



ORDINARY MEETING of Council AGENDA

Time: 10:00 am
Date: Wednesday, 6 March 2024
Venue: Waiata House, 27 Lincoln Road,
Masterton

MEMBERSHIP

Mayor Gary Caffell (Chairperson)

Councillor Bex Johnson
Councillor Craig Bowyer
Councillor Brent Goodwin
Councillor David Holmes

Councillor Tom Hullena
Councillor Stella Lennox
Councillor Tim Nelson
Councillor Marama Tuuta

Values

1. **Public interest:** members will serve the best interests of the people within the Masterton district and discharge their duties conscientiously, to the best of their ability.
2. **Public trust:** members, in order to foster community confidence and trust in their Council, will work together constructively and uphold the values of honesty, integrity, accountability and transparency.
3. **Ethical behaviour:** members will not place themselves in situations where their honesty and integrity may be questioned, will not behave improperly and will avoid the appearance of any such behaviour.
4. **Objectivity:** members will make decisions on merit; including appointments, awarding contracts, and recommending individuals for rewards or benefits.
5. **Respect for others:** will treat people, including other members, with respect and courtesy, regardless of their ethnicity, age, religion, gender, sexual orientation, or disability. Members will respect the impartiality and integrity of Council staff.
6. **Duty to uphold the law:** members will comply with all legislative requirements applying to their role, abide by this Code, and act in accordance with the trust placed in them by the public.
7. **Equitable contribution:** members will take all reasonable steps to ensure they fulfil the duties and responsibilities of office, including attending meetings and workshops, preparing for meetings, attending civic events, and participating in relevant training seminars.
8. **Leadership:** members will actively promote and support these principles and ensure they are reflected in the way in which MDC operates, including a regular review and assessment of MDC's collective performance.

These values complement, and work in conjunction with, the principles of section 14 of the LGA 2002; the governance principles of section 39 of the LGA 2002; and our MDC governance principles:

Whakamana Tangata	Respecting the mandate of each member, and ensuring the integrity of the committee as a whole by acknowledging the principle of collective responsibility and decision-making.
Manaakitanga	Recognising and embracing the mana of others.
Rangatiratanga	Demonstrating effective leadership with integrity, humility, honesty and transparency.
Whanaungatanga	Building and sustaining effective and efficient relationships.
Kotahitanga	Working collectively.

Order Of Business

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1 CONFLICTS OF INTEREST

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

2 APOLOGIES

The Chair invites notice from members of:

- leave of absence for future meetings of Masterton District Council
- apologies, including apologies for lateness and early departure from the meeting where leave of absence has not previously been granted.

3 PUBLIC FORUM

4 ITEMS NOT ON THE AGENDA

The Chairperson will give notice of items not on the agenda as follows:

Matters requiring urgent attention as determined by resolution of the Council

- The reason why the item is not on the agenda; and
- The reason why discussion of the item cannot be delayed until a subsequent meeting.

Minor matters relating to the general business of Council

No resolution, decision or recommendation may be made in respect of the item except to refer it to a subsequent meeting of Masterton District Council for further discussion.

5 CONFIRMATION OF COUNCIL MINUTES

Nil

6 COMMITTEE REPORTS

Nil

7 REPORTS FOR DECISION

7.1 AMENDMENTS TO THE WAIRARAPA CONSOLIDATED BYLAW 2019, PART 10: TRAFFIC BYLAW SCHEDULES

File Number:

Author: **Matt Steele, Economic Development Lead**

Authoriser: **Kym Fell, Chief Executive**

PURPOSE

The purpose of this report is to seek Council adoption of amendments to the Wairarapa Consolidated Bylaw, Part 10: Traffic Bylaw Schedules.

RECOMMENDATIONS

That Council:

1. **Notes** that Council has received a request from the owner of Bryans Furniture for an area alongside the store on Railway Crescent to be designated as a loading zone;
2. **Agrees** to amend the Wairarapa Consolidated Bylaw 2019, Part 10: Traffic Bylaw Schedules by adding the loading zone area on Railway Crescent outside Bryans Furniture to Schedule 2J: Loading Zone;
3. **Notes** that the bylaw amendment will be notified via the Council website and on social media.

CONTEXT

Wairarapa Consolidated Bylaw, Part 10: Traffic

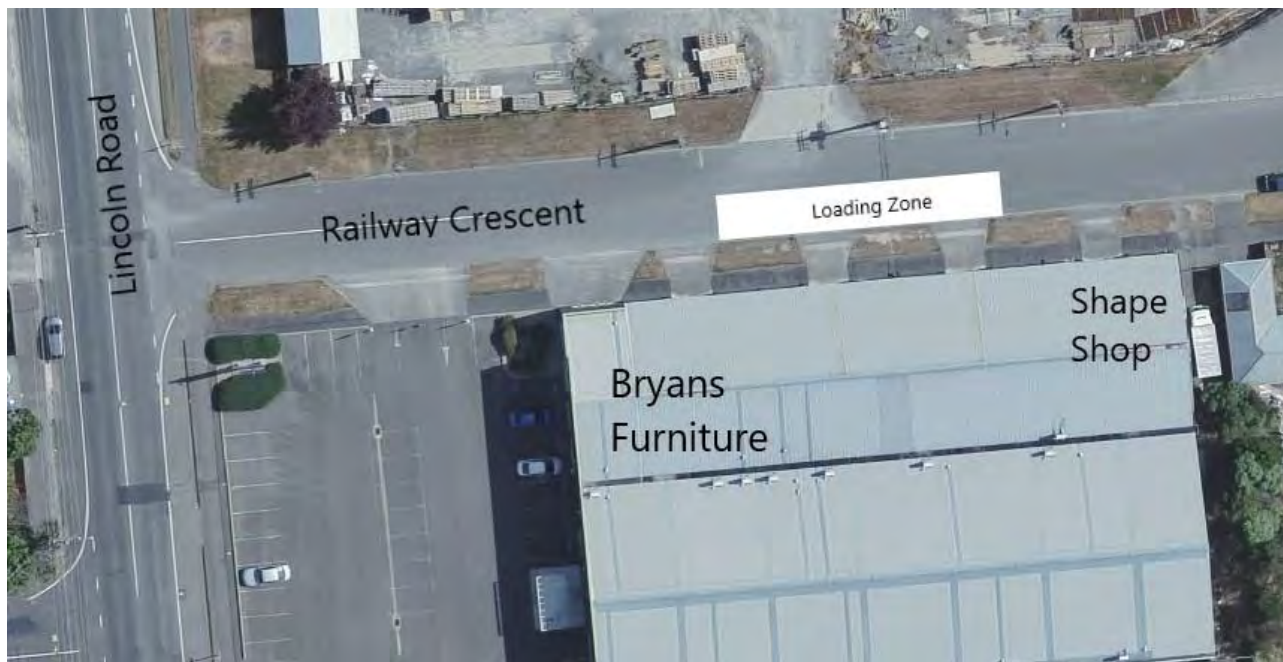
The three Wairarapa District Councils have a consolidated bylaw including Part 10: Traffic. This sets the requirements for parking and control of vehicular or other traffic on any road in the Masterton, Carterton and South Wairarapa districts, including state highways located within the urban boundaries.

Under clause 21 of Part 10: Traffic, each of the councils are responsible for maintaining schedules of traffic control measures in their respective districts. The Council has the power to amend this bylaw schedule by resolution publicly notified under clause 20.

ANALYSIS AND ADVICE

Railway Crescent loading zone

Council has received a request from the owner of Bryans Furniture for an area alongside the store to be designated as a loading zone to allow trucks to stop and unload between 8.30am and 5.00pm Monday to Friday. The loading zone is to start 67 metres from the corner of Railway Crescent and Lincoln Road, extending in a northern direction for 21 metres (as detailed in the image below).



Bryans Furniture shares a building with the Shape Shop Fitness and Nutrition, which is located at the very rear of the building on Railway Crescent. The owner of Bryans Furniture has spoken to the owners of the Shape Shop, who have indicated they are content with the loading zone being established and have signed documentation confirming this.

While the designation of a loading zone will remove some on-street parking, parking is readily available on both sides of the street, so the implications are considered minor.

Proposed amendments to Part 10: Traffic Bylaw Schedules

The following amendment to the Traffic Bylaw Schedules is proposed to add the loading zone on Railway Crescent outside Bryans Furniture.

Section 2J: Loading Zone

Location		Description	Date of Resolution
Primary	Secondary		
Railway Crescent	Lincoln Road	The eastern side of Railway Crescent, commencing 67 metres from the intersection with Lincoln Road, extending in a northern direction for a distance of 21 metres. Note: this site will revert to general parking outside the hours of 8.30am and 5.00pm Monday – Friday.	TBC

This amendment is included in Attachment 1 – Extract From Wairarapa Consolidated Bylaw Part 10: Traffic Bylaw Schedules (pages 49-51).

OPTIONS CONSIDERED

A summary of the options considered is included in the table below.

Option	Advantages	Disadvantages
1 Agrees to amend the Wairarapa Consolidated Bylaw 2019, Part 10: Traffic Bylaw Schedules by adding the loading zone area to Schedule 2J: Loading Zone	Allows the creation of the loading zone on Railway Crescent to support the request from Bryans Furniture.	Reduction of on-street parking, noting parking is readily available on both sides of the street, and therefore the implications are considered minor.
2 Does not agree to amend the Wairarapa Consolidated Bylaw, Part 10: Traffic Bylaw Schedules by adding the loading zone area to Schedule 2J: Loading Zone	No reduction of on-street parking.	Does not allow the creation of the loading zone on Railway Crescent to support the request from Bryans Furniture.

RECOMMENDED OPTION

Option 1 is recommended. This ensures that the schedules can be updated to reflect the proposed changes set out in the report.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

The three Wairarapa District Councils have a consolidated bylaw including Part 10: Traffic which sets the requirements for parking and control of vehicular or other traffic on any road in the Masterton, Carterton and South Wairarapa districts, including state highways located within the urban boundaries that are otherwise controlled by Waka Kotahi.

Under clause 21 of Part 10: Traffic, each of the councils are responsible for maintaining schedules of traffic control measures in their respective districts. Council has the power to amend this bylaw schedule by resolution publicly notified under clause 20.

Significance, Engagement and Consultation

Clause 20 of the Wairarapa Consolidated Bylaw, Part 10: Traffic Bylaw Schedules requires consultation to be undertaken in accordance with section 156 of the Local Government Act, and Council's Significance and Engagement Policy.

Railway Crescent loading zone

Given the ready availability of on-street parking on both sides of the road, consultation has is not considered necessary under the Significance and Engagement Policy. Engagement has been

undertaken with neighbouring business the Shape Shop, and they have indicated that they have no objections to the proposed change.

Financial Considerations

There will be minor costs associated with designation of the loading zone, due to the painting of the lines and the installation of signage. These will be funded through current operating budgets.

Implications for Māori

No implications specific to Māori have been identified for this decision.

Communications/Engagement Plan

If Council agrees to the recommendations, the resolution setting out the bylaw amendments will be publicly notified via the Council website and in print.

Environmental/Climate Change Impact and Considerations

No environmental/climate change impacts have been identified in relation to this decision.

NEXT STEPS

Following adoption of the amendments to the Wairarapa Consolidated Bylaw, Part 10: Traffic Bylaw Schedule, notification will be made via the Council website and social media.

ATTACHMENTS

1. **Extract From Wairarapa Consolidated Bylaw Part 10: Traffic Bylaw Schedules** [↓](#) 

**ATTACHMENT 1 – EXTRACT FROM WAIRARAPA CONSOLIDATED BYLAW PART 10:
TRAFFIC BYLAW SCHEDULES (pages 49-51)**

SCHEDULE 2J: Loading Zone

For the purpose of this resolution the definition of ‘intersection’ shall be the intersection point of the boundary lines nearest to the measurement.

Location		Description	Date of Resolution
Primary	Secondary		
Albert Street (adjacent to Hazelwoods and Couriers)	Chapel Street	The south western side of Albert Street commencing at the point 44.8 metres, north west of the intersection of Albert Street and Chapel Street, extending in a northwestern direction for a distance of 14.8 metres.	15 December 2008
Bannister Street	Dixon Street	The northeastern side of Bannister Street, commencing at the point 26.2 metres northwest of the intersection of Dixon Street and Bannister Street, extending in a northwestern direction for a distance of 11.5 metres (P-10 time limit).	1 July 2008
Bannister Street	Masonic Street	The northeastern side of Bannister Street, commencing at the point 112 metres northwest of the intersection of Masonic Street and Bannister Street, extending in a northwestern direction for a distance of 9 metres.	1 July 2008
Bannister Street	Queen Street	The southwest side of Bannister Street commencing at the point 51.5 metres southeast of the intersection of Bannister Street and Queen Street extending in a southeastern direction for a distance of 17.2 metres.	21 December 2011
Bruce Street P-5 time limit (Aratoi Main Entrance)		The southwestern side of Bruce Street commencing at the point 20.7 metres northwest of the intersection of Dixon Street and Bruce Street, extending in a northwestern direction for a distance of 12.8 metres.	1 July 2008
Chapel Street (Service Lane)	Jackson Street	The northeastern side of the service lane joining Chapel Street and Jackson Street, commencing at the point 19.5 metres southeast of the intersection of Chapel Street and the service lane, extending in a southeastern direction for a distance of 6.0 metres.	1 July 2008
Cricket Street (Service Lane)	Park Street	The northwestern side of Cricket Street, commencing at the point 61.6 metres southwest of the intersection of Cricket Street and Park Street, extending in a southwestern direction for a distance of 20.8 metres.	1 July 2008
70 Dixon Street		The northeastern side of Lot 6 DP 79762 commencing at the northeastern corner of Lot 6 DP 79762 and extending in a southeastern direction for a distance of 7.0 metres.	30 September 2013

