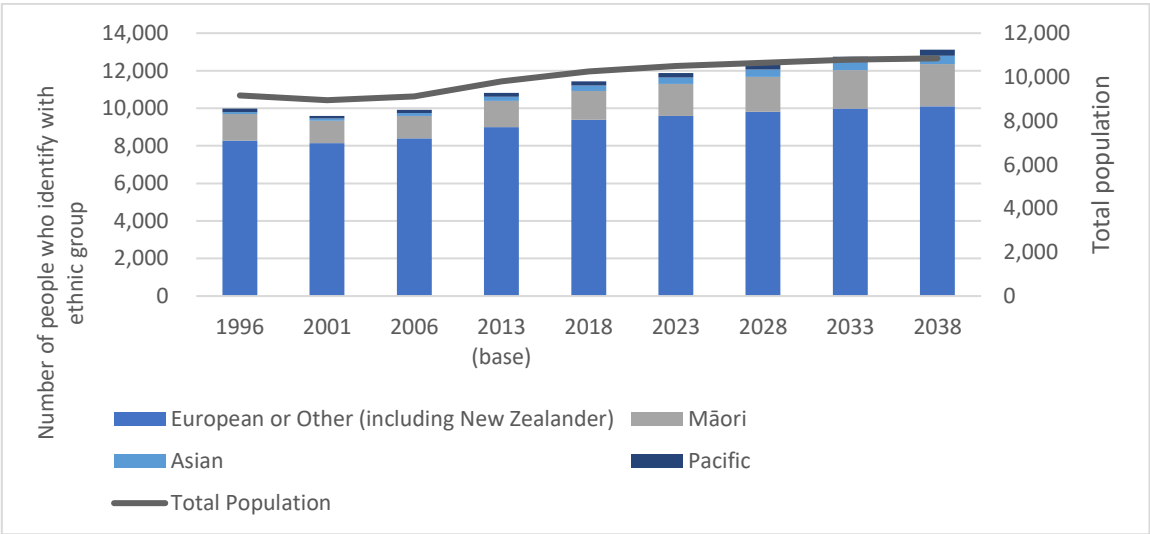
The under 15 years and working age population (15 – 64 years) groups are projected to grow modestly. The number of young people under 15 years is projected to grow by 12% between 2019 and 2051 and the working age population is projected to grow by 14%.

**South Wairarapa Age Projections, 2019 to 2051**



The ethnic mix of South Wairarapa’s population is projected to continue to change in line with historical trends, with the largest change being an increase in the proportion of the population identifying as Māori – up from 15% of the South Wairarapa population in 2018 to 21% by 2038.<sup>2</sup>

**South Wairarapa Ethnic Population Projections, 1996 to 2038**



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

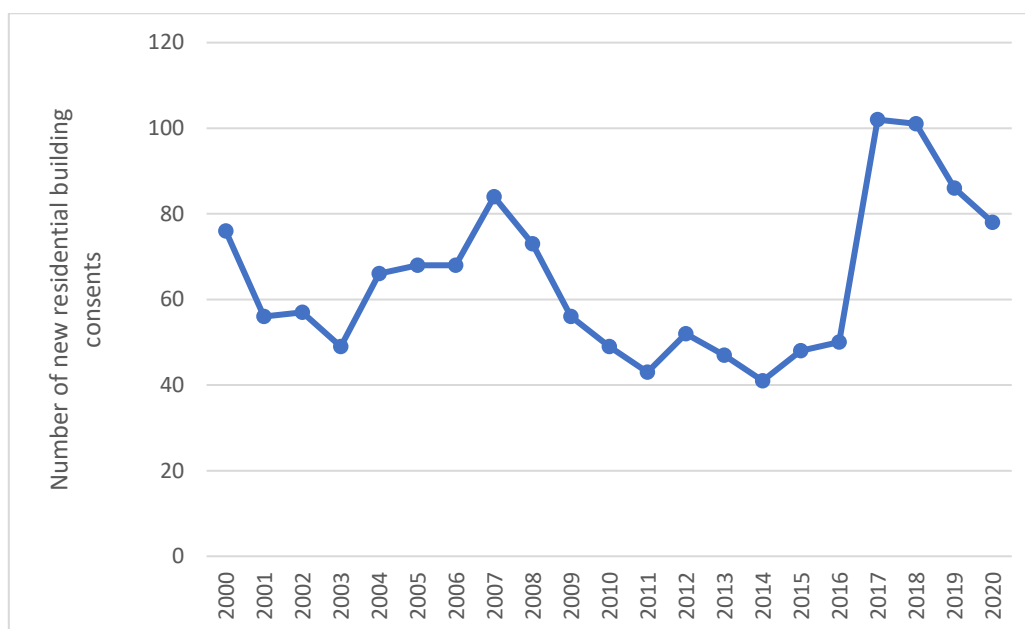
Note: The sum of all ethnic groups exceeds the total population because people can identify with more than one ethnicity.

## Household Growth

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

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

**South Wairarapa District Residential Building Consents, 2000 to 2020 (June)**



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

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

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

## Regional growth framework

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

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

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

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

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

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

The Framework identifies improving west-east connections as an opportunity to unlock growth, improve resilience and improve regional accessibility to economic and social opportunities. The

potential housing and urban development capacity of any future west-east multi-modal corridor(s) has yet to be determined and will need consideration alongside potential transport interventions.

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

## Economic

### GDP

In 2019, South Wairarapa's GDP per capita was \$27,000, compared to \$62,000 for New Zealand. Our GDP is low relative to other districts in the Wairarapa, with Carterton and Masterton having a GDP per capita of \$41,000 and \$44,000 respectively.

There has also been slow growth in South Wairarapa's GDP. In the five years from April 2014 to March 2019, nominal GDP in South Wairarapa grew at a rate of 2.7%. This was slower than the rate of growth for New Zealand which grew at a rate of 5.4% and the slowest of all districts in the Wairarapa. Carterton's growth rate was 3.1% and Masterton's growth rate was 6.0%.<sup>3</sup>

In terms of industry, agriculture accounts for the greatest share of South Wairarapa's GDP, followed by manufacturing. Respectively they shared 22% and 12% of the district's GDP in 2018.

### Employment

In 2018, prior to the impact of Covid-19, South Wairarapa had low rates of unemployment. The South Wairarapa had an unemployment rate of 4.0% which was lower than the rate of 5.2% in 2013. It was also lower than the national unemployment rate of 5.8% in 2018<sup>4</sup>.

Employment status	2018			2013			Change 2013 to 2018
	Number	South Wairarapa	New Zealand	Number	South Wairarapa	New Zealand	
Employed	5,685	96.0%	94.2%	4,785	94.8%	92.9	+900
Employed full-time	4,239	71.6%	72.9%	3,525	69.9%	71.5	+714
Employed part-time	1,446	24.4%	21.3%	1,260	25.0%	21.4	+186
Unemployed	237	4.0%	5.8%	261	5.2%	7.1	-24
<b>Total labour force</b>	<b>5,922</b>	<b>100.0%</b>	<b>100.0%</b>	<b>5,046</b>	<b>100.0%</b>	<b>100.0%</b>	<b>+876</b>

Agriculture is also the largest industry in the South Wairarapa in terms of employment, accounting for 23% of the district's employment in 2019. Other industries that are prominent in the South Wairarapa are the accommodation and food services (11%) and construction (10%) industries.