Jackson Street	Queen Street	Between the hours of 8.00am and 6.00pm. The southwestern side of Jackson Street, commencing at the point 17.5 metres northwest of the intersection of Jackson Street and Queen Street, extending in a northwestern direction for a distance of 13.7 metres. Note: This site is scheduled as a Taxi Stand between the hours of 6.00pm to 8.00am the following day.	11 April 2011
King Street (Service lane)		The southeastern side of King Street service lane commencing at a point 32.5 metres from the intersection of King Street and King Street service lane and extending in a southwestern direction for a distance of 17.0 metres.	30 September 2013
Park Street	Queen Street	The southwestern side of Park Street, commencing at the point 10.2 metres southeast of the intersection of Park Street and Queen Street, extending in a southeastern direction for a distance of 10.7 metres.	1 July 2008
Perry Street	Queen Street	Between the hours of 8.00am and 6.00pm. The northeastern side of Perry Street, commencing at the point 15.1 metres northwest of the intersection of Perry Street and Queen Street, extending in a northwestern direction for a distance of 12.8 metres. Note: This site is scheduled as a Taxi Stand between the hours of 6.00pm and 8.00am the following day.	11 April 2011
Queen Street	Bruce Street	The southeastern side of Queen Street, commencing at the point 29.8metres intersection of Queen Street and Bruce Street, extending in a northeast direction for a distance of 37.6metres.	16 September 2020
Railway Crescent	Lincoln Road	The eastern side of Railway Crescent, commencing 67 metres from the intersection with Lincoln Road, extending in a northern direction for a distance of 21 metres. Note: this site will revert to general parking outside the hours of 8.30am and 5.00pm Monday – Friday.	TBC
Russell Street	Dixon Street	The southwestern side of Russell Street, concerning at the point 65.1 metres northwest of the intersection of Russell Street and Dixon Street, extending in a northwestern direction for a distance of 10 metres.	1 July 2008
Church Street (Service Lane)	Dixon Street	The northwestern side of the service lane joining Church Street and Dixon Street, commencing at the point 6.1 metres southwest of the intersection of Church Street and the service lane,	1 July 2008

7.2 2024-34 LONG TERM PLAN COMMUNITY OUTCOMES

File Number:

Author: Tania Madden, Strategic Planning Manager

Authoriser: Karen Yates, General Manager Strategy & Development

PURPOSE

To seek Council adoption of the Community Outcomes for the 2024-34 Long Term Plan (LTP).

RECOMMENDATIONS

That Council

1. **reconfirms** the five existing community outcomes, as listed below, for the 2024-34 Long Term Plan:
 - An Engaged and Empowered Community
 - Pride in our Identity and Heritage
 - A Sustainable and Healthy Environment
 - A Thriving and Resilient Economy
 - Efficient, Safe and Effective Infrastructure
2. **notes** that Council will define these outcomes through the consultation process, taking community feedback into consideration.

CONTEXT

The purpose of local government is, among other things, to promote the social, economic, environmental and cultural well-being of the community in the present and for the future. Community outcomes are the outcomes that Council aims to achieve in order to promote wellbeing of our community.

Community outcomes describe Council's long term aspirations for our community and form part of Council's direction setting. They provide strategic direction and help Council prioritise activities and services. All activities that Council undertakes should contribute to at least one of the Community Outcomes, which in turn, contribute to wellbeing for our community.

Our current Community Outcomes align with the strategic priorities in our Infrastructure Strategy and our Wellbeing Strategy *He Hiringa Tangata, he Hiringa Whenua*.

The community outcomes will be integrated into the 2024-34 LTP Consultation Document. They will also be reflected in the Our Work in Detail content that forms part of the supporting information for the LTP CD; and in the final 2024-34 LTP document when that is adopted in June 2024.

ANALYSIS AND ADVICE

Scope of the Review

The community outcomes were reviewed for the 2021-31 LTP taking into consideration the Environmental Scan that was prepared for that LTP to ensure the outcomes were still fit for purpose. Feedback from the community via the LTP Engagement Survey was also considered. Minor changes were made to the phrasing of two outcomes (see our existing community outcomes below).

For the 2024-34 LTP, the Environmental Scan was revised and no drivers for changing the community outcomes were identified. The outcomes are still considered applicable for our community. The outcome descriptors are wordy and difficult for staff and the community to remember. Given that, it is recommended that these be excluded for the 2024-34 LTP and that Council include a statement of what these outcomes mean to our Council – i.e. what would the future state look like if we succeed in delivering these outcomes.

Legal Requirements

Community outcomes must be stated in the final LTP document that is scheduled for adoption in June 2024. There are no other legal requirements associated with community outcomes.

Our Existing Community Outcomes

Our existing community outcomes were initially adopted as part of the 2018-28 LTP, with minor revisions as noted in 2021 to add the word 'safe' to the infrastructure focussed outcome and 'low carbon' to the economic outcome.

Four of the outcomes specifically align with the vision statements of Council's Wellbeing Strategy, which was also adopted in 2018. The Wellbeing Strategy is scheduled for review in Year 1 of the 2024-34 LTP. It is recommended that the community outcomes be reviewed for the 2027-37 LTP to consider any changes as a result of that review.

The fifth outcome aligns with Council's Infrastructure Strategy, which also contributes to wellbeing of our community.

Our existing Community Outcomes are:

- **An Engaged and Empowered Community**
Masterton/Whakaoriori is a positive, strong, inclusive and self-determining community with equitable opportunities for everyone.
- **Pride in our Identity and Heritage**
Masterton/Whakaoriori values the place and role of tangata whenua and is proud of our cultural identity and heritage.
- **A Sustainable and Healthy Environment**
Masterton/Whakaoriori has rivers we can swim in and drink from, clean air to breathe, green and blue spaces that we can enjoy and share with future generations.

- **A Thriving and Resilient Economy**

Masterton/Whakaoriori has a strong, sustainable, low carbon economy that supports our people and places.

- **Efficient, Safe and Effective Infrastructure**

Masterton/Whakaoriori has high quality and cost-effective infrastructure that meets the current and future needs of our community.

Discussion of Recommendations

Our current community outcomes are still considered relevant for our community. Given that, it is recommended that the existing community outcomes be reconfirmed for the 2024-34 LTP, with one change: That the descriptors underneath the outcomes are removed and replaced with one overarching statement of what achieving these would look like for Council.

This would be an aspirational statement, that would be confirmed for inclusion in the final LTP document that will be adopted in June 2024.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

Under the Local Government Act 2002, Council is required to state the Community Outcomes in the Long Term Plan. There are no other legal requirements relating to community outcomes.

Significance, Engagement and Consultation

Under current legislation, local authorities are not obliged to consult on community outcomes or changes to the community outcomes as an end in themselves, but this is considered good practice. Consultation was undertaken on the Wellbeing Strategy in the lead up to the 2018-28 LTP; and a revised Infrastructure Strategy will form part of the supporting information for the 2024-34 LTP (see Report 7.7 included in this agenda).

The Community Outcomes will be reflected in the 2024-34 LTP Consultation Document (CD); and the “Our Work in Detail” content that forms part of the supporting information for the CD. Consultation is scheduled over April/May 2024. The community can provide feedback/comment on any matter included in the Consultation Document or supporting information.

Financial Considerations

The community outcomes provide Council with a strategic direction that will help to shape the decisions that Council makes in relation to its activities and service delivery which do have financial implications.

Treaty Considerations/Implications for Māori

All Council community outcomes are relevant to all members of our community, including Iwi, Hapū, and hapori Māori. Council also acknowledges that Iwi, Hapū, and hapori Māori also have their own aspirations.

Communications/Engagement Plan

The Community Outcomes would be made available as part of the supporting information for the 2024-34 LTP Consultation Document. The Community Outcomes will also be included in the final LTP document when that is adopted in June 2024.

Environmental/Climate Change Impact and Considerations

The community outcomes include a specific outcome that is focused on the environment.

ATTACHMENTS

Nil

7.3 2024-2034 LONG TERM PLAN ACTIVITY GROUPS

File Number:

Author: Tania Madden, Strategic Planning Manager

Authoriser: Karen Yates, General Manager Strategy & Development

PURPOSE

To seek Council adoption of the Activity Groups for the 2024-34 Long Term Plan as outlined in Attachment 1.

RECOMMENDATION

That Council **adopts** the proposed Activity Groups for the 2024-34 Long Term Plan as outlined in Attachment 1.

CONTEXT

The grouping of activities in the Long Term Plan helps Council explain to residents:

- What services we deliver
- How these services contribute to community well-being; and
- Our major service level intentions.

The rationale for service delivery is the link between Council's strategic direction and its actual choice of activities. Levels of service and performance measures help define the service, and assist our community to understand what they can expect for their rates dollar.

The activity grouping forms part of the supporting information for the 2024-34 Long Term Plan Consultation Document and will be incorporated in the 2024-34 Long Term Plan document when that is adopted in June 2024.

DISCUSSION AND OPTIONS

Legislative Requirements for Activity Grouping

The Long Term Plan must set out what is included in each group of activities, explain the rationale for service delivery, and outline any significant negative effects that any activity within the group of activities may have on the local community.

There are some mandatory groups of activities that all Councils must include in the Long Term Plan. For district Councils the mandatory groups are:

- Roads and Footpaths,
- Water Supply,
- Wastewater Services, and
- Stormwater.

Beyond the mandatory groups, Council can choose how to group activities.

Considerations When Grouping Activities

How activities are grouped influences transparency for our community and the level of detail that needs to be disclosed. In our Annual Report each year, Council reports against groups of activities with our financial results and performance measures focussed on the *major* aspects of service for each group.

Taituarā (the Local Government Managers forum) suggest the following should be considered:

- Contribution to Outcomes – activities that contribute to similar outcomes may be better grouped together
- Patterns of Benefit – different activities that have similar benefits for the community may be better grouped together
- Compliance Costs – the cost of gathering and analysing information for the Long Term Plan and subsequent reporting may outweigh the benefit of having more smaller groups of activities or some activities ‘standing-alone’ as a group in their own right.
- Community Interest – in some cases community interest may justify a stand-alone or small group of activities.
- Transparency – ensuring the right level of detail is available if activities are grouped together.

A full review of the activity groupings was undertaken for the 2021-31 LTP, and the considerations were taken into account.

Current Activity Groupings

For the 2024-34 LTP the scope of the review was to reflect any legislative changes.

There have not been any changes to the legislation regarding mandatory groups.

We currently have 8 groups of activities. The current activity groups are included in Attachment 1, along with the activities that are part of each group and a summary of the rationale for service.

For the 2024-34 Long Term Plan, no changes are recommended. The current activity groupings align with current legislation; and the legislated, leadership and strategic role of council in realising wellbeing objectives for our community.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

Under the Local Government Act, Council’s Long Term Plan must outline what is included in each group of activities, explain the rationale for service delivery, and outline any significant negative effects that any activity within the group of activities may have on the local community.

As a district council, our Long Term Plan must include the following mandatory activities: Roads and Footpaths; Water Supply; Wastewater Services and Stormwater.

Significance, Engagement and Consultation

The groups of activities and rationale for service will form part of the supporting information for the 2024-34 Long Term Plan Consultation Document. Consultation is scheduled over April/May 2024. Supporting information will be reviewed by Audit New Zealand in March and made available for members of our community during the consultation period. The community can provide feedback/comment on any matter included in the Consultation Document or supporting information. This could include any feedback on the activity groupings.

Financial Considerations

The Long Term Plan financial information, at a group level, has been developed to reflect the group of activities recommended in this report. Any changes to the group of activities would require a 're-work' of the financials.

Treaty Considerations/Implications for Māori

No implications specific to Māori have been identified.


Communications/Engagement Plan

The Groups of Activities would be made available as part of the supporting information for the 2024-34 Long term Plan Consultation Document. The activity grouping are reflected in the Our Work in Detail and financial content that forms part of the Supporting information for the LTP Consultation Document. The activity groupings are also reflected in the Long Term Plan document that is adopted in June 2024, and shape the Annual Report, with Council reporting against those groups.

Environmental/Climate Change Impact and Considerations

No implications specific to the Environment/Climate Change have been identified.

ATTACHMENTS

1. **Activity Groupings 2024-2034 Long Term Plan** [↓](#) 

Attachment 1 Activity Groupings for 2024-34 Long Term Plan

2024-34 Activity Group and Activities Included:	2024-34 Rationale for Service Delivery (Key Points Summarised):	Recommendation for 2024-34 LTP:
<p>Roads & Footpaths</p> <p>Roads and streets; Footpaths; Bridges; Traffic Services; Parking provision; Streetlights.</p>	<p>Ensures Masterton has a local transport network that meets current and future needs; Supports social wellbeing by allowing people to move safely around the district (to employment, services & recreation); Enables efficient transportation of goods; Provides access to critical services (e.g. power, telecommunications).</p> <p>Contributes to the following community outcomes:</p> <ul style="list-style-type: none"> • Efficient, Safe and Effective Infrastructure • A Thriving and Resilient Economy • An Engaged and Empowered Community 	<p>No Change</p>
<p>Water Supply</p> <p>Urban and Rural Water Supplies</p>	<p>Ensures residents and visitors have access to clean and safe water; Contributes to community health and safety; Environmental protection (managed with resource consent); Supports residential and business growth.</p> <p>Contributes to the following community outcomes:</p> <ul style="list-style-type: none"> • Efficient, Safe and Effective Infrastructure • A Thriving and Resilient Economy • A Sustainable and Healthy Environment 	<p>No Change</p>
<p>Wastewater Services</p> <p>Urban and Rural Wastewater Services</p>	<p>Protects health and safety of our community; Ensures wastewater disposal has minimal impact on our natural environment; Supports residential and business development.</p> <p>Contributes to the following community outcomes:</p> <ul style="list-style-type: none"> • Efficient, Safe and Effective Infrastructure • A Thriving and Resilient Economy • A Sustainable and Healthy Environment 	<p>No Change</p>
<p>Stormwater</p> <p>Stormwater Management</p>	<p>Minimises the impact of significant rain events (i.e. flooding); Protects health and safety of community.</p> <p>Contributes to the following community outcomes:</p> <ul style="list-style-type: none"> • Efficient, Safe and Effective Infrastructure • A Thriving and Resilient Economy • A Sustainable and Healthy Environment 	<p>No Change to Group</p>
<p>Solid Waste Management</p> <p>Urban and Rural Transfer Stations; Urban Refuse Collection; Waste Minimisation (including recycling services)</p>	<p>Protects community health and the natural environment.</p> <p>Contributes to the following community outcomes:</p> <ul style="list-style-type: none"> • Efficient, Safe and Effective Infrastructure • A Thriving and Resilient Economy • A Sustainable and Healthy Environment 	<p>No Change</p>
<p>Community Facilities and Parks</p> <p>Library & Archive; Parks; Reserves and Sportsfields; Trust House Recreation Centre; Cemeteries; Property (including Public Toilets, Senior Housing and Mawley Park) and Hood Aerodrome</p>	<p>Supports wellbeing; Makes Masterton an enjoyable place to live; Supports Recreational opportunities; Community health & fitness; Tourism. In addition:</p> <ul style="list-style-type: none"> • Library - provides a learning environment; • Archive - preserves and promotes local history, culture & heritage; • Property - provides accessible locations for Council operations, places for community to meet, low cost accommodation for seniors; 	<p>No Change</p>