While the agriculture and accommodation and food services industries are projected to remain the largest industries by 2051, the manufacturing and the professional, scientific and technical services industries are expected to become more prominent.<sup>5</sup>

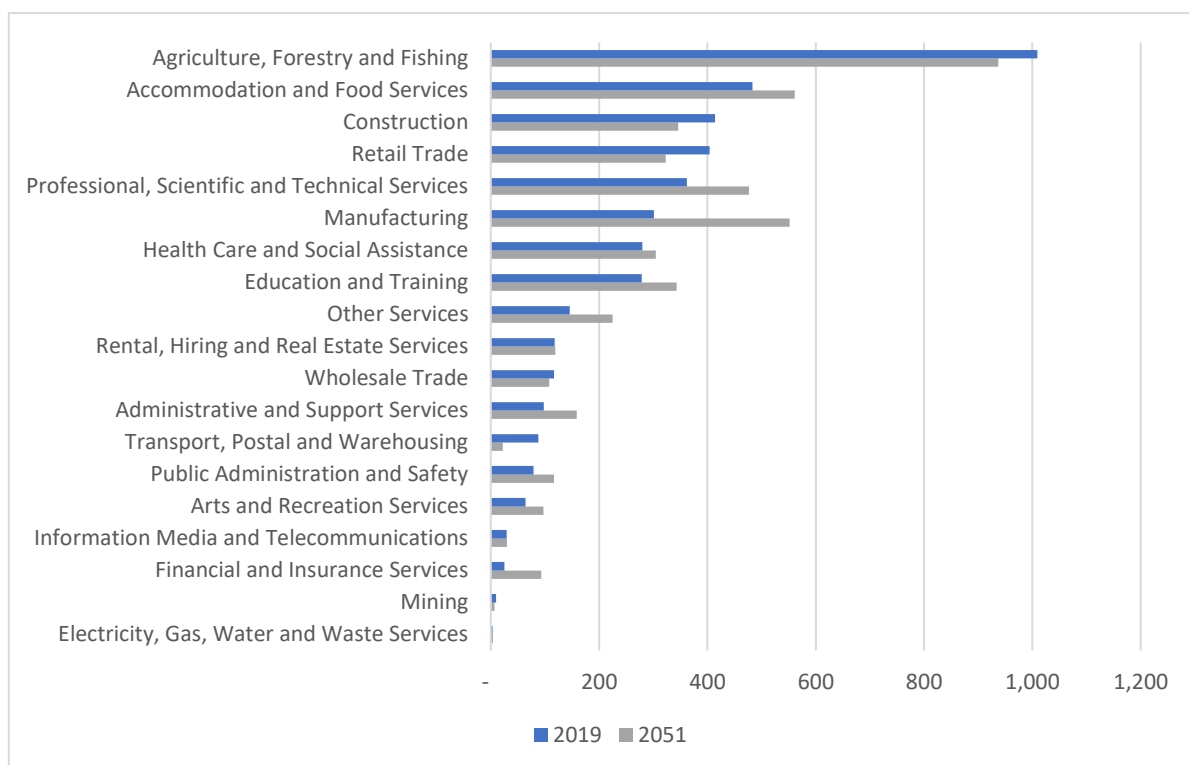
<sup>3</sup> <https://www.mbie.govt.nz/business-and-employment/economic-development/regional-economic-development/modelled-territorial-authority-gross-domestic-product/modelled-territorial-authority-gdp-2020-release/>

<sup>4</sup> <https://profile.idnz.co.nz/south-wairarapa>

<sup>5</sup> Data sourced from Infometrics.



### South Wairarapa Employment by Industry, 2019 to 2051



### Impact of COVID-19

Key economic trends are now heavily impacted by COVID-19 and the above projections are therefore highly uncertain. COVID-19 will have long lasting impacts across New Zealand and the uncertainty surrounding the impact on the New Zealand economy makes planning for the future more challenging.

BERL developed early projections prior to the COVID-19 resurgence on how the New Zealand economy could respond over the short to medium term. BERL created three economic scenarios to illustrate how the recovery might unfold.

Each scenario assumed a different mix of time spent under lockdown levels, time for vaccine development and distribution, as well as a general idea of the spread of COVID-19. BERL predicted that Scenario 1, the “Best case” scenario, which assumes that NZ’s elimination strategy would be successful following one month at level 4 and one month at level 3. The critical trend is that cases grow slowly or decrease. Given the localised and short time spend in higher alert levels, as well as increased border controls, we anticipate the “Best case” scenario remains the most likely recovery scenario.

As shown in the graphs below, BERL predicts the recovery being spread over a five to eight-year horizon.

Figure 3.1 New Zealand unemployment rate for COVID-19 recovery scenarios.

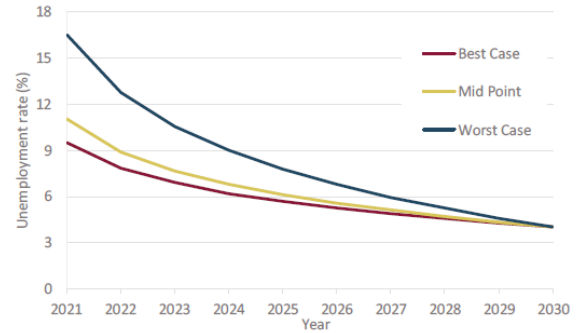
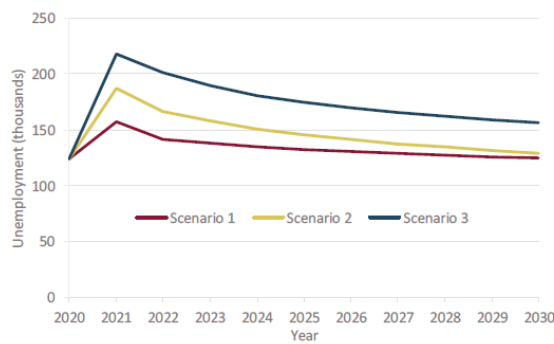


Figure 3.2 Number unemployed for COVID-19 recovery scenarios

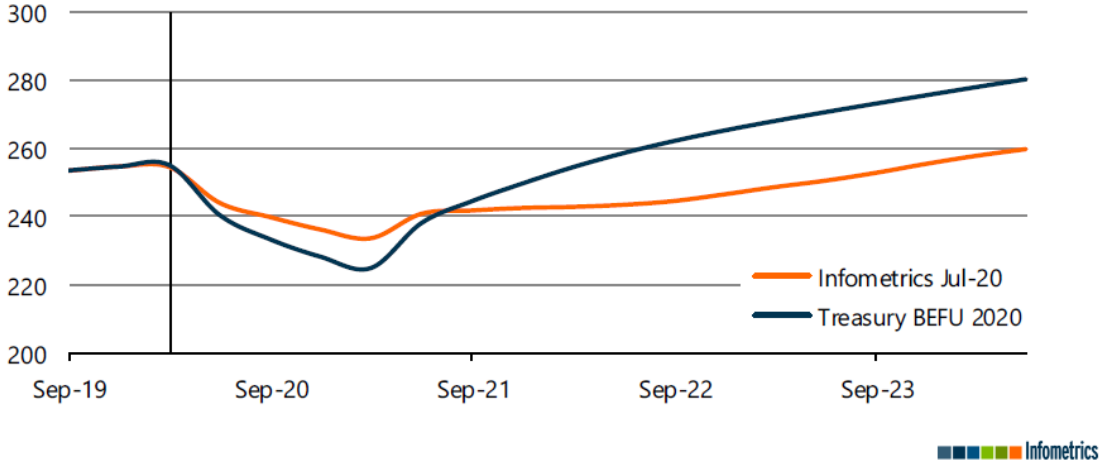


Infometrics forecast from July 2020 also highlighted that the recovery will take time.