2024-34 Activity Group and Activities Included:	2024-34 Rationale for Service Delivery (Key Points Summarised):	Recommendation for 2024-34 LTP:
	<ul style="list-style-type: none"> • Parks & Green spaces - protect and preserve our natural environment • Trust House Recreation Centre - provides for safe swimming and learn to swim • Cemeteries – respectful environment for remembrance; appropriate and safe burials; maintenance of records • Hood – supports passenger, freight and ambulance services; encourages economic development and a place for aviation related businesses and events <p>Together this group contributes to the following community outcomes:</p> <ul style="list-style-type: none"> • An Engaged and Empowered Community • Pride in Our Identity and Heritage • A Sustainable and Healthy Environment • A Thriving and Resilient Economy • Efficient, Safe and Effective Infrastructure 	
<p>Regulatory Services</p> <p>Resource Management & Planning; Building Control; Environmental Health & Alcohol Licensing; Parking Control; Animal Control; and Civil Defence.</p>	<p>Supports sustainable development/future growth; Protects natural environment/resources; Promotes public health & safety; Contributes to economic development; Supports safer buildings; Protects heritage; Contributes to reliance of our community; Supports emergency response and recovery; Educates the community on rights and responsibilities.</p> <p>Contributes to the following community outcomes:</p> <ul style="list-style-type: none"> • A Sustainable and Healthy Environment • A Thriving and Resilient Economy • An Engaged and Empowered Community • Pride in Our Identity and Heritage 	No Change
<p>Leadership, Strategy and Corporate Services</p> <p>Strategic Relationships; Iwi Partnerships; Strategy & Policy; Climate and Environmental Action; Economic Development; Community Development; Communications; Governance Support; People & Capability; Finance; IT/Technology Support; Customer Services and Central Administration.</p>	<p>Provides long term strategic direction; Ensures all activities are working toward common goals (e.g. vision and community outcomes); Mechanism for community engagement, participation in decision making and community accountability; Funds and delivers well-being focused services in the community; Corporate Services provide advice and support that enables efficient delivery of all activities while also ensuring sound financial management.</p> <p>Contributes to the following community outcomes:</p> <ul style="list-style-type: none"> • Effective and efficient infrastructure • A sustainable and healthy Environment • A thriving and resilient economy • An engaged and empowered community • Pride in our identity and heritage 	No Change

7.4 2024-2034 LONG TERM PLAN PERFORMANCE MEASURE FRAMEWORK

File Number:

Author: Tania Madden, Strategic Planning Manager

Authoriser: Karen Yates, General Manager Strategy & Development

PURPOSE

To seek Council approval for the proposed changes to Council's Performance Measure Framework for the 2024-34 Long Term Plan, as outlined in Attachment 1. The revised performance measure framework will form part of the supporting information for the 2024-34 Long Term Plan Consultation Document, to be reviewed by Audit New Zealand. The framework will be finalised when the 2024-34 Long Term Plan is adopted in June 2024.

RECOMMENDATION

That Council **approves** the proposed changes to Council's performance measure framework for the 2024-34 Long Term Plan as outlined in Attachment 1.

CONTEXT

Performance measures are one of the Long Term Plan (LTP) 'jigsaw pieces'. Along with the financial and infrastructure strategies, and the consequential rating impacts, they help tell an integrated story about what we will provide for our community and the value our residents will receive in return for their money (rates and/or fees and charges). Trade-offs between levels of service and cost /affordability are part of 'striking the balance' in the Long Term Plan.

The measures we select will be included in the 2024-34 Long Term Plan, and our performance against these measures will be reported in our Annual Report each year. The objective when selecting appropriate measures and targets is to provide assurance to our customers and ratepayers that we are delivering on our promised levels of service when circumstances are within normal tolerances. Being able to show the public in the Annual Report that we have achieved most, if not all, of the performance measures reassures the public that rates and fees/charges are being used for their intended purpose with the intended result.

The Long Term Plan Framework

Performance management is a continuous process of determining objectives, measuring progress against those objectives, and using the results to improve delivery of services to the community. The Long Term Plan performance measures represent a customer-focused slice of the Council's performance management framework; in particular reflecting the major aspects of the services delivered that are most important to the customer.

Performance management across the full range of Council activities also occurs through regular financial reporting; contract monitoring; CEO KPIs; and regular CEO reporting through the Council agenda process.

Council's Long Term Plan performance measure framework consists of:

- **Levels of Service Statements** – these are high level, customer orientated statements about the service that Council will deliver. Technical levels of service that have more detail sit behind these statements (in our Asset Management Plans, contracts etc).
- **Performance Measures** – Performance measures specify how we will determine whether we are actually delivering on the level of service we have committed to delivering. They should reflect the level of service statement in the LTP and focus on major aspects of service for the activity group. Where required, measures for less significant aspects of service should be included in work programmes, contracts, strategy implementation plans etc, rather than the Long Term Plan.
- **Targets** – specify the desired level of performance against the measures we include. They should be realistic and reflect the level of service that is being funded under normal circumstances.

The performance measure framework should have a clear rationale that links our activities to the levels of service statement, and through to the performance measures and targets we select.

Legislative Requirements

For the Long Term Plan, there is a suite of mandatory measures that all Councils must report on. Council can select its own target for these mandatory measures to suit our circumstances. For territorial authorities, the mandatory measures relate to water supply, wastewater, stormwater and the provision of roads and footpaths.

Beyond the mandatory measures, Council can select additional measures.

DISCUSSION AND OPTIONS

Scope of the 2024-34 LTP Performance Measures Review

The performance measures were last reviewed as part of the development of the 2021-31 Long Term Plan. For the 2024-34 LTP, the agreed scope of the review was to:

- Remove or replace measures that are no longer relevant and/or meaningful (noting measures should focus on major aspects of service)
- Ensure that targets are realistic and reflect the current level of service.

Recommendations Resulting from the Review

The table included as Attachment 1 outlines the recommended action/treatment for each measure included in the 2021-31 Long Term Plan Performance Measure framework. As context, the table also includes the 2020/21 annual result where this information was available, and results for Year 1 and Year 2 of the 2021-31 Long Term Plan.

Summary of Recommended Changes:

The 2024-34 Long Term Plan Performance Measure framework includes 43 measures across seven activity areas. The recommended changes would reduce that to 41 measures.

Recommendations include:

- **Removing the following two measures:**
 1. Number of people using the recreational trails that are part of our parks and reserves network.
 - We have been unable to report on this measure for at least the last three years due to issues with data loggers. The cost of replacing data loggers to enable staff to report on this measure is estimated at approximately \$25K.
 2. Compliance with the healthy homes standards for Council owned rental units and houses.
 - This measure was included in 2021 to reflect progress in achieving new legislative requirements. Standards were achieved ahead of the legislative deadline and are no longer a new initiative. This is now considered 'business as usual'.

- **Revising the target for the following two measures:**
 1. Proportion of known residential swimming pools that have been inspected.
 - The proposed target equates to one third of pools being inspected each year, in alignment with the legislation. The previous measure reflected that this was a relatively new responsibility for Council and one that we were working toward implementing.
 2. Tonnage of waste transferred to landfill via the Nursery Road Transfer Station per head of population.
 - Proposed targets align with the Waste Minimisation and Management Plan 2023-29 adopted by Council on 14 February 2024.

- Minor changes/corrections to the phrasing of two measures/targets to improve accuracy and understanding, as outlined in Attachment 1.

- Exploring a new wastewater measure for the 2027-37 LTP. A potential wastewater infiltration measure was considered. Staff will work to identify a meaningful measure for the 2027-37 LTP. In the interim, information relating to wastewater infiltration will be monitored informally as part of the development of a new measure.

Measures by Activity Groups:

In the proposed Long Term Plan framework the distribution of the 41 measures across activities would be:

Activity grouping	Proposed 2024-34 number of measures	2021-31 number of measures
Roads, Streets & Footpaths	6 - all mandatory	6 - all mandatory
Water	9 - all mandatory	9 - all mandatory

Activity grouping	Proposed 2024-34 number of measures	2021-31 number of measures
Wastewater	6 – 5 mandatory	6 - 5 mandatory
Stormwater	5 – all mandatory	5 - all mandatory
Solid Waste	3	3
Community Facilities and Activities	4	6
Regulatory	8	8
Governance & Corporate services (2018 activity name)	Reported through the Annual Report and other reporting mechanisms e.g. the CE report.	Reported through the Annual Report and other reporting mechanisms e.g. the CE report.

OPTIONS CONSIDERED

Option:	Advantages:	Disadvantages:
Option 1: Approve the proposed changes to Council's performance measure framework for the 2024-34 Long term Plan.	<p>The proposed changes improve the accuracy and relevance of the LTP performance measure framework to ensure it is meaningful for our community. This includes: removing measures that are no longer relevant or able to be reported on; updating targets to reflect changes/evolving levels of service in the waste and building services areas; and improving the accuracy of descriptions of two other measures.</p> <p>Council would not need to invest in improved data loggers for the recreation trail measure.</p>	No disadvantages identified.
Option 2: Retain the 2021-31 Performance Measure Framework for the 2024-34 Long Term Plan.	No advantages identified.	For senior housing we would continue to report on a measure that is no longer relevant.

		<p>For waste and swimming pool inspections, targets would not reflect the level of service for the 2024-34 LTP.</p> <p>Without the minor corrections to improve the understanding of measures (see Attachment 1), these measures /targets will remain confusing.</p> <p>Investment of approximately \$25K would be required to enhance data loggers and enable staff to report on the recreation trails measure.</p>
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CONCLUSION

Option 1 is recommended. The proposed changes will improve Council’s performance measure framework and ensure that measures and targets are relevant, realistic and reflect both major aspects of service and Council’s current levels of service.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

Under the Local Government Act, Council’s Long Term Plan must include a performance measure framework which we are required to report on in our Annual report each year. The performance measure framework is a key part of accountability for our community.

As a territorial authority the performance measure framework must include the mandatory measures specified for water supply, wastewater, stormwater and the provision of roads and footpaths. The proposed framework includes these measures.

Significance, Engagement and Consultation

The performance measure framework will form part of the supporting information for the 2024-34 Long Term Plan Consultation Document, included in the “Our Work in Detail” information.

Consultation is scheduled over April/May 2024. Supporting information will be reviewed by audit and made available for members of our community during the consultation period. The community can provide feedback/comment on any matter included in the Consultation Document or supporting information.

Financial Considerations

The cost of obtaining and collating information for reporting purposes has been considered in the review of this performance framework. Removing the recreation trail measure will remove the need to invest in data loggers to enable reporting on this measure.

Treaty Considerations/Implications for Māori

No implications specific to Māori have been identified.

Communications/Engagement Plan

The proposed Performance Measure Framework will be made available as part of the supporting information for the 2024-34 Long term Plan Consultation Document. The performance measure framework will be included in the “Our Work in Detail” information and the final Long Term Plan document when that is adopted in June 2024. Performance against the measures and targets would be reported on annually from 2024/25 as part of Council’s Annual Report.

Environmental/Climate Change Impact and Considerations

No implications specific to the Environment/Climate Change have been identified.

ATTACHMENTS

1. LTP Performance Measure Framework [↓](#) 

DRAFT WORKING DOCUMENT - Review of Non-Financial Performance Measure for 2024-34 LTP

Proposed Changes are highlighted in blue.

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
ROADS, STREETS, FOOTPATHS and PARKING AREAS						
What we Do: Provide safe and well-maintained roading, footpath and on-road cycling networks						
Number of fatalities and serious injury crashes on the local road network. (Mandatory Measure)	No more than the 5 year average	Achieved No fatalities and nine serious injury crashes.	Not Achieved One fatality and twelve serious injury crashes.	Not Achieved No fatalities and twelve serious injury crashes.	Mandatory measure that we are required to report on. Results can be impacted by things outside of Council's control, and annual results are variable. Given that, a 5 year average is considered a better measure of progress over the longer term.	Maintain Measure (Mandatory) and Target
Average quality of ride on a sealed local road network, measured by smooth travel exposure. (Mandatory Measure)	Maintain or improve on 90%	Achieved 94% network smooth travel exposure (as at 30/6/23)	Achieved 94% network smooth travel exposure (as at 30/6/22)	Achieved 91% network smooth travel exposure (as at 30/06/21)	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target
Percentage of sealed local road network that is resurfaced. (Mandatory Measure)	Maintain within 5-7%	Not Achieved 1.9% Resurfaced 10.05 km of the total 535 km sealed local road network.	Achieved 5% Resurfaced 28.5km of the total 534.5km sealed local road network.	Achieved 5% Resurfaced 26.4km of the total 532.5km sealed local road network.	Mandatory measure that we are required to report on. In 2022/23 the roading network was impacted by a series of weather events. Responding to resulting storm damage impacted our ability to achieve the target for this measure in that year. However, the target of 5-7% is still considered appropriate for the 2024-34 LTP.	Maintain Measure (Mandatory) and Target
Percentage of footpaths where the condition falls within the level of service defined in MDC's Asset Management Plan. (Mandatory Measure)	90% of footpaths are rated excellent, good or average fair	Achieved 91.7% 196.2km of 214km of the footpath network surveyed to June 2023 was condition rated excellent, good and Average. (Other condition ratings are poor, very poor and unknown)	Achieved 92% 193km of 210km of the footpath network surveyed to June 2022 was condition rated excellent, good or fair.	Achieved 92% 181.6km of 198.2km of the footpath network surveyed to June 2021 was condition rated excellent, good or fair.	Mandatory measure that we are required to report on. The full footpath network has been surveyed. Work is prioritised and repairs are programmed based on the condition assessment. Any health and safety related matters that are identified are addressed urgently. The target equates to 9 out of 10 footpaths being assessed as within our current level of service. The 1 in 10 that may not be allows provision for occasions where factors outside of Council control and/or 'one off' situations might impact results – e.g. contractor availability to complete renewal work.	Maintain Measure (Mandatory) - Minor Revision to Phrasing of Target for Correctness The target currently reads 90% of footpaths are rated excellent, good or fair. This should be 'excellent, good or average'.