**A U-shaped recovery**

This recovery will take time

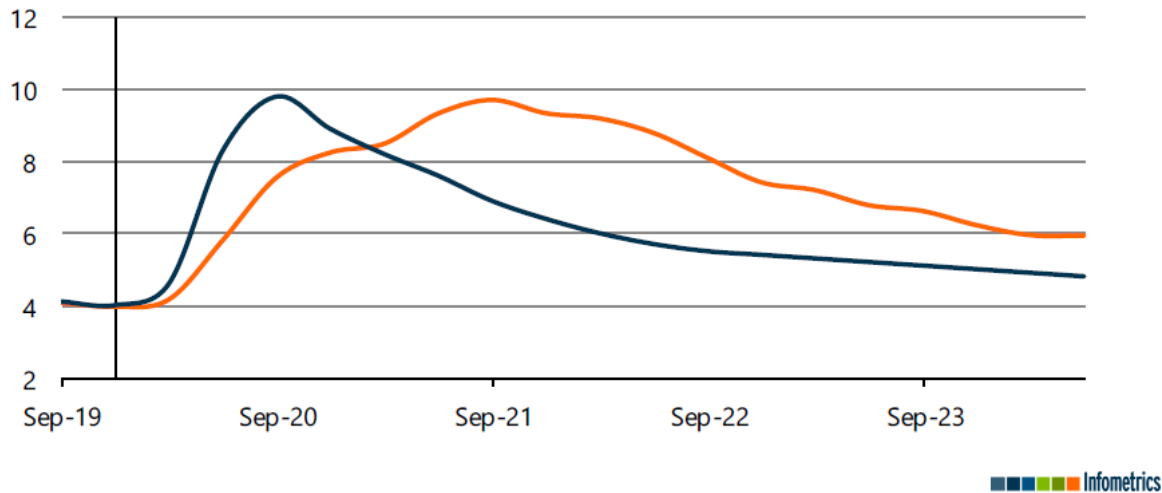
GDP forecast comparison, annual running totals, 2009/10 \$b



**Job losses will rise**

How big is the labour market hit?

Unemployment rate forecasts, %, seasonally adjusted



## Industry outlook

Agriculture is the largest industry in the South Wairarapa in terms of both GDP and number of people employed and is one of the industries BERL expects to recover considerably by 2030. Other industries expected to recover considerably by 2030 are manufacturing, construction, education, and health care and social assistance.

The accommodation and food services industry is unlikely to recover employment back to pre-COVID levels by 2030. This industry, along with arts and recreation, and some of retail, make up the tourism sector. This sector is the hardest hit and will experience a more prolonged period of lower activity.

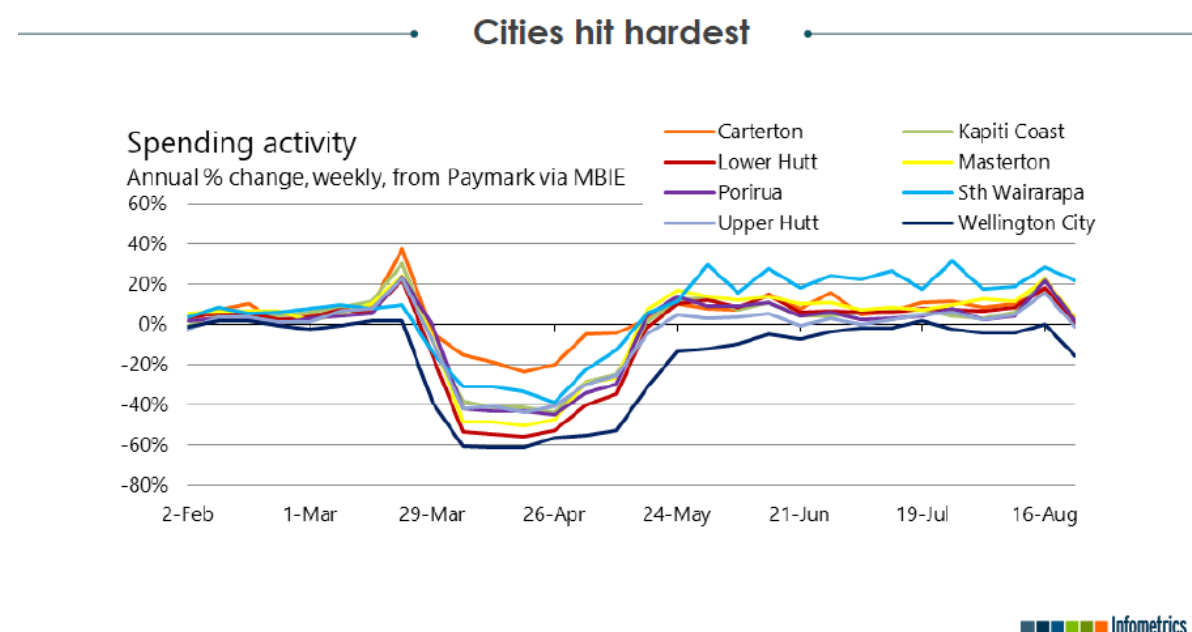
On the global level, in a survey of experts by the World Tourism Organisation, 45% thought domestic tourism would start to recover by July-September and 39% thought international tourism would start to recover by 2021. However, there is no certainty as it is unclear how quickly all borders can be reopened and how quickly airlines can get back to operating normally. Increased unemployment generally will also reduce demand for domestic tourism in the short term.

At a local level, Infometrics forecasts from July 2020 show that tourism is projected to recover to 60% of its pre COVID-19 level by 2025 in terms of visitor arrivals. While New Zealand can look to build tourism back, it is expected the opportunity will be under more of a high value (low volume) model.

Apart from tourism, the construction industry was also greatly affected by the COVID-19 lockdown however the impact on jobs has not lasted. In alert level 1 it is expected there will be no lasting job losses in construction.

## Spending

Another impact of COVID-19 is a decline in spending as people cut back on discretionary spending. This is also reflected in spending activity each time the COVID-19 levels are increased. While spending in the city is impacted the most, impacts are also seen in the South Wairarapa.



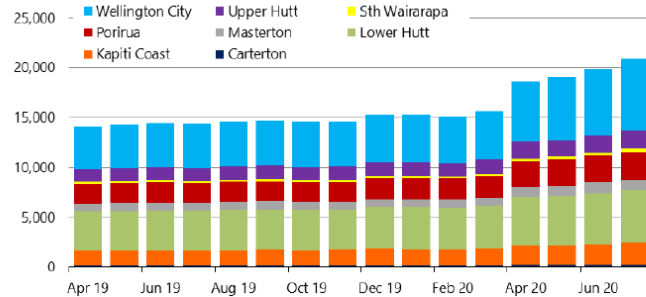


Rising job losses due to COVID-19 has seen an increase in demand for Jobseeker Support. Over the year to June 2020 there was a 29% increase in Jobseeker Support numbers in the South Wairarapa.

## Jobseekers

Rising job losses pushes support up 45%

Jobseeker Support and CIRP recipients

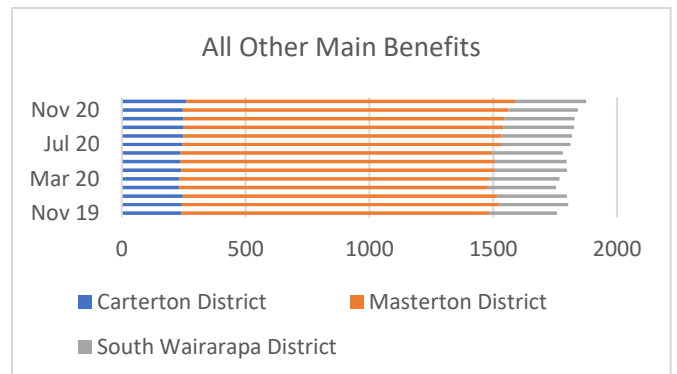
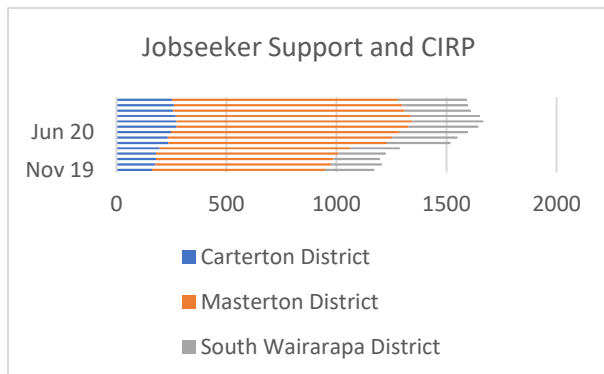
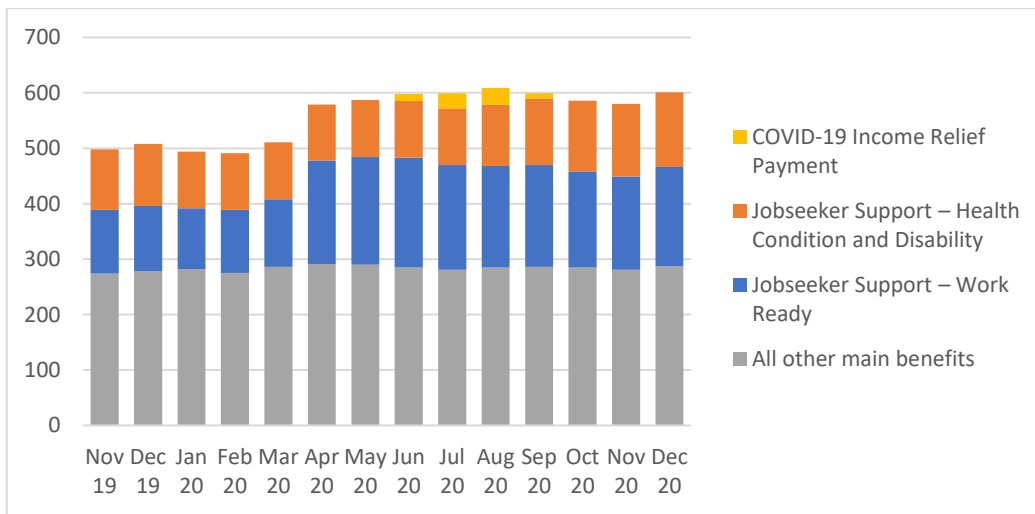


Annual change Jul 20	Number	% change
Carterton	99	57%
Kapiti Coast	604	39%
Lower Hutt	1,349	34%
Masterton	249	31%
Porirua	866	44%
Sth Wairarapa	72	29%
Upper Hutt	511	40%
Wellington City	2,778	63%



Displayed below is further information on the composition, distribution and growth of Job Seeker Support, the Covid-19 Income Relief Payment (CIRP), and other main benefits distributed within the Wairarapa<sup>7</sup>.

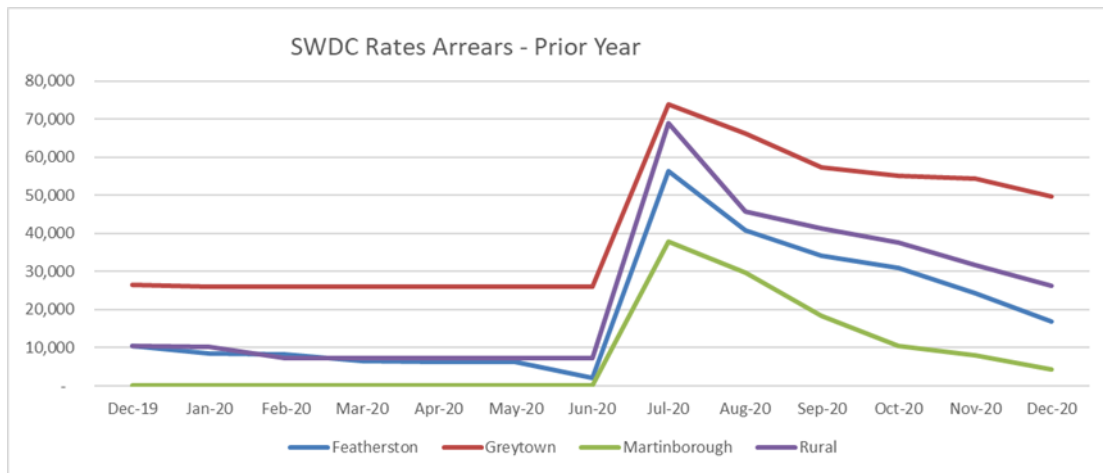
### South Wairarapa Benefit Composition



<sup>7</sup> <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/monthly-reporting/index.html>

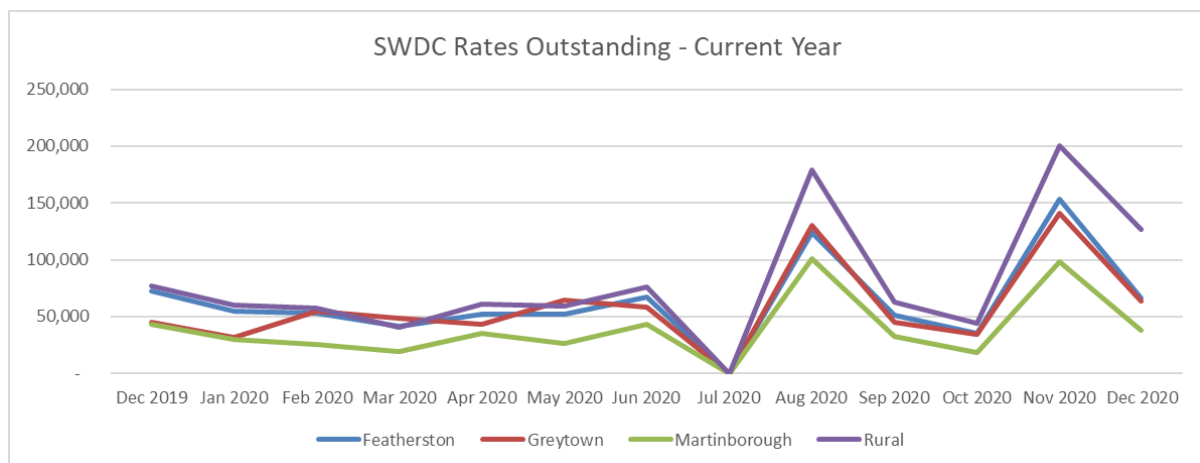
### Rates

The following rates arrears graph shows an increase in amount of unpaid rates carried forward from the previous year (2019/20). Prior years arrears have increased \$49k from the same time last year.



The table below shows the dollar value of prior year rates arrears by town/area.

Town/Area	December 2019	December 2020	Difference
Featherston	\$10,587	\$16,999	\$6,412
Greytown	\$26,570	\$49,611	\$23,040
Martinborough	\$45	\$4,256	\$4,211
Rural	\$10,564	\$26,180	\$15,616
<b>Total</b>	<b>\$47,765</b>	<b>\$97,045</b>	<b>\$49,279</b>



At the end of December 2020, the current year's arrears amount was \$295K, 24% higher than the same time last year.