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
<p>Percentage of urgent customer service requests responded to within 2 days</p> <p>(Mandatory Measure)</p>	95% within specified timeframe	<p>Achieved</p> <p>98.9%</p> <p>270 out of 273 urgent requests were responded to within two days.</p> <p>Q1: 100% (96/96) Q2: 100% (62/62) Q3: 97.3% (72/74) Q4: 97.6% (40/41)</p>	<p>Achieved</p> <p>99.6%</p> <p>283 out of 284 urgent requests were responded to within two days.</p> <p>Q1: 100% (79/79) Q2: 97.8% (44/45) Q3: 100% (101/101) Q4: 100% (59/59)</p>	<p>Achieved</p> <p>99.7%</p> <p>360 out of 361 urgent requests were responded to within two days.</p> <p>Q1: 100% (128/128) Q2: 100% (103/103) Q3: 100% (62/62) Q4: 98.5% (67/68)</p>	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target
<p>Percentage of non-urgent customer service requests responded to within the timeframes specified in MDC's Asset Management Plan and placed on appropriate maintenance programme. Specified response times for non-urgent requests vary by category, ranging from 7 days to 30 days.</p> <p>(Mandatory Measure)</p>	70% within specified timeframe	<p>Achieved</p> <p>82.9%</p> <p>978 out of 1167</p> <p>Q1: 81.5% (276/340) Q2: 87.5% (175/200) Q3: 79.2% (240/303) Q4: 88.6% (287/324)</p>	<p>Achieved</p> <p>91.5%</p> <p>762 out of 833</p> <p>Q1: 100% (173/173) Q2: 81.3% (161/198) Q3: 89.3% (217/243) Q4: 96.3% (211/219)</p>	<p>Achieved</p> <p>91.3%</p> <p>705 out of 772</p> <p>Q1: 92.2% (200/217) Q2: 90.7% (165/182) Q3: 89.6% (146/163) Q4: 92.4% (194/210)</p>	<p>Mandatory measure that we are required to report on.</p> <p>Many non-urgent matters need further investigation to clarify the request before a meaningful response can be given, resulting in delays.</p> <p>The current target allows a realistic provision for these long term resolution requests that currently cannot be easily excluded from data and 'drag down' results.</p> <p>When systems have been developed that enable different types of non-urgent requests to be categorised separately, the target can be reviewed.</p>	Maintain Measure (Mandatory) and Target

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
WATER SUPPLIES (URBAN AND RURAL)						
What we do: Deliver safe drinking water efficiently and effectively to urban households						
Number of complaints received about drinking water clarity, taste, odour, pressure or flow, continuity of supply, or MDC's response to any of these issues (Mandatory Measure)	Less than or equal to 6 complaints/ 1000 connections	Achieved 4.88 complaints/ 1000 connections Actual Complaints: 48 Q1: 0.711/1000 (7) Q2: 0.61/1000 (6) Q3: 2.03/1000 (20) Q4: 1.52/1000 (15)	Achieved 2.37 complaints/ 1000 connections Actual Complaints: 23 Q1 Result: 0.41/1000(4) Q2 Result: 0.52/1000 (5) Q3 Result: 0.72/1000 (7) Q4 Result: 0.72/1000 (7)	Achieved 2.45 complaints/ 1000 connections Actual Complaints: 23 Q1 Result: 0.42/1000 (4) Q2 Result: 0.53/1000 (5) Q3 Result: 0.85/1000 (8) Q4 Result: 0.64/1000 (6)	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target
Response time to call-outs to a fault or unplanned interruption to MDC's networked reticulation system:						
a) attendance at urgent call outs (from notification to arrival on site) (Mandatory Measure)	60 minutes or less	Achieved 50 minutes Q1: 50 minutes Q2: 54 minutes Q3: 32 minutes Q4: 47 minutes	Achieved 38 minutes Q1: 39 minutes Q2: 30 minutes Q3: 38 minutes Q4: 28 minutes	Achieved 34 minutes Q1: N/A – no call outs Q2: 20 minutes Q3: 43 minutes Q4: 6 minutes	Mandatory measure that we are required to report on. The target of 60 minutes or less aligns with the attendance time specified in the Utility Services Contract for Priority 1 matters.	Maintain Measure (Mandatory) and Target
b) resolution of urgent call outs (from notification to confirmation of resolution) (Mandatory Measure)	480 minutes or less	Achieved 113 minutes Q1: 125 minutes Q2: 155 minutes Q3: 85 minutes Q4: 113 minutes	Achieved 137 minutes Q1: 196 minutes Q2: 142 minutes Q3: 78 minutes Q4: 58 minutes	Achieved 102 minutes Q1: N/A – no call outs Q2: 49 minutes Q3: 111 minutes Q4: 104 minutes	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target
c) attendance at non-urgent call outs (from notification to arrival on site) (Mandatory Measure)	7 days or less	Achieved 69 minutes Q1: 102 minutes Q2: 68 minutes Q3: 61 minutes Q4: 59 minutes	Achieved 53 minutes Q1: 22 minutes Q2: 67 minutes Q3: 49 minutes Q4: 34 minutes	Achieved 119 minutes Q1: 665 minutes Q2: 21 minutes Q3: 73 minutes Q4: 88 minutes	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target
d) resolution of non-urgent call outs (from notification to	3 months or less	Achieved 108 minutes	Achieved	Achieved	Mandatory measure we are required to report on.	Maintain Measure (Mandatory) and Target

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
confirmation of resolution) (Mandatory Measure)		Q1: 130 minutes Q2: 188 minutes Q3: 100 minutes Q4: 182 minutes	115 minutes Q1: 53 minutes Q2: 94 minutes Q3: 137 minutes Q4: 71 minutes	172 minutes Q1: 704 minutes Q2: 43 minutes Q3: 93 minutes Q4: 132 minutes		
Council's drinking water supply complies with:						
a) Drinking Water Quality Assurance Rules (DWQAR) – Bacterial Compliance (Mandatory Measure)	Fully compliant	Not Achieved Fully compliant New reporting and monitoring requirements were introduced during 2022/23 year. Contact time with chlorine now needs to be continually monitored. Upgraded equipment is now installed.	N/A – Measure changed 1/1/23	N/A – Measure changed 1/1/23	Mandatory measure that we are required to report on. From 1 January 2023 this mandatory measure was revised from Council's drinking water supply complies with "part 4 of the Drinking Water Standards (bacteria compliance criteria ¹) with a target of Fully Compliant to compliance with "Drinking Water Quality Assurance Rules (DWQAR) – Bacterial Compliance". This change was reflected in the 2022/23 Annual Report.	Maintain 2023 Measure (Mandatory) and Target
b) Drinking Water Quality Assurance Rules (DWQAR) – Protozoal Compliance (Mandatory Measure)	Fully compliant	Achieved Fully compliant	N/A – Measure changed 1/1/23	N/A – Measure changed 1/1/23	Mandatory measure that we are required to report on. From 1 January 2023 this mandatory measure was revised to align with regulatory changes. The previous measure was: Council's drinking water supply complies with part 5 of the Drinking Water Standards (protozoal compliance criteria ¹) with a target of Fully Compliant. The new/current measure is: Council's drinking water supply complies with Drinking Water Quality Assurance Rules (DWQAR) – Protozoal Compliance, with a target of Fully Compliant. This change was reflected in the 2022/23 Annual Report.	Maintain 2023 Measure (Mandatory) and Target
Percentage of real water loss from MDC's reticulation system (calculated using minimum night flow)	Year 1: No more than 37% Year 2: No more than 32.5%	Achieved 32.4%	Achieved 32.5%	Achieved 34%	Mandatory measure that we are required to report on. For the 2021-31 LTP the target was set for Year 1 and provision to revise the target annually was enabled through the LTP on the assumption that water meter charging would be implemented through the life of that LTP.	Maintain Measure (Mandatory) – Review Target from Year 2 Maintain current target for Year 1: No more than 32.4%

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
(Mandatory Measure)	<p>Year 3: No more than 32.4%</p> <p>Year 1: No more than 32.4%</p> <p>From Year 2: Establish the target as part of the Annual Plan process taking water meter trial data into consideration.</p>				<p>Given three waters reform, implementation of the charging regime was deferred. Targets through the 2021-31 reflected continuous improvement with the target being set to be no more than the previous year's result.</p> <p>Ongoing year on year reduction is not considered a realistic target until water meter charging is implemented. Once we have completed the water meter data trial, a more informed target can be advised.</p> <p>In the interim it is suggested we target no more than the current rate of water loss in Year 1 and then set appropriate and informed targets for Year 2 and 3 once we have more information from the data trial.</p>	<p>From Year 2: Establish the target as part of the Annual Plan process taking into consideration data from the water meter trial.</p> <p>This allows a realistic target for Year 1 and flexibility to review this and establish more informed targets for Year 2 and 3.</p>
<p>Average consumption of drinking water per day per resident within the district</p> <p>(Mandatory Measure)</p>	<p>Year 1: No more than 601 litres/person/day</p> <p>Year 2: No more than 578 litres/person/day</p> <p>Year 3: No more than 578 litres/person/day</p> <p>Year 1: No more than 578 litres/person/day</p> <p>From Year 2: Establish the target as part of the Annual Plan process taking water meter trial data into consideration.</p>	<p>Not Achieved</p> <p>586 litres/person/day</p>	<p>Achieved</p> <p>578 litres/person/day</p>	<p>Not Achieved</p> <p>639 litres/person/day</p> <p>The rainfall events over summer were less frequent than the previous year resulting in slightly higher garden watering demand than the previous year (601 litres/person/day).</p>	<p>Mandatory measure we are required to report on.</p> <p>For the 2021-31 LTP the target was set for Year 1 with provision to revise the target annually enabled through the LTP on the assumption that water meter charging would be implemented through the life of that LTP; and that the introduction of water meter charging may impact water consumption.</p> <p>Given three waters reform, implementation of the charging regime was deferred. Targets through the 2021-31 reflected continuous improvement with the target being set to be no more than the previous year's result if that was achieved (noting this target was not achieved in 2022/23 and the previous year's target was maintained for Year 3).</p> <p>Ongoing year on year reduction is not considered a realistic target until water meter charging is implemented. Once we have completed the water meter data trial, a more informed target can be advised.</p> <p>Data from the water meter trial will help to inform more meaningful targets for the future.</p> <p>Consistent with the previous measure, it is suggested we target no more than the current rate of consumption in Year 1 and then set appropriate and informed targets for Year 2 and beyond once we have more data.</p>	<p>Maintain Measure (Mandatory) - Review Target from Year 2</p> <p>Maintain current target for Year 1: No more than 578 litres/ person/day</p> <p>From Year 2: Establish target as part of the Annual Plan process taking into consideration data from the water meter trial.</p> <p>This allows a realistic target for Year 1 and flexibility to review this and establish more informed targets from Year 2.</p>

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
WASTEWATER SERVICES						
What we do: Deliver safe and acceptable systems for the collection, transfer and disposal of wastewater						
Number of complaints received about sewerage odour, system faults, system blockages, MDC's response to issues with its sewerage system (Mandatory Measure)	Less than or equal to 8 complaints/1000 connections.	Not Achieved 26.56 complaints/1000 connections Actual Complaints: 257 Q1: 14.16/1000 (137) Q2: 4.3/1000 (42) Q3: 4.44/1000 (43) Q4: 3.62/1000 (35)	Not Achieved 15.95 complaints/1000 connections Actual Complaints: 152 Q1: 1.99/1000 (19) Q2: 1.26/1000 (12) Q3: 11.43/1000 (109) Q4: 1.26/1000 (12) During the February 2022 record rain event water infiltrated the sewer system leading to overflows. As a result, there were an increased number of complaints. Port-a-loos were provided to impacted properties, and overflows were cleaned up once the water subsided, which took several days. The increased number of complaints, and the time it took for water to subside, also impacted results for attendance and resolution, as noted below.	Achieved 7.34 complaints/1000 connections Actual Complaints: 69 Q1: 3.09/1000 (29) Q2: 2.02/1000 (19) Q3: 0.64/1000 (6) Q4: 1.60/1000 (15)	Mandatory measure that we are required to report on. Results in 2021/22 and 2022/23 were impacted by the February 2022 heavy rain event; subsequent high water tables and ongoing wet weather following that. Early results for the 2023/24 year are more comparable with results prior to the February 2022 event; and work is being progressed to mitigate the impact of heavy rainfall on our wastewater networks, especially in areas that have experienced challenges for an extended period of time. Given that, the current target is considered appropriate for the 2024-34 LTP.	Maintain Measure (Mandatory) and Target