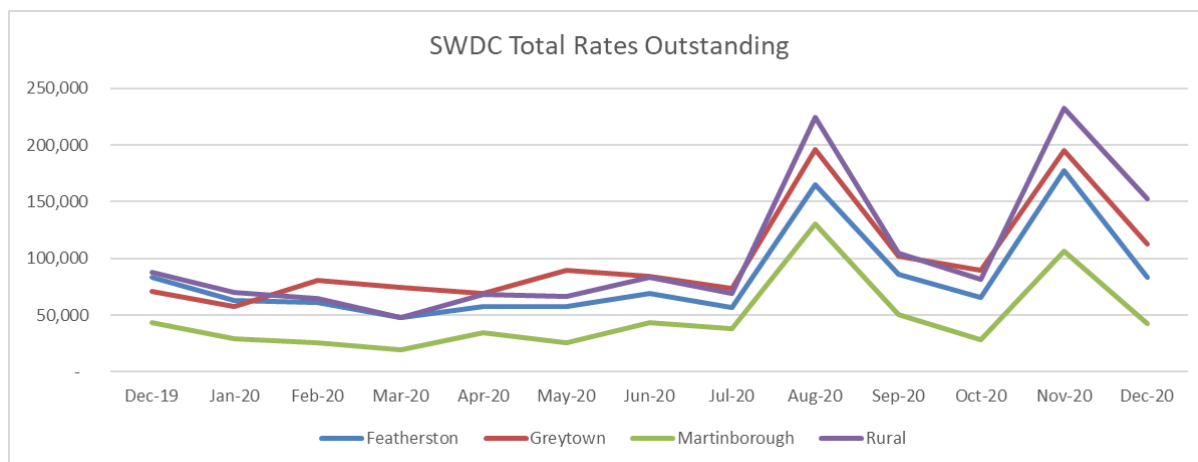
Town/Area	December 2019	December 2020	Difference
Featherston	\$72,819	\$66,489	-\$6,330
Greytown	\$44,556	\$63,309	\$18,753
Martinborough	\$43,390	\$37,892	-\$5,498

Summary of Environmental Scan 2021

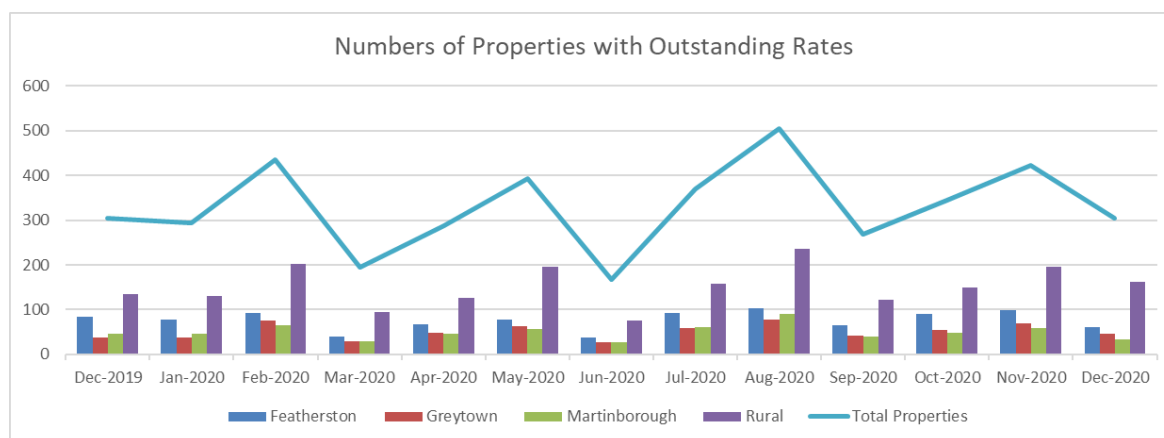
Rural	\$77,014	\$126,890	\$49,876
<b>Total</b>	<b>\$237,778</b>	<b>\$294,580</b>	<b>\$56,801</b>

Total rates outstanding have increased by \$106k (37%) from the same month last year.

Outstanding rates were \$391k in December 2020 compared to \$286k December 2019.



The total number of properties with outstanding rates remain the same as December 2019 (304), however there has been an increase in the number of rural properties with outstanding rates.



The below table shows numbers of properties with outstanding rates by town/area.<sup>8</sup>

Town/Area	December 2019	December 2020	Difference
Featherston	85	61	-24
Greytown	38	47	+9
Martinborough	47	33	-14
Rural	134	163	29
<b>Total</b>	<b>304</b>	<b>304</b>	<b>0</b>

<sup>8</sup> <https://www.swdc.govt.nz/sites/default/files/FAGAGPack20August20.pdf>

## Social

### Housing Affordability

Housing is becoming increasingly less affordable in the district. In December 2020, the average property value was \$694,312 which represents a 26.7% increase over a one-year period and a 119% increase over the last five years.<sup>9</sup> The upswing in property values have been seen right across the Wellington region, however South Wairarapa and Masterton are the only districts within the region to have seen growth of greater than 25 percent in the last year.

The average property value to average annual household income ratio has also increased to 5.5 in Q2 2020 compared to the district average of 4.0 over the period 2004-2020 and it now takes an average of 7.3 years to save the deposit for the average property, compared to an average of 5.3 years across 2004 to 2020. The district is the least affordable in the Wairarapa with Masterton's Q2 2020 value to income ratio of 5.0 and Carterton's of 5.2. The district's population is increasingly influenced by migration from the wider Wellington region and affordability is worse in the Kapiti Coast with a ratio of 7.1 and Wellington City and Lower Hutt City with a ratio of 6.0.<sup>10</sup>

The Housing Affordability Percentage Measure tells us whether households are spending more or less than 30 percent of their income on housing costs.

In December 2018, the share of potential first home buyer households in the South Wairarapa who would be spending over 30 percent of their income on housing costs was 79%, higher than the national level of 75%. This compares to 38% of South Wairarapa renter households spending over 30 percent of their income on housing costs, again higher than the national level of 31%.<sup>11 12</sup>

#### Housing Affordability, 2003 – 2018

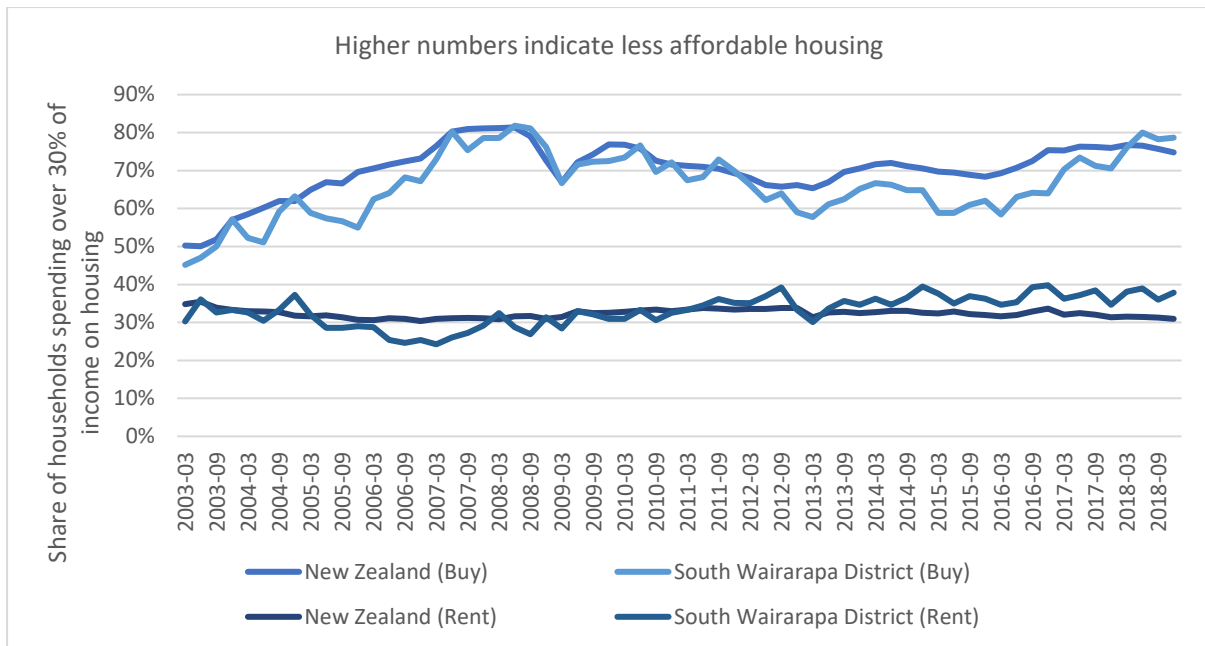
<sup>9</sup> [https://www.corelogic.co.nz/sites/default/files/2021-01/CoreLogic\\_NZ\\_PropMarketEconReport\\_Q420.pdf](https://www.corelogic.co.nz/sites/default/files/2021-01/CoreLogic_NZ_PropMarketEconReport_Q420.pdf)