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
Median response time to sewerage overflows resulting from a blockage or other fault to MDC's sewerage system:						
a) attendance (from time of notification to the time service personnel arrive onsite) (Mandatory Measure)	6 hours or less	Achieved 52 minutes Q1: 75 minutes Q2: 50 minutes Q3: 37 minutes Q4: 35 minutes	Achieved 131 minutes (2.18 hours) Q1: 30 minutes Q2: 47 minutes Q3: 2829 minutes (47.15 hours) Q4: 48 minutes The February 2022 flooding event happened afterhours. The volume of complaints received resulted in longer attendance times despite staff working extra hours and over the weekend.	Achieved Year End: 27 minutes Q1: 27 minutes Q2: 23 minutes Q3: 21 minutes Q4: 46 minutes	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target
b) resolution (from time of notification to the time service personnel confirm resolution) (Mandatory Measure)	12 hours or less	Achieved 102 minutes Q1: 159 minutes Q2: 75 minutes Q3: 59 minutes Q4: 136 minutes	Not Achieved 1084 minutes (18.07 hours) Q1: 161 minutes Q2: 147 minutes Q3: 3950 minutes (65.83 hours) Q4: 105 minutes The clean-up of overflows in Q3 following the February 2022 flood event could not be completed until the water subsided. This took several days, impacting resolution times.	Achieved 139 minutes Q1: 153 mins Q2: 63 mins Q3: 146 minutes Q4: 219 minutes	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
Number of dry weather sewerage overflows from MDC's sewerage system (Mandatory Measure)	Less than or equal to 2/ 1000 connections	Achieved 0.41/1000 connections (4 complaints) Q1: 0.10/1000 (1) Q2: 0.10/1000 (1) Q3: 0.10/1000 (1) Q4: 0.10/1000 (1)	Achieved 1.15/1000 connections (11 complaints) Q1: 0.31/1000 (3) Q2: 0.21/1000 (2) Q3: 0.42/1000 (4) Q4: 0.21/1000 (2)	Achieved 0.96/1000 connections (9 complaints) Q1: 0.53/1000 (5) Q2: 0.21/1000 (2) Q3: 0/1000 (0) Q4: 0.21/1000 (2)	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target
Compliance with MDC's resource consents for discharge from its sewerage system, measured by the number of abatement notices, infringement notices, enforcement orders or convictions received by MDC in relation to those consents (Mandatory Measure)	100 per cent compliance.	Not Achieved One abatement notice served. An Abatement Notice was served on 25/8/22 (Quarter 1), requiring compliance with consent conditions. The breach related to occasional high E-Coli results detected in the final treatment pond (not the wastewater discharge).	Not Achieved One infringement received An infringement was received in Quarter 2 due to an overflow (with limited effects) that resulted from a sewer line blockage. The blockage was caused by foreign material being flushed into the sewer. The blocked line was in the process of being upgraded and work has now been completed on that section.	Achieved 100 per cent compliance.	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target
Alternative system provided where loss of service exceeds 24 hours	Less than or equal to 1/1000 connections	Not Achieved 16.53/1000 connections (160 port-a-loos) Q1: 8.37/1000 (81) Q2: 2.79/1000 (27) Q3: 2.99/1000 (29) Q4: 2.38/1000 (23)	Not Achieved 6.4/1000 connections (61 port-a-loos) Q1: 0/1000 Q2: 0/1000 Q3: 6.2/1000 (59) Q4: 0.21/1000 (2)	Achieved 0.64/1000 connections (6 port-a-loos) Three port-a-loos were deployed on 10 November 2020 and three were deployed on 21 June 2021, both due to heavy rain causing a sewer back up in Cockburn Street and Colombo Road.	This measure is not a mandatory measure but has been included in previous LTPs. The measure is important in assisting to monitor the implications of challenges with the wastewater network at a household level - an issue that is of concern for both our community and Council.	Maintain Measure and Target

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
STORMWATER						
What we do: Deliver stormwater systems efficiently and effectively to protect public health and private property						
Number of flooding events that occur in the district (Mandatory Measure)	10 events or less	Achieved 5 Flooding Events Q1: 3 flooding events Q2: 2 flooding events Q3: No flooding events Q4: No flooding events	Achieved 2 Flooding Events Q1: No flooding events Q2: No flooding events Q3: 2 flooding events Q4: No flooding events	Achieved 2 Flooding Events Q1: No flooding events Q2: One flooding event Q3: No flooding events Q4: One flooding event	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target
For each flooding event, the number of habitable floors affected (Mandatory Measure)	Less than or equal to 1/1000 connections	Achieved 0/1000 connections. No habitable floors affected	Achieved 0.33/1000 connections. Three habitable floors affected Q1: No habitable floors affected Q2: No habitable floors affected Q3: 2 habitable floors affected Q4: 1 habitable floors affected	Achieved 0.22/1000 connections. Two habitable floors affected Q1: No habitable floors affected Q2: One habitable floor affected Q3: No habitable floors affected Q4: One habitable floor affected	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target
Compliance with MDC's resource consents for discharge from its stormwater system, measured by the number of abatement notices, infringement notices, enforcement orders or convictions received by MDC in relation to those consents. (Mandatory Measure)	100% - no consent breaches.	Achieved 100% - no consent breaches	Achieved 100% - no consent breaches.	Achieved 100% - no consent breaches.	Mandatory measure that we are required to report on.	Maintain Measure (Mandatory) and Target

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
<p>Number of complaints received about the performance of MDC's stormwater system</p> <p>(Mandatory Measure)</p>	Less than or equal to 3/1000	<p>Not Achieved</p> <p>10.11 complaints/1000 connections</p> <p>Actual: 91 complaints</p> <p>Q1: 3.44/1000 (31) Q2: 1.33/1000 (12) Q3: 2.22/1000 (20) Q4: 3.11/1000 (28)</p>	<p>Not Achieved</p> <p>4.11 complaints/1000 connections</p> <p>Actual: 37 complaints</p> <p>Q1: 0.56/1000 (5) Q2: 0.67/1000 (6) Q3: 2/1000 (18) Q4: 0.89/1000 (8)</p> <p>The February 2022 rain event in Q3 contributed to an increased number of complaints in that quarter.</p>	<p>Achieved</p> <p>2.33 complaints/1000 connections</p> <p>Actual: 21 complaints</p> <p>Q1: 0.44/1000 (4) Q2: 0.56/1000 (5) Q3: 0.33/1000 (3) Q4: 0.99/1000 (9)</p>	<p>Mandatory measure that we are required to report on.</p> <p>For the 2021-31 LTP the target was increased from 'less than or equal to 2/1000' to 'less than or equal to 3/1000' as 2/1000 was not considered realistic or attainable based on past trends.</p> <p>In Year 1 and Year 2 of the 2021-31 LTP, this target was not achieved. The February 2022 extreme rain event left high groundwater tables. That coupled with an extended period of wet weather and events including Cyclone Garbielle have impacted results.</p> <p>Early results for Year 3 (2023/24) are more consistent with results prior to February 2022. Therefore it is proposed that the target of 3/1000 is maintained for the 2024-34 LTP.</p>	Maintain Measure (Mandatory) and Target
<p>Median response time to attend a flooding event (from time of notification to the time service personnel arrive onsite)</p> <p>(Mandatory Measure)</p>	60 minutes or less	<p>Achieved</p> <p>21 minutes</p> <p>Q1: 47 minutes – 3 flooding events reported Q2: 16 minutes – 2 flooding events reported Q3: N/A – no flooding events reported Q4: N/A – no flooding events reported</p>	<p>Not Achieved</p> <p>6531 (109 hours)</p> <p>Q1: No flooding events Q2: No flooding events Q3: 6530 minutes Q4: 25 minutes</p> <p>The volume of complaints relating to flooding and wastewater issues over the period of the rain event in Q3 resulted in longer response times, despite staff working extra hours and over the weekend.</p> <p>The response time reported in Q4 was related to the flooding event in Q3. The service request was completed in Q4.</p>	<p>Achieved</p> <p>22 minutes</p> <p>Q1: No flooding events Q2: 30 minutes Q3: No flooding events Q4: 14 minutes</p>	<p>Mandatory measure that we are required to report on.</p> <p>The target of 60 minutes or less aligns with the attendance time specified in the Utility Services Contract for Priority 1 matters.</p>	Maintain Measure (Mandatory) and Target

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
SOLID WASTE MANAGEMENT						
What we do: Provide solid waste solutions across the district						
Number of call backs due to non-collection of official rubbish bag in each weekly collection	No more than 52 call-backs per annum.	Achieved 8 call backs Q1 Result: 2 Q2 Result: 3 Q3 Result: 3 Q4: Result: 0	Achieved 9 call backs Q1 Result: 1 Q2 Result: 1 Q3 Result: 2 Q4: Result: 5	Achieved 26 call backs Q1 Result: 2 Q2 Result: 10 Q3 Result: 6 Q4: Result: 8	The current aim is for no more than one call back per week on average.	Maintain Measure – Maintain Target
Tonnage of waste transferred to landfill via the Nursery Road Transfer Station per head of population	Reduction on previous year A reduction in the total quantity of waste sent to class 1 landfills (baseline = 0.513 tonne per head of population in 2022/23): Year 1 – 3.3% reduction by 30 June 2025. Year 2 – 6.6% reduction by 30 June 2025. Year 3 – 10% reduction by 30 June 2027.	Achieved 0.513 tonne per head of population <i>(est. population as at 30/6/22: 29,000)</i> 14,882 tonnes YTD of waste transferred ex Masterton	Not Achieved 0.599 tonne per head of population <i>(est. population as at 30/6/21: 28,200)</i> 16,883 tonnes of waste transferred (16.6% increase on previous year)	Not Achieved 0.527 tonne per head of population <i>(est. population as at 30/6/20: 27,500)</i> 14,480 tonnes of waste transferred (25.9% increase on previous year)	The intent of this measure is to reflect waste minimisation efforts. This measure is an important ‘secondary measure’ for climate change action too. The target has previously been a reduction on the previous year reflecting a continuous improvement approach. The 2023-2029 WMMP has a primary regional target of a reduction in the total quantity of waste sent to class 1 landfills by 10% by 30 June 2027. To align with that, it is proposed our target be changed to reflect progress in achieving that target.	Maintain Measure – Revise Target Revise targets to align with the 2023-29 WMMP target.
Urban and rural transfer stations, recycling, composting facilities and landfills operate within approved resource consent conditions.	100% compliance	Achieved 100% compliance	Achieved 100% compliance	Achieved 100% compliance	This measure reflects compliance responsibilities and aligns with similar mandatory measures for wastewater and stormwater.	Maintain Measure – Maintain Target

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
COMMUNITY FACILITIES AND PARKS						
What we do: Deliver a library and archive service with engaging and relevant activities						
Number of people using our library and archive reflected by: overall library usage and number of visits to the library and archive.	Library Usage: No less than 5 year average for overall library usage Usage consists of: <ul style="list-style-type: none"> Physical issues Digital issues Computer/Wi-Fi sessions 	Achieved Library Usage: 324,662 <ul style="list-style-type: none"> Physical issues: 187,344 Digital issues: 52,431 Computer/Wi-Fi sessions: 84,887 5 Year Average: 290,315 made up of: <ul style="list-style-type: none"> Physical issues: 214,591 Digital issues: 16,614 Computer/Wi-Fi sessions: 59,110 	Achieved Library Usage: 278,960 <ul style="list-style-type: none"> Physical issues: 182,546 Digital issues: 44,838 Computer/Wi-Fi sessions: 51,576 5 Year Average: 318,686 made up of: <ul style="list-style-type: none"> Physical issues: 231,430 Digital issues: 12,958 Computer/Wi-Fi sessions: 74,298 	N/A - New Measure	This measure was introduced for the 2021-31 LTP based on work on appropriate library measures around the country. People can use the library and archive in a number of different ways – i.e. physically in person and remotely. An overarching measure such as this captures and reflects usage across categories. Utilisation (usage) and engagement (visits) also reflect the value of the library service for our community in that people will use/engage with a service that is relevant and of value to them. A 5 year average target smooths out any year to year variances and shows the longer term trend.	Maintain Measure – Minor Change to Phrasing of Targets Revise the phrasing of the target for accuracy to reflect that ‘visits’ incorporates both library <u>and</u> archive visits, as per the measure.
	Library and Archive Visits: No less than 5 year average for number of visits to the library and archive Visits consists of: <ul style="list-style-type: none"> In Person Visits Digital Housebound 	Achieved Library Visits: 329,929 <ul style="list-style-type: none"> In Person: 99,132 Digital: 229,709 Housebound: 1,088 5 year average: 233,332 made up of: <ul style="list-style-type: none"> In Person Visits: 128,351 Digital Visits: 104,178 	Achieved Library Visits: 363,490 <ul style="list-style-type: none"> In Person: 83,400 Digital: 278,944 Housebound: 1,146 5 year average: 215,501 made up of: <ul style="list-style-type: none"> In Person Visits: 148,062 Digital Visits: 66,745 	N/A - New Measure		

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
		<ul style="list-style-type: none"> Housebound Visits: 803 	<ul style="list-style-type: none"> Housebound Visits: 694 			
What we do: Provide community facilities and open spaces that support a range of cultural and recreational needs for our community and visitors						
Percentage of Council parks and open spaces urgent customer service requests that are resolved responded to within 4 work hours.	90% resolved responded to within 4 work hours.	<p>Achieved</p> <p>93.8% responded to within 4 hours.</p> <p>49 urgent requests received. 46 were responded to within 4 hours.</p> <p>Q1: 90% (18/20) Q2: 90% (9/10) Q3: 100% (11/11) Q4: 100% (8/8)</p>	<p>Achieved</p> <p>96% responded to within 4 hours.</p> <p>56 urgent requests received. 54 were responded to within 4 hours.</p> <p>Q1: 100% (7/7) Q2: 100% (14/14) Q3: 100% (10/10) Q4: 92% (25/27)</p>	N/A - New Measure	<p>Current service level agreements are to respond to urgent issues (e.g. emergency/health and safety matters) within 4 hours.</p> <p>The faster our team respond to urgent matters, the sooner these issues are resolved and usual service resumed, or any associated risk removed or mitigated.</p> <p>A target of 90% equates to 9 out of 10 urgent service requests being responded to within the agreed timeframe and allows provision for exceptional situations that may influence the team's ability to respond. A 90% target is also consistent with response times for other Priority call outs.</p>	<p>Minor Change to Phrasing of Measure and Target for Accuracy - Maintain Target</p> <p>The response time aligns with our current contract agreement.</p> <p>The way the measure is currently phrased implies any matter will be resolved within four hours. This should read 'responded to'. Any issues reported are responded to within 4 hours and appropriate action is taken to either resolve the issue of mitigate any risk associated with that.</p>
Number of people using the recreational trails that are part of our parks and reserves network	Utilisation = at least the 2 year average The 2 year average (as at 30/6/20) equates to: 289,612	<p>Not Available to Report</p> <p>This measure was set as part of the 2021-31 Long-Term Plan process. At that time, data loggers were recording the number of people using the recreational trails.</p> <p>However, over the past two years we have been unable to report results due to ongoing issues with the data loggers that have not been permanently resolved.</p>	<p>Not Available to Report</p> <p>Year End: Results unable to be reported due to issues with data loggers through the year.</p>	<p>Not Available to Report</p> <p>Year End: Results unable to be reported due to issues with data loggers through the year.</p>	<p>Given ongoing challenges with data loggers we have been unable to report on this measure for the past 3 years.</p> <p>The cost of replacing data loggers to enable this measure to be maintained is estimated at \$25K.</p>	<p>Remove Measure - Have been unable to report for at least 3 years</p> <p>Given the cost to install new data loggers it is recommended this measure be removed.</p>