<sup>10</sup> [https://www.corelogic.co.nz/sites/default/files/2020-09/FINAL\\_Q2\\_2020\\_NZ%20Housing%20Affordability\\_Report.pdf](https://www.corelogic.co.nz/sites/default/files/2020-09/FINAL_Q2_2020_NZ%20Housing%20Affordability_Report.pdf)

<sup>11</sup> <https://www.hud.govt.nz/news-and-resources/statistics-and-research/housing-affordability-measure-ham/housing-affordability-measure-downloads-and-notes-of-interest/>

<sup>12</sup> The rent version identifies the proportion of renters in an area whose rent is more than 30 percent of their household income. It helps us to understand housing affordability pressures experienced by renters in their local area and whether these are improving or not. The buy version looks at the same incomes of the same renters. It is an estimate of how many renters would spend more than 30 percent of their income if they bought a lower quartile house with the same number of bedrooms as their current house, in the area that they currently live in. The measure helps us to understand whether many renters can afford to buy a home in their area.





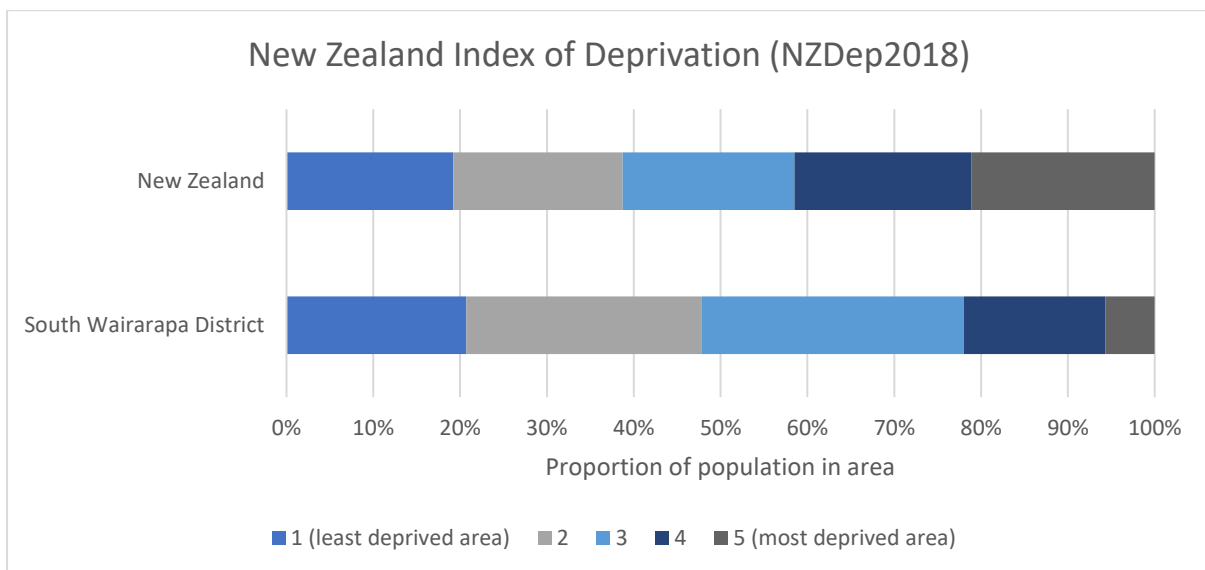
## Deprivation

The New Zealand Index of Deprivation is an area-based measure of socio-economic deprivation which measures level of deprivation based on the following Census variables:

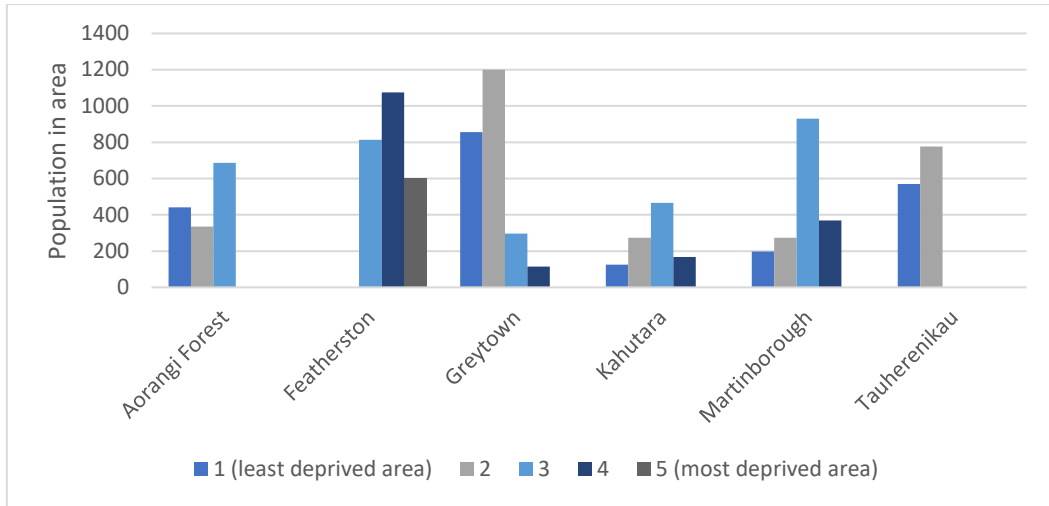
- People with no access to the Internet
- People aged 18-64 receiving a means tested benefit
- People living in equivalised households with income below an income threshold
- People aged 18-64 who are unemployed
- People aged 18-64 without any qualifications
- People not living in their own home
- People aged under 65 living in a single parent family
- People living in equivalised households below a bedroom occupancy threshold
- People living in dwellings that are always damp and/or always have mould greater than A4 size.

Compared to New Zealand, South Wairarapa has a lower proportion of the population living in highly deprived areas. Within the district itself, Featherston has the highest number of people living in more deprived areas.<sup>13</sup>

### New Zealand Index of Deprivation (NZDep2018)



<sup>13</sup> <https://www.otago.ac.nz/wellington/departments/publichealth/research/hirp/otago020194.html>



## Environmental

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

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

		2040	2090
Temperature and seasonality	Average annual T°C	Ruamāhanga Whaitua: +0.7 to +1°C above present  Wairarapa Coast Whaitua: +0.5 to +1°C above present	Ruamāhanga Whaitua: +1.2 to +3°C above present  Wairarapa Coast Whaitua: +1 to +3°C above present
	Hot days (above 25°C)	Ruamāhanga Whaitua: Between 0 and 30 days increase  Wairarapa Coast Whaitua: Between 5 and 30 days increase	Ruamāhanga Whaitua: Between 0 and 80 days increase  Wairarapa Coast Whaitua: Between 15 and 60 days increase
	Frost nights	Ruamāhanga Whaitua: Between 0 and 15 days reduction  Wairarapa Coast Whaitua: Between 0 and 5 days reduction	Ruamāhanga Whaitua: Between 0 and 40 days reduction  Wairarapa Coast Whaitua: Between 0 and 15 days reduction
	Annual Growing Degree Days (GDD) base 10°C GDD = $(T^{\circ}C_{max} + T^{\circ}C_{min})/2) - T^{\circ}C_{base}$	Increase of 0 to 300 GDD units	Ruamāhanga Whaitua: Increase of 200 to 1000 GDD units  Wairarapa Coast Whaitua:

	Measures potential for crop and pasture growth		Increase of 200 to 900 GDD units
	Annual potential evapotranspiration deficit (mm) Measures drought intensity	Ruamāhanga Whaitua: +20 to +120 mm  Wairarapa Coast Whaitua: +40 to +120 mm	Ruamāhanga Whaitua: +0 to +180 mm  Wairarapa Coast Whaitua: +40 to +160 mm
Rainfall patterns and intensity	Average annual rainfall	5% decrease to 5% increase	Ruamāhanga Whaitua: 0% to 10% decrease  Wairarapa Coast Whaitua: 10% decrease to 5% increase
	Amount of rain falling during heavy rainfall days (>99 <sup>th</sup> percentile of daily rainfall)	Ruamāhanga Whaitua: 0% to 10% increase  Wairarapa Coast Whaitua: 0% to 15% increase	Ruamāhanga Whaitua: 0% to 20% increase  Wairarapa Coast Whaitua: 0% to 30% increase
	River mean annual low flow discharge (MAL) Measure water shortage in the catchments	Up to 60% decrease	Up to 80% decrease
	River mean annual flood discharge (MAF) Measures flood potential in the catchments	Ruamāhanga Whaitua: 20% decrease to 40% increase depending on catchment  Wairarapa Coast Whaitua: 20% decrease to 20% increase depending on catchment	20% decrease to 60% increase depending on catchment
	Days of very high and extreme forest fire danger	100% to 150% increase	100% to 150% increase
Wind	Annual number of windy days	Ruamāhanga Whaitua: 0 to 4 days increase	Ruamāhanga Whaitua: 0 to 12 days increase

Summary of Environmental Scan 2021

		Wairarapa Coast Whaitua: 0 to 6 days increase	Wairarapa Coast Whaitua: 0 to 10 days increase
	Intensity of wind during windy days (>99 <sup>th</sup> percentile of daily mean)	0% to 3% increase	1% to 4% increase
Sea level and coastal hazards	Permanent sea level rise	+0.12 m to +0.24 m above present	+0.68 m to +1.75 m above present
Oceanic changes	Acidification of the ocean		
	General temperature rise of sea water		
	Marine heatwaves		

## What this might mean for Wellington and Wairarapa

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

## Water quality

### Lakes

South Wairarapa is home to the two largest lakes in the Wellington Region – Lake Wairarapa (7,850 hectares) and Lake Onoke (622 hectares). Greater Wellington Regional Council routinely monitors water quality in both lakes, with monitoring of Lake Wairarapa having commenced in 1994 and monitoring of Lake Onoke have commenced in 2009.

Water quality in Lake Wairarapa has not changed much since monitoring began in 1994. In 2019, the Lake Wairarapa had a Trophic Level Index (TLI) of 5.4 which is considered very poor and Lake Onoke has a TLI of 4.9 which is rated as poor. This measure indicates the life supporting capacity of a lake and is based on the four water quality measures of water clarity, chlorophyll content, total phosphorous and total nitrogen<sup>14</sup>.

<sup>14</sup> <https://www.lawa.org.nz/explore-data/wellington-region/lakes/>

## Local Rivers

There are a number of local rivers in or that flow through the South Wairarapa. The below table provides a snapshot of various water quality measures for selected sites within those rivers that have monitoring information available. This snapshot is taken as at February 2021.

River	Site	Bacteria (E. colie)	Clarity (Black disc)	Nitrogen	Phosphorus
Ruamahanga River	Waihenga Bridge	<i>State:</i> In the best 50% of all sites in NZ  <i>NOF Band:</i> N/A  <i>Trend:</i> Not assessed	<i>State:</i> In the worst 50% of all sites in NZ    <i>Trend:</i> Not assessed	<i>State:</i> In the worst 50% of all sites in NZ    <i>Trend:</i> Not assessed	<i>State:</i> In the best 50% of all sites in NZ    <i>Trend:</i> Not assessed
	Pukio	<i>State:</i> In the best 50% of all sites in NZ  <i>NOF Band:</i> A  <i>Trend:</i> Likely improving	<i>State:</i> In the worst 50% of all sites in NZ    <i>Trend:</i> Very likely improving	<i>State:</i> In the best 50% of all sites in NZ    <i>Trend:</i> Very likely improving	<i>State:</i> In the worst 50% of all sites in NZ    <i>Trend:</i> Very likely improving
Tauherenikau River	Websters	<i>State:</i> In the best 25% of all sites in NZ  <i>NOF Band:</i> A  <i>Trend:</i> Very likely degrading	<i>State:</i> In the best 25% of all sites in NZ    <i>Trend:</i> indeterminate	<i>State:</i> In the best 25% of all sites in NZ    <i>Trend:</i> Not assessed	<i>State:</i> In the best 25% of all sites in NZ    <i>Trend:</i> Likely improving
Huangularua River	Ponatahi Bridge	<i>State:</i> In the best 50% of all sites in NZ  <i>NOF Band:</i> B  <i>Trend:</i> Indeterminate	<i>State:</i> In the best 50% of all sites in NZ    <i>Trend:</i> Very likely improving	<i>State:</i> In the best 50% of all sites in NZ    <i>Trend:</i> Likely improving	<i>State:</i> In the best 50% of all sites in NZ    <i>Trend:</i> Likely improving
Awhea River	Tora Road	<i>State:</i> In the best 50% of all sites in NZ  <i>NOF Band:</i> D  <i>Trend:</i> Indeterminate	<i>State:</i> In the best 50% of all sites in NZ    <i>Trend:</i> Very likely improving	<i>State:</i> In the best 50% of all sites in NZ    <i>Trend:</i> Likely degrading	<i>State:</i> In the best 50% of all sites in NZ    <i>Trend:</i> Indeterminate

The National Objectives Framework (NOF) bands for E. coli are as follows:

- A - For at least half the time, the estimated risk is <1 in 1000 (0.1% risk). The predicted average infection risk to swimmers is 1%



- B - For at least half the time, the estimated risk is <1 in 1000 (0.1% risk). The predicted average infection risk to swimmers is 2%
- C - For at least half the time, the estimated risk is <1 in 1000 (0.1% risk). The predicted average infection risk to swimmers is 3%
- D - 20-30% of the time, the estimated risk is >=50 in 1000 (>5% risk). The predicted average infection risk to swimmers is >3%
- E - For more than 30% of the time, the estimated risk is >=50 in 1000 (>5% risk). The predicted average infection risk to swimmers is >7%.

## Coastal vulnerability

The Wellington Region Climate Change Working Group commissioned a report to assess the coastal vulnerability of the Wellington region to climate change, sea level rise and natural hazards<sup>15</sup>. The report is intended to assist Councils in working with affected communities to develop long-term strategies.

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

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

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

<sup>15</sup> <https://www.gw.govt.nz/assets/Uploads/Wellington-Regional-Coastal-Vulnerability-AssessmentJune-2019Final.pdf>

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

# Government legislation, proposals and national trends

## Three water reforms

The Three Waters Review<sup>16</sup> was initiated in mid-2017 as a cross-agency initiative led by the Department of Internal Affairs (DIA) to look into the challenges facing our drinking water, wastewater and stormwater (“three waters”) and to develop recommendations for system-wide performance improvements.