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
Number of people using the Trust House Recreation Centre	No less than 5 year average for overall Trust House Recreation Centre usage total Usage consists of: <ul style="list-style-type: none"> Swim Gym Stadium Sports Stadium Events 	Achieved Trust House Recreation Centre Usage: 152,095 <ul style="list-style-type: none"> Swim: 106,191 Gym: 27,687 Stadium Sports: 5,830 Stadium Events: 12,387 The 5 year average was: 121,703. Made up of: <ul style="list-style-type: none"> Swim: 79,983 Gym: 30,152 Stadium Sports: 3,367 Stadium Events: 8,202 	Not Achieved Trust House Recreation Centre Usage: 99,899 <ul style="list-style-type: none"> Swim: 65,357 Gym: 25,214 Stadium Sports: 3,717 Stadium Events: 5,601 The 5 year usage was: 106,018. Made up of: <ul style="list-style-type: none"> Swim: 70,348 Gym: 25,695 Stadium Sports: 2,761 Stadium Events: 7,215 	N/A - New Measure	This measure was introduced for the 2021-31 LTP. Consistent with comments relating to the Library measure, it reflects broad utilisation of the facility and community value in that people will use a service more if it is relevant and of value to them. A 5 year average target smooths out any year to year variances and shows the longer term trend.	Maintain Measure – Maintain Target
Compliance with the healthy homes standards for Council owned rental units and houses	Year 1 and Year 2: Applies to all new or renewed tenancy agreements for Council rental units/houses from 1 July 2021: All units/houses comply with the healthy home standards (or have exemptions) at the time they are leased. From Year 3:	Achieved 100% (5/5)	Not Achieved 83.3% (5/6) Six units were let and five were fully compliant at the time of lease. The non-compliance was addressed within the same quarter,	N/A - New Measure	This measure was introduced for the 2021-31 LTP to reflect progress in achieving the healthy homes standards that became law on 1 July 2019. The standards introduced specific and minimum standards for rental properties in relation to heating, insulation, ventilation, moisture ingress and drainage, and draught stopping in rental properties. Council properties are categorised as private rentals. From 1 July 2021, all private rental tenancies were required to comply within 90 days of any new or renewed tenancy. From 1 July 2024, all private rentals are required to comply.	Remove Measure – Now BAU This measure was intended to show progress in achieving the new requirements. Given all housing is now compliant, it is recommended this measure be removed. It is no longer a new initiative – this is now considered ‘business as usual’.

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
	Applies to all Council rental units/houses: All units/houses comply with the healthy home standards (or have exemptions).				The targets for the 2021-31 LTP aligned with the requirement for all private rentals to comply (or have been granted exemptions) by 1 July 2024. All Council housing is now fully compliant with new standards, ahead of schedule (31 December 2022) and the legal deadline for compliance (1 July 2024).	

REGULATORY SERVICES

What we do: Deliver fair, appropriate and customer-friendly regulatory services that support community health and safety

Response time to attend Priority 1 urgent call outs (e.g. dog attacks).	90% attended within one hour	Achieved 95.3% 162/170 attended within on hour Q1 – 93.54% (29/31) Q2 – 90.39% (47/52) Q3 – 100% (48/48) Q4 - 97.5% (38/39)	Achieved 94% 141/150 attended within one hour Q1 – 98.08% (51/52) Q2 – 90.62% (29/32) Q3 – 86.21% (25/29) Q4 – 92.11% (35/38)	N/A - New Measure	This measure was introduced in the 2021-31 LTP. The faster staff can respond, the more likelihood there is of being able to apprehend the offending dog and deal with the matter appropriately. Current service level agreements are to respond to urgent call outs (Priority 1) within one hour. A target of 90% equates to 9 out of 10 call outs being responded to within one hour and allows provision for exceptional situations that may impact the team's ability to achieve this – e.g. if there was a vehicle failure or two different attacks at the same time during an evening when we have only one staff member on call. A 90% target is also consistent with response times for other Priority call outs.	Maintain Measure – Maintain Target
Response time to attend noise control call outs.	90% attended within one hour	Achieved 93% 573/616 attended within one hour Q1 – 95.83% (115/120) Q2 – 91.38% (159/174) Q3 – 89.1% (139/156) Q4 – 96.4% (160/166)	Achieved 93.7% 687/733 attended within one hour Q1 – 95.6% (132/138) Q2 – 96% (264/275) Q3 – 92.5% (149/161) Q4 – 89.3% (142/159)	N/A - New Measure	This measure was introduced in the 2021-31 LTP. Noise matters are of concern to our community and this measure reflects that. The team receive many calls relating to noise, and the faster we respond to noise complaints, the more likelihood there is of being able to deal with the matter appropriately. A target of 90% equates to 9 out of 10 call outs being responded to within one hour and allows provision for exceptional situations that may influence the team's ability to respond. A 90% target is also consistent with response times for other Priority 1 call outs.	Maintain Measure – Maintain Target

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
Number of animal control community education and engagement activities	A minimum of 6 per annum related to high priority issues or concerns	Achieved 8 Education/Engagement Activities Q1 – No education/engagement activities Q2 – 5 Q3 – 3 Q4 – No education/engagement activities	Achieved 8 Education/Engagement activities Q1 – No education/engagement activities Q2 – 2 Q3 – 4 Q4 – 2	N/A - New Measure	This measure was introduced in the 2021-31 LTP. The number of community education and engagement activities related to animal control issues or matters reflects positive aspects of service provided by the Animal Services team that add community value. The education/engagement initiatives relate to issues that have been identified by the team as high priority. The target of 6 per annum equates to one every second month.	Maintain Measure – Maintain Target
Percentage of resource consents processed within statutory timeframes	90%	Achieved 92.2% 142/154 resource consents processed within statutory timeframes Q1: 90% (28/33) Q2: 97.5% (39/40) Q3: 94.1% (32/34) Q4: 91.5% (43/47)	Achieved 93% 210/226 resource consents processed within statutory timeframes Q1: 98% (52/53) Q2: 100% (72/72) Q3: 90.2% (46/51) Q4: 89.7% (35/39)	Not Achieved (target was 99%) 98% 202 of 207 resource consents received were processed within statutory timeframes	The target equates to 9 out of 10 resource consents being processed within the deadline and allows provision for factors outside the team's control that may influence their ability to respond. A 90% target is also consistent with response times for other Priority call outs/consent processes.	Maintain Measure – Maintain Target
Percentage of building consents processed within statutory timeframes	90%	Not Achieved 83% 538/649 consents processed within statutory timeframe Q1: 73% (141/194) / 17 working days Q2: 77% (124/161) / 19 working days Q3: 94% (130/138) / 15 working days Q4: 92% (143/156) / 15 working days	Not Achieved 65% 442/685 consents processed within statutory timeframes. Q1: 52% (93/178) – 22 working days Q2: 74% (102/138) – 15 working days Q3: 87% (144/165) - 16 working days Q4: 75% (156/207) – 17 working days	Not Achieved 78% 664/851 consents processed within statutory timeframes No quarterly data available.	The target equates to 9 out of 10 resource consents being processed within the deadline and allows provision for factors outside the team's control that may influence their ability to respond. A 90% target is also consistent with response times for other Priority call outs/consent processes.	Maintain Measure – Maintain Target

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
Percentage of code compliance certificates processed within statutory timeframes	90%	Achieved 90% 520/577 certificates processed within statutory timeframes Average processing time: 15 working days. Q1: 83% (130/156) / 20.9 working days Q2: 87% (159/183) / 13 working days Q3: 97% (95/98) / 16 working days. Q4: 97% (136/140) / 10 working days.	Not Achieved 79% 453/573 certificates processed within statutory timeframes. Average processing time: 17 working days. Q1: 72% (118/163) – 15 days Q2: 95% (137/145) – 9 days Q3: 85% (97/114) – 14 days Q4: 85% (139/163) – 13 days	N/A – New Measure	This measure was introduced for the 2021-31 LTP reflecting the increased demand from both real estate sales and new builds wanting Code Compliance Certificates finalised. Processing times for CCCs is an area of interest to the community. The target equates to 9 out of 10 resource consents being processed within the deadline and allows provision for factors outside the team's control that may influence their ability to respond. A 90% target is also consistent with response times for other Priority call outs/consent processes.	Maintain Measure – Maintain Target
Percentage of commercial Building Warrant of Fitness' (BWOFS) that have been reviewed within 20 days of their due date.	At least 90% of BWOFS have been reviewed within 20 days of their due date.	Achieved 100% reviewed within 20 days of the due date. Q1: 100% Q2: 100% Q3: 100% Q4: 100% 98% compliance across 398 Building Warrant of Fitness.	Achieved 100% reviewed within 20 days of the due date. Q1: 100% Q2: 100% Q3: 100% Q4: 100% 90% compliance across 387 Building Warrant of Fitness.	N/A – New Measure	This measure was rephrased for the 2021-31 LTP to place the focus on BWOFS action that aligns with the team's work. The target of 90% equates to 9 out of 10 BWOFS schedules being reviewed by the due date and allows provision for factors that may influence the team's ability to complete all scheduled reviews. A 90% target is also consistent with response times for other Priority call outs/consent processes.	Maintain Measure – Maintain Target
Proportion of known residential swimming pools that have been inspected.	Year 1: 25% Year 2: 50% Year 3: 80% Years 4-10: cycle to be repeated but ensuring 100% of pools have been re-inspected by the end of Years 6 and 9. Year 1: 33% Year 2: 66% Year 3: 100%	Not Achieved 48% inspected 39% of total pools compliant 508 inspections undertaken Q1: 233 inspections over 190 pools = 23% inspected and 13% of total pools compliant Q2: 44 inspections over 26 pools = 27% inspected and 19% of total pools compliant	Not Achieved 3% inspected 28 inspections undertaken. Q1: No inspections. Q2: No inspections. Q3: 15 inspections. Q4: 13 inspections. Pool inspections scheduled for 2021/22 were impacted by a lack	N/A – New Measure	This measure was introduced for the 2021-31 LTP to reflect progress in meeting our obligations under the Building (Pools) Amendment Act introduced in 2016. That Act requires all known residential swimming pools to be inspected for compliance every three years. The measure focusses on meeting our obligations for Swimming Pool Compliance. The target of inspecting 100% of known pools every 3 years aligns with legislative requirements This has been an area of focus for the community and for MDC's building team.	Maintain Measure – Revise Target The proposed target is: Year 1: 33% Year 2: 66% Year 3: 100% Years 4-10: repeat cycle ensuring 100% of pools have been re-inspected by the end of Y6 and Y9. This reflects councils obligation to inspect all swimming pools every three years.

Measure	2021-31 LTP Target	Year End Result as at 30/06/23 (Y2 of 2021-31 LTP)	Year End Result as at 30/06/22 (Y1 of 2021-31 LTP)	Year End Result as at 30/06/21 (Y3 of 2018-28 LTP)	Comment/Discussion re Measure	Recommended Action for 2024-34 LTP
	Years 4-10: repeat cycle ensuring 100% of pools have been re-inspected by the end of Y6 and Y9.	Q3: 87 inspections over 87 pools = 37% inspected and 30% of total pools compliant Q4: 144 inspections over 144 pools = 48% inspected and 39% of total pools compliant	of resource in the team due to a resignation.			
GOVERNANCE AND CORPORATE SERVICES						
Every year Council produces an Annual Report that informs our community about what has been achieved and how well we performed against the plans and budgets that were set for that year. In addition, there is regular reporting to the Senior Leadership Team and Council on progress with work and projects in this activity group, and once every three years Council undertakes a Community Satisfaction Survey that includes questions about Council's leadership and reputation.						No Change Proposed

7.5 MASTERTON TOWN CENTRE IMPROVEMENTS CONSULTATION OPTIONS FOR THE 2024-2034 LONG TERM PLAN

File Number:

Author: Philip Evans, Project Delivery and Assets Manager

Authoriser: Kym Fell, Chief Executive

PURPOSE

The purpose of this report is to confirm the options, and Council's preferred option, for improvements to the Masterton town centre, to consult with the community for the 2024 – 34 Long Term Plan (LTP).

RECOMMENDATIONS

That Council

1. **Notes** that costs to deliver the project included in the 2021-31 LTP have escalated significantly.
2. **Approves** the following options for consultation as part of the 2024-34 LTP process;
 - Option 1 - Do the minimum and only replace critical infrastructure in Phases 1 and 2 of Queen Street
 - Option 2 - Complete the redevelopment in Phases 1 and 2 of Queen Street (as outlined in this report) but defer the remaining programme of work under the Masterton Revamp project.
3. **Agrees** that Council's preferred option is **Option 1** - Do the minimum and only replace critical infrastructure in Phases 1 and 2 of Queen Street.

CONTEXT

Masterton District Council (Council) first signalled plans to redevelop the Masterton town centre in 2015. Key drivers for this work were a need to address critical infrastructure issues – specifically renew water mains and laterals, reseal the road and footpath and replace street furniture. It was identified that this created an opportunity to consider a wider redesign and layout of the CBD and look at what additional improvements, enhancements and benefits could be achieved.

The Masterton Revamp project was initially identified as being a 10-year work programme, broken down into a number of discrete projects to be completed over the 2021-31 LTP. The project included a focus on multi-modal transport, increased pedestrian amenity and safety, creating more vibrancy in the town to encourage future investment and development opportunities, defining areas for different types of activities, more greenery, town entrance treatments and linkages to the Waipoua River and Queen Elizabeth Park.

During the LTP deliberations Council agreed to defer the work to Year 4 of the 2021-2031 LTP due to concerns about costs, Waka Kotahi subsidies and conflicting priorities. This means that the project was due to be included of the 2024-34 LTP.

A key part of the work programme to commence in 2024/25 includes the redevelopment of Queen Street. The work for Queen Street is broken into two phases;

- Phase 1 being that portion of Queen Street from Jackson Street to Perry Street and
- Phase 2 being Perry Street to Park Street.

The design elements of the redevelopment include:

- Releveling and expanding the footpaths
- Realigning car parking and reducing the total number of on-street car parking spaces
- Providing updated street furniture
- Providing new footpath treatments to improve wayfinding and reduce slip hazards.

This work would be additional to the critical roading and water infrastructure work.

During 2023, officers obtained updated costs for the Phase 1 and 2 portions of the Queen Street upgrade in anticipation of the inclusion of the project in the LTP and because the Queen Street critical work is becoming pressing. The cost estimates indicate a 70% increase in the costs included in the 2021-31 LTP. On the basis of this cost increase, officers presented options on the future of the Masterton Revamp project to the 13 September 2023 Council meeting. The options included:

- Option A - Defer the work
- Option B - Do the minimum and only replace critical infrastructure in Phase 1 and 2 of Queen Street
- Option C - Complete Phase 1 and Phase 2 redevelopment of Queen Street and defer the remaining CBD Revamp programme of work

Council agreed to progress Options B and C for consultation for the 2024-34 LTP but sought further clarification around the elements of the proposed design for Queen Street.

ANALYSIS AND ADVICE

Design Elements

Option 1 - Do the minimum in Queen Street

The focus in this option is to replace critical infrastructure only and so there will be minimum change to the street scape. Footpaths would be resurfaced, with paving stones replaced with asphaltic cement finishes, street furniture repainted and reinstated and water infrastructure replaced or relined underground. Aside from the temporary disruption to the CBD, members of the public will not notice any substantial differences.

Option 2 - Redevelopment of Queen Street

Under this option, the streetscape in Queen Street would undergo a significant change. The general tenor of the proposed design is to create a more people-centric design, by widening the footpaths, improving seating and greenspaces, providing more space for footpath dining and

reducing the amount of on-street car parking. Initial concept designs have been developed by consultant firm Boffa Miskell and are included in [Attachment 1](#).

The indicative design was developed through consultation with the community. The design was then developed into detailed designs to allow for costs estimates of the work to be generated by a quantity surveyor.

Costs

A summary of the costs are provided below.

	Option 1 - Do Minimum in Queen Street	Option 2 - Redevelopment of Queen Street	Costs from 2021 - 2031 LTP
Phase 1	\$2.92M	\$6.55M	\$4.6M
Phase 2	\$3.56M	\$7.57M	\$4.0M
Total	\$6.48M	\$14.12M	\$8.6M

Council should note that these costs are based on quantity surveyor estimates and will need to be tested in the market through a tender process. However, they are consistent with other projects and infrastructure work.

Direction from Council

Council considered the design and associated costs at an LTP workshop in February 2024. Council noted the configuration and loss of parking spaces and views of the community recently expressed during the Transport Choices Eastside Link Cycleway project. Council has recently undertaken a parking study in the CBD as an evidence base for a Parking Strategy to be completed in 2024. Information from a presentation to the Council, including statistics on current supply and demand, is included in [Attachment 2](#).

Council noted the significant increase in costs for the Queen Street redevelopment, the current and likely future economic environment, and the upcoming increase in rates to pay for infrastructure improvements and the Town Hall and Library. It indicated that the redevelopment may not be affordable for the community at this time.

OPTIONS ASSESSMENT FOR THE 2024-34 LTP CONSULTATION

To meet the legal requirements for LTP consultation (S82A and S93C LGA) Council needs to include analysis of a preferred option and reasonably practicable alternatives in the LTP Consultation Document. A summary of options considered is included in the table below.

Option		Advantages	Disadvantages
1	PREFERRED OPTION Do minimum – carry out work to replace water services, repair roading and footpath areas and reinstate Queen	Critical infrastructure work would be completed. Costs would be minimised. Minimal disruption to CBD	No further upgrade / improvements to the CBD for this LTP cycle. Opportunities for cost efficiencies that would

	<p>Street to same condition.</p> <p>Cost estimated at \$6.48M.</p>	<p>businesses and residents.</p>	<p>have been gained by completing the upgrade at the same time as the infrastructure upgrades would be lost.</p> <p>Development costs for any improvements to the streetscape are likely to increase over time.</p> <p>Does not provide for design elements that green the CBD and implement actions in the Climate Action Plan.</p>
2	<p>Develop the Queen Street design for Phase 1 and Phase 2 and progress with implementation.</p> <p>Cost estimated at \$14.12M</p>	<p>Critical infrastructure work would be completed.</p> <p>CBD improvements as part of the Masterton revamp would be progressed, consistent with the Town Centre Strategy.</p> <p>Provides for design elements that green the CBD and implement actions in the Climate Action Plan.</p>	<p>Significant cost commitment.</p> <p>Extended period of disruption compared to 'do minimum' option.</p>

OPTIONS CONSIDERED

A summary of the options considered in relation to options for the LTP 2024-34 consultation is included in the table below.

Option	Advantages	Disadvantages
<p>1 Recommended – That Council agrees to proceed to consultation with the recommended options for the Town Centre Improvements with Option 1 – Do minimum as the preferred option.</p>	<ul style="list-style-type: none"> LTP consultation can proceed without delay. 	<ul style="list-style-type: none"> None identified
<p>2 Council selects alternative options for consultation or as</p>	<ul style="list-style-type: none"> None identified 	<ul style="list-style-type: none"> Costing additional options would cost more, delay the

	the preferred option.		<p>LTP consultation and risk delaying the LTP.</p> <ul style="list-style-type: none"> Selecting a different option as the preferred option would impact the costings in the LTP consultation document
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Option 1 is the preferred option.

It is recommended that Council consult with the public through the LTP process on which option should be funded, with the Council's preferred option being to do the minimum to replace / repair the critical infrastructure in Queen Street while minimising cost and disruption.

In either option, the work would be completed over two years of the LTP.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

The Masterton Revamp project was informed by the Town Centre Strategy; has the potential to give effect to Council's Arts, Culture and Heritage Strategy; and supports the vision and community outcomes in *He Hiringa Tangata*, *He Hiringa Whenua*, the Wellbeing Strategy. See also commentary below on the Council's Climate Action Plan.

As an additional consideration, Council should be aware of the pending issue of earthquake prone buildings located in the CBD. These are required to be upgraded over the next 10 years and will present a significant challenge to property owners and occupiers. This will potentially impact on the CBD upgrade work with multiple buildings fronting onto this portion of Queen Street requiring some level of protection, upgrade or, potentially, demolition. Upgrades to the CBD will potentially demonstrate to property owners Council's intent to invest in the CBD and encourage property owners to follow suit.

Alternatively, not completing the full revamp of the CBD means that any damage or other impact from potential reinforcing or demolition work will not affect a new streetscape. The redevelopment of the CBD could then be considered at a later LTP cycle.

Significance, Engagement and Consultation

The full programme of work, over the 10 year period, was costed as being in excess of \$37M at the time of the 2021 LTP cycle. These costs have now escalated to the extent that it is critical to engage the community via the LTP consultation process. The Council has considered that the full programme is unaffordable at this time, so options for a scaled back programme have been developed for consultation through the 2024-2034 LTP.

Financial Considerations

Financial considerations associated with the decision to consult on options to inform decisions on the CBD revamp include the increase in project costs by approximately 70% and the need to

balance the cost of maintaining critical infrastructure with providing the full programme of development.

The preferred Option seeks to strike a balance without undermining any future development or revamp work. The updated costings will be part of the LTP project proposal for the public to submit on.

Implications for Māori

Embracing our Māori culture and multi-cultural community is an objective for Council and the Council benefitted from mana whenua guidance in the development of the Town Centre Strategy which informed the Masterton Revamp project. While this decision does not give rise to or affect Treaty/Tiriti obligations, the Local Government Act 2002 has specific requirements to ensure the views of Māori are considered as part of Council decision making. Council will work closely with iwi, hapū, and marae about their aspirations for Council facilities and how the CBD revamp will help achieve mana whenua aspirations.

Communications/Engagement Plan

A consultation document is being developed for the 2024-34 LTP for approval at the April Council meeting.

Environmental/Climate Change Impact and Considerations

Maintaining critical infrastructure will result in the efficient use of Council's water and transport networks, reducing losses and improving efficiency. Council's Climate Action Plan includes actions to support the community to transition to low-emission transport and for Masterton to have well designed streets and roads that minimise transport emissions. The redevelopment of Queen Street would implement Action 32, to investigate options for a more pedestrian friendly Queen Street, and Action 33 to investigate opportunities for incorporating shade and covered walkways in design of public spaces.

ATTACHMENTS

1. **Option 2 Indicative and Detailed Design for Queen St** [↓](#) 
2. **Parking Study Presentation** [↓](#) 

Attachment 1: Option 2 - Redevelopment of Queen Street - Indicative Design 2019 and Detailed Design 2022

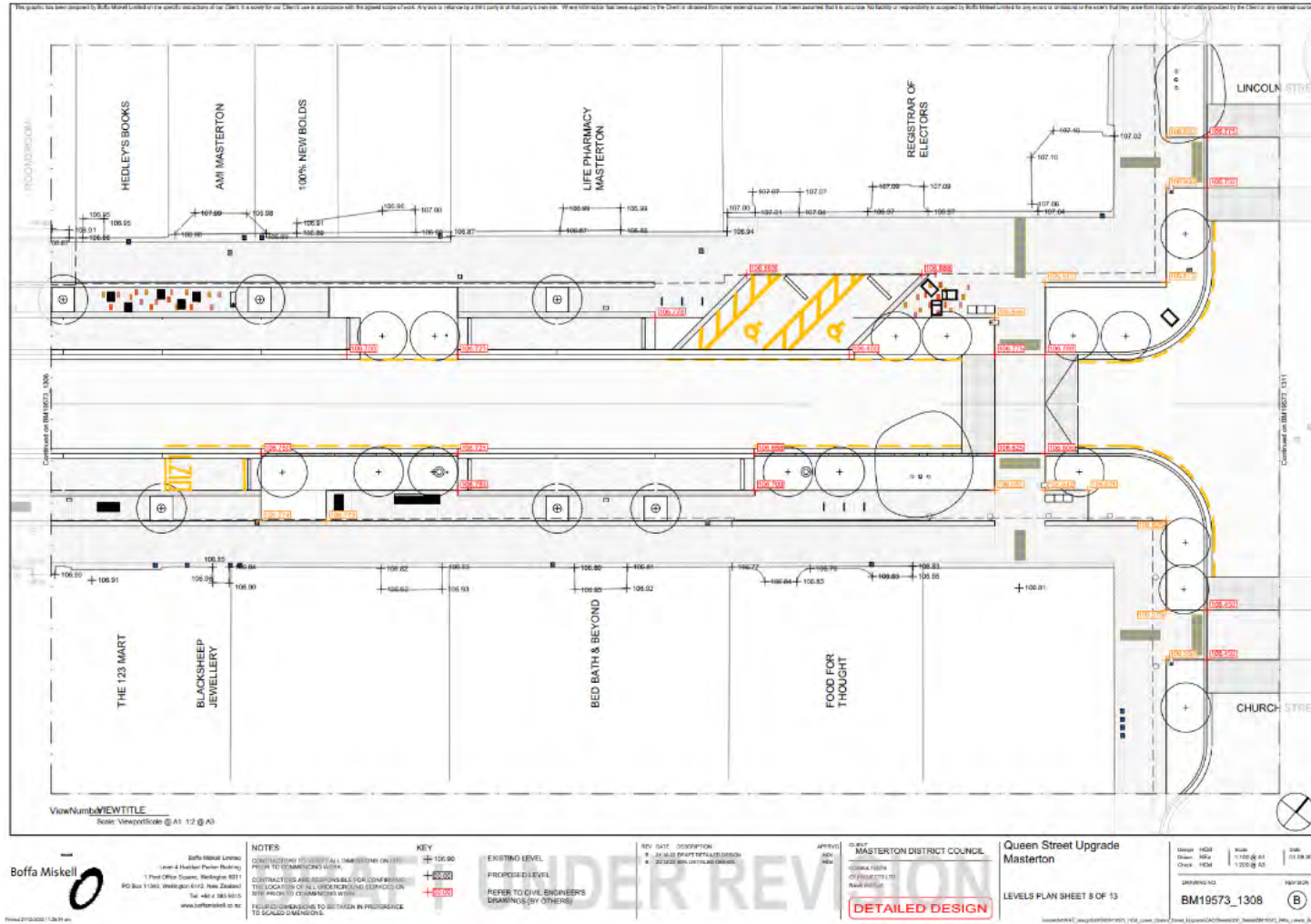
Figure 1 – Indicative design from Boffa Miskel, 2019