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

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

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

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

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

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

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<sup>16</sup> <https://www.dia.govt.nz/Three-waters-review>

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

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

## Regulation of drinking water

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

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

In July 2020, a complementary Bill, the Water Services Bill, was introduced to Parliament to give effect to Government's decisions on reforming the drinking water regulatory framework and Taumata Arowai's wastewater and stormwater functions. Taumata Arowai will not become fully operational until the Water Services Bill is enacted which is expected to be in the second half of 2021.<sup>17</sup>

## National Environmental Standards for Freshwater

The Resource Management (National Environmental Standards for Freshwater) Regulations 2020 (Freshwater NES) regulates activities that pose risks to the health of freshwater and freshwater ecosystems<sup>18</sup>. The standards came into force on 3 September 2020 and are designed to:

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

<sup>17</sup> <https://www.dia.govt.nz/Taumata-Arowai-Establishment-Unit>

<sup>18</sup> <https://www.mfe.govt.nz/fresh-water/freshwater-acts-and-regulations/national-environmental-standards-freshwater>

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

## Resource Management Act 1991 Reforms

The Government is reforming the resource management system and intends to repeal and replace the Resource Management Act 1991 (RMA) which is the primary legislation governing the use of our land, water and air resources. Its aim is for the RMA to support a more productive, sustainable and inclusive economy and be easier for New Zealanders to understand and engage with<sup>19</sup>.

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

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

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

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

## Proposed National Policy Statement for Highly Productive Land

The proposed National Policy Statement for High Productivity Land (NPS-HPL) aims to prevent the loss of more of our productive land and promote its sustainable management. The purpose is to improve the way highly-productive land is managed under the RMA to:

- recognise the full range of values and benefits associated with its use for primary production
- maintain its availability for primary production for future generations
- protect it from inappropriate subdivision, use, and development.

The work to further develop the policy following public consultation was affected by the government's need to focus on the response to COVID-19 and ongoing recovery. Government officials now expect to provide final advice to Cabinet in the first half of 2021 and, if approved, the NPS-HPL will likely take effect soon after.

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<sup>19</sup> <https://www.mfe.govt.nz/rma/resource-management-system-reform>

## Proposed National Policy Statement for Indigenous Biodiversity

The proposed National Policy Statement for Indigenous Biodiversity (NPS-IB) sets out the objectives and policies to identify, protect, manage and restore indigenous biodiversity under the RMA<sup>20</sup>.

The proposed NPS-IB requires councils to identify areas where there is significant vegetation and habitats of indigenous fauna, and to manage their protection through plans and consent processes under the RMA.

The Ministry for the Environment was expecting the NPS-IS to be gazetted in mid-2020 however given the reprioritisation of work in response to COVID-19, and following the election at the end of 2020, the delivery timeframe has been extended to July 2021<sup>21</sup>.

## Climate Change Response (Zero Carbon) Amendment Act

The Climate Change Response (Zero Carbon) Amendment Act<sup>22</sup> provides a framework by which New Zealand can develop and implement clear and stable climate change policies that:

- contribute to the global effort under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels
- allow New Zealand to prepare for, and adapt to, the effects of climate change.

The Climate Change Response (Zero Carbon) Amendment Act do four key things:

- set a new domestic greenhouse gas emissions reduction target for New Zealand to:
  - reduce net emissions of all greenhouse gases (except biogenic methane) to zero by 2050
  - reduce emissions of biogenic methane to 24–47 per cent below 2017 levels by 2050, including to 10 per cent below 2017 levels by 2030
- establish a system of emissions budgets to act as steppingstones towards the long-term target
- require the Government to develop and implement policies for climate change adaptation and mitigation
- establish a new, independent Climate Change Commission to provide expert advice and monitoring to help keep successive governments on track to meeting long-term goals.

There is a transitional period to get the new provisions up and running.

The Ministry of the Environment has already begun work on the first National Climate Change Risk Assessment. Future Risk Assessments will be carried out by the Climate Change Commission.

The Ministry is also developing a provisional emissions budget for 2021–2025. This will provide an early sense of direction before the first three emissions budgets (for the emissions budget periods 2022–2025, 2026–2030 and 2031–2035) are recommended by the Climate Change Commission in early 2021, and set by the Government by the end of 2021.

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<sup>20</sup> <https://www.mfe.govt.nz/publications/biodiversity/draft-national-policy-statement-indigenous-biodiversity>

<sup>21</sup> <https://www.mfe.govt.nz/consultations/nps-indigenous-biodiversity>

<sup>22</sup> <https://www.mfe.govt.nz/climate-change/zero-carbon-amendment-act>

## One Billion Trees Programme

Government has developed the One Billion Trees Programme to increase tree planting across New Zealand with a goal to reach one billion trees planted by 2028<sup>23</sup>.

The One Billion Trees Programme is focused on ensuring the right trees are planted in the right places for the right purposes. Government is encouraging both permanent and plantation forests made up of exotic and native species to improve biodiversity. They also want to see trees integrated into the landscape to complement and diversify existing land uses, rather than seeing large scale conversion to forestry.

Government estimates commercial foresters will plant 500 million trees and is offering \$240 million for landowners, organisations and community groups to get involved in planting the remaining 500 million trees by 2028.

Crown Forestry is also helping to achieve the one billion trees goal through commercial joint ventures with landowners to plant commercial radiata pine on their properties.

## Government Policy Statement on Land Transport

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

The current GPS took effect on 1 July 2018 and prioritised a safer transport system free of death and injury, accessible and affordable transport, reduced emissions and value for money<sup>24</sup>.

The Ministry of Transport has released its GPS for 2021/22–2030/31<sup>25</sup> which builds on the strategic direction of GPS 2018 by maintaining the priorities but updating them to align with recent policy work. The Government is proposing to prioritise safety, better transport options, improving freight connections, and climate change. The GPS 2021 will take effect from July 2021.

## Regional Land Transport Plan 2021

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

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

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Transport Priorities	
Public Transport Capacity	Build capacity and reliability into the Wellington Region's rail network and into the Wellington City public transport network to accommodate future demand

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<sup>23</sup> <https://www.teurakau.govt.nz/funding-and-programmes/forestry/one-billion-trees-programme/about-the-one-billion-trees-programme/#about-the-1billion>

<sup>24</sup> <https://www.transport.govt.nz/assets/Uploads/Our-Work/Documents/c6b0fea45a/Government-Policy-Statement-on-land-transport-2018.pdf>

<sup>25</sup> <https://www.transport.govt.nz/assets/Uploads/Paper/GPS2021.pdf>

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

## Road to Zero Strategy

In December 2019, the Government launched 'Road to Zero,' New Zealand's Road Safety Strategy 2020 – 2030<sup>26</sup>.

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

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

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

## Tackling Unsafe Speeds Programme

The Government is making changes to speed management to tackle unsafe speeds on New Zealand roads. The Tackling Unsafe Speeds programme<sup>27</sup> is a key action under the initial Road to Zero 2020-2022 action plan.

The key initiatives of the Tackling Unsafe Speeds programme include:

- Improving how councils and the Transport Agency plan for, consult on and implement speed management changes
- Transitioning to lower speed limits around schools to improve safety and encourage more walking and cycling to school
- Reducing excessive speeds on high risk roads through a new approach to safety cameras.

<sup>26</sup> <https://www.transport.govt.nz/multi-modal/keystrategiesandplans/road-safety-strategy/>

<sup>27</sup> <https://www.transport.govt.nz/multi-modal/keystrategiesandplans/road-safety-strategy/tackling-unsafe-speeds/>



Implementing the programme requires changes to legislation including the Land Transport Act 1998, Land Transport Management Act 2003 and the Land Transport Rule: Setting of Speed Limits 2017.

## **Electric Vehicles Programme**

On 5 May 2016, the Government announced its Electric Vehicles Programme, which aims to increase the uptake of electric vehicles in New Zealand. The Government has a goal of reaching 64,000 electric vehicles in New Zealand by the end of 2021<sup>28</sup>.

The Government aims to help develop the electric vehicle market in New Zealand by reducing some of the barriers and investigating ways to support the uptake of electric vehicles. Current barriers include misconceptions about electric vehicles and limited public charging infrastructure.

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<sup>28</sup> <https://www.transport.govt.nz/multi-modal/climatechange/electric-vehicles/>