KEY

- | | | |
|--|----------------------------------|-------------------------------------|
| 1 RAISED TABLE CROSSING + RUMBLE STRIP | 7 PROPOSED FURNITURE | 13 ARTIFICIAL TURF |
| 2 STORMWATER TREATMENT/ RAIN GARDEN | 8 RUMBLE STRIP/ INFORMAL PARKING | 14 CYCLE STANDS AND REPAIR STATIONS |
| 3 LARGE FORMAT PAVERS | 9 DISH CHANNEL DRAIN | 15 DRY GARDENS |
| 4 CONCRETE SURFACE | 10 100mm HIGH KERB | |
| 5 RECONDITIONED PAVERS | 11 100mm HIGH PERFORATED KERB | |
| 6 HARDWOOD TIMBER SURFACE | 12 CATENARY LIGHTING | |

Figure 2 - Detailed Design 2022





Masterton District Council

Parking Study
Councillor Workshop



Scarcity



Source: ABC - <https://www.facebook.com/abcfarnorth/photos/a.384442515410/10162835967385411/?type=3>

Scarcity



Source: ABC - <https://www.facebook.com/abcfarnorth/photos/a.384442515410/10162835967385411/?type=3>



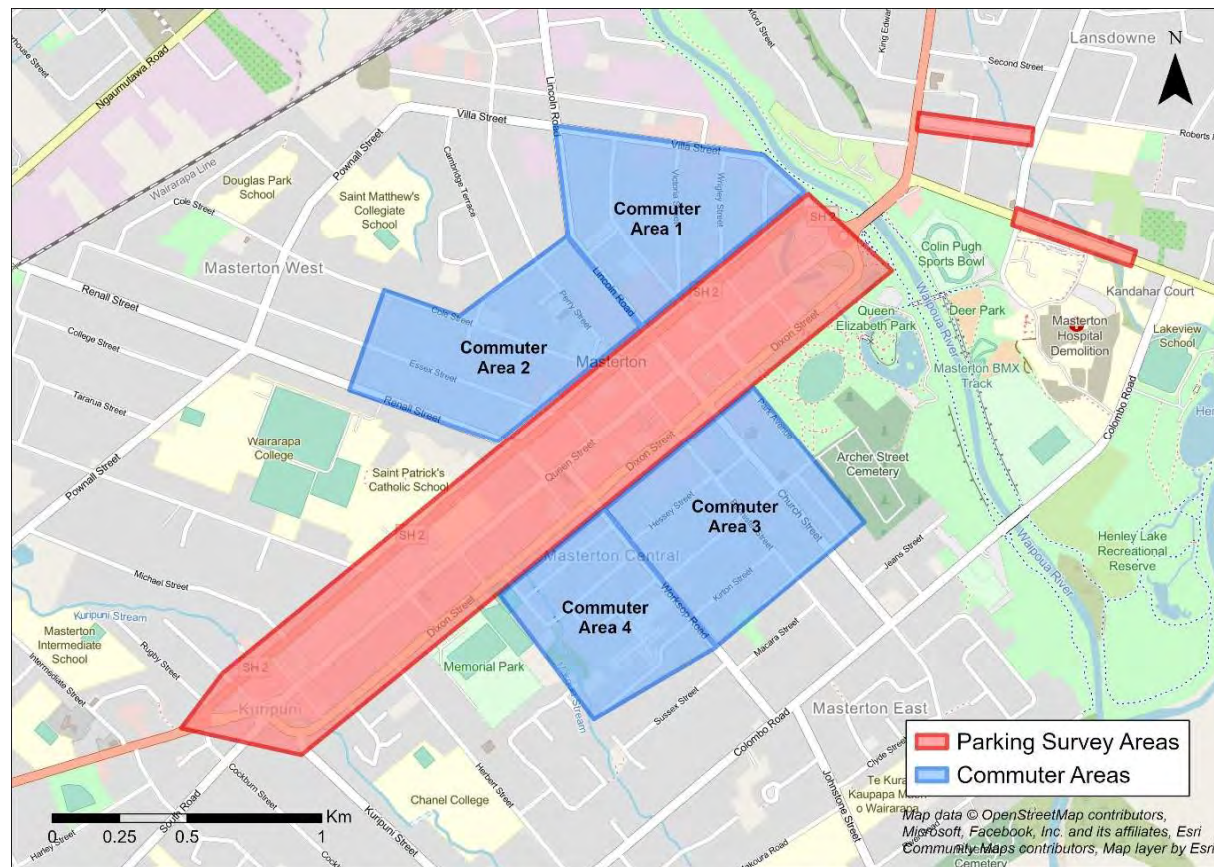
Source: RNZ - <https://www.rnz.co.nz/news/country/462566/cauliflower-selling-for-nearly-15>



Agenda

1. Project Scope
2. Context
3. Parking Fundamentals
4. Parking opportunities

Project Scope



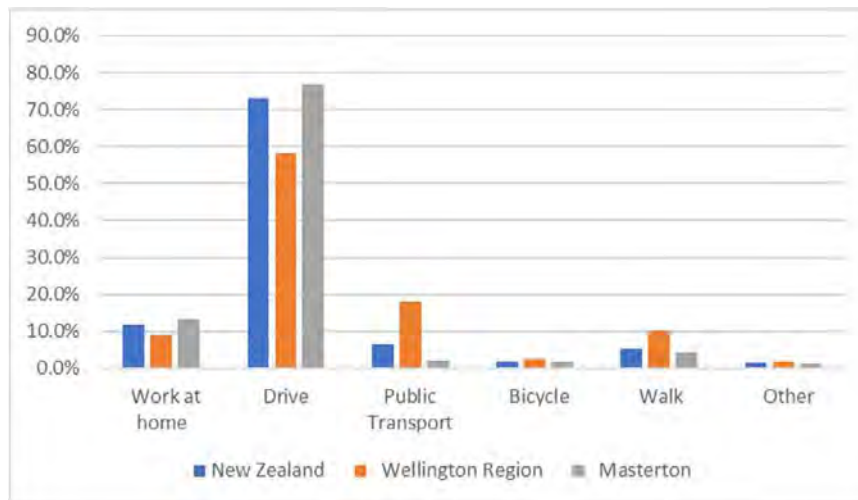
MDC Parking Study Councillor Workshop

Context

Transport Context

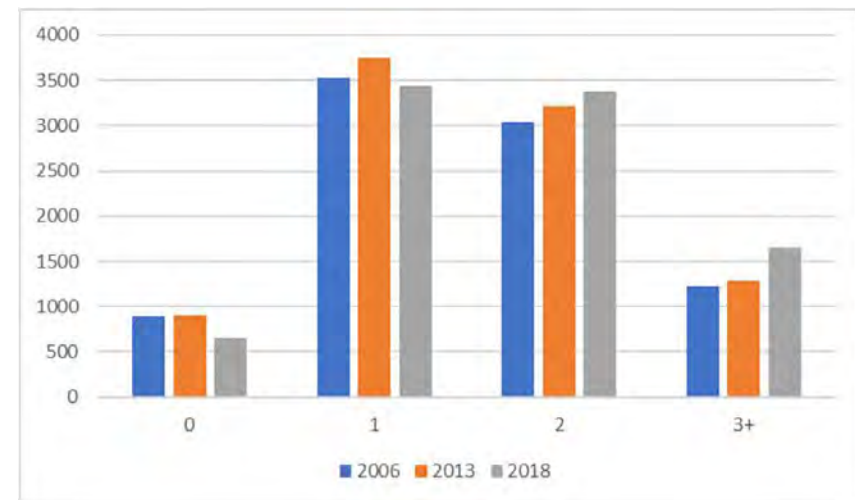
Mode Share

- 77% driver/passenger
- 13.4% WFH
- 2.2% public transport



Car Ownership

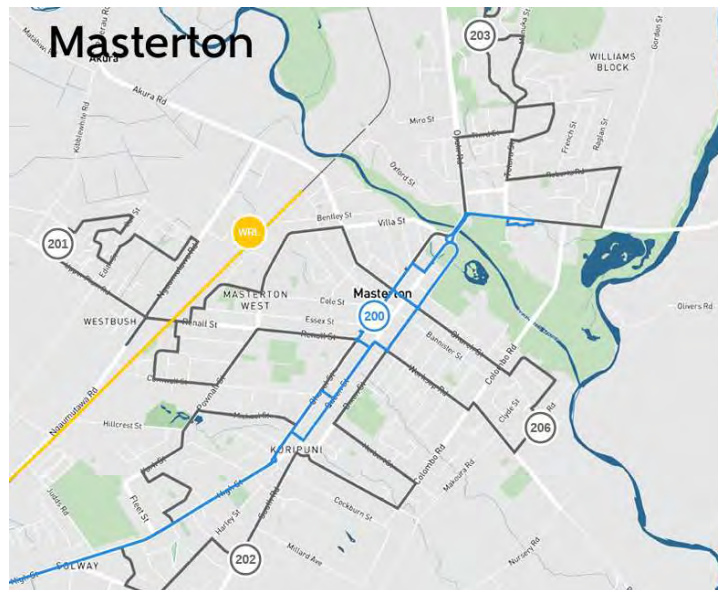
- Increasing overall
- 657 households without a car



Transport Context

Public Transport

- 5 bus routes



Patronage

- Recent growth



Key Drivers & Opportunities

Redevelopment Projects

- Masterton Revamp
- Town Hall
- Library



Key Drivers & Opportunities

Redevelopment Projects

- Masterton Revamp
- Civic centre
- Library



Ageing Parking Infrastructure

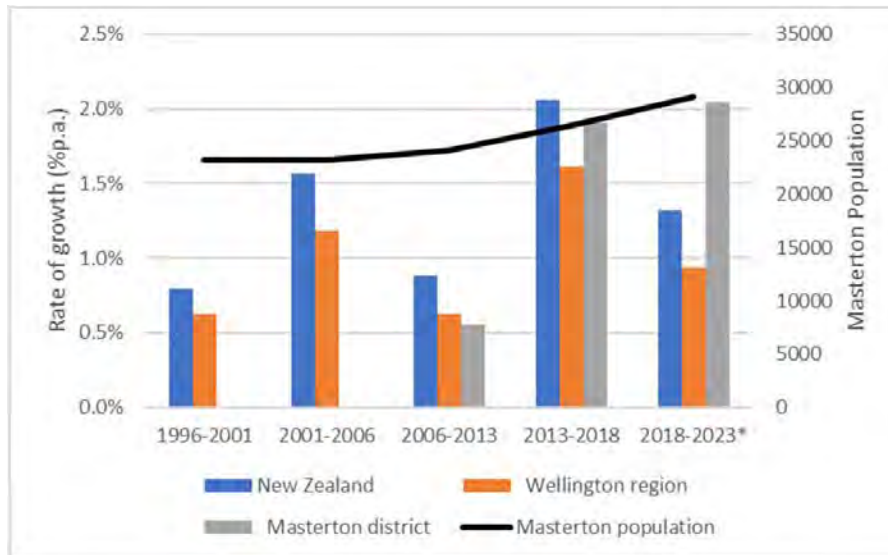
- End of life
- Payment options



Key Drivers & Opportunities

Population growth

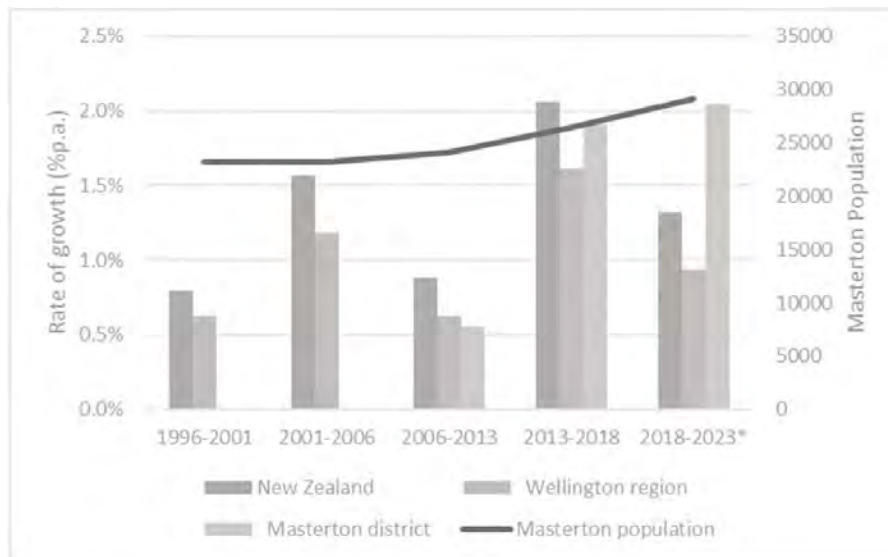
- 9.5% increase (2013-18)
- ~ 5000 residents in 10 years



Key Drivers & Opportunities

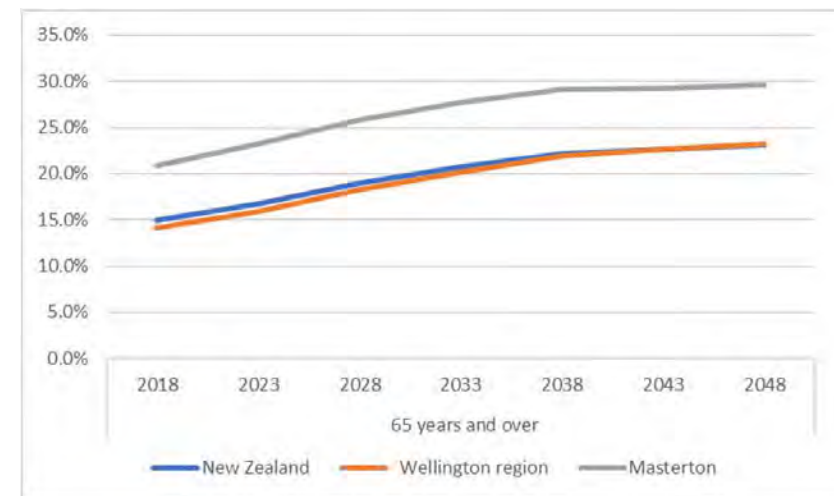
Population growth

- 9.5% increase (2013-18)
- ~ 5000 residents in 10 years



Ageing Population

- Median age – 42.8 (+5 yrs NZ)
- 2018 – 20% pop'n > 65 years
- 2048 – 30% pop'n > 65 years



Key Drivers & Opportunities

Emissions Reduction

Focus of actions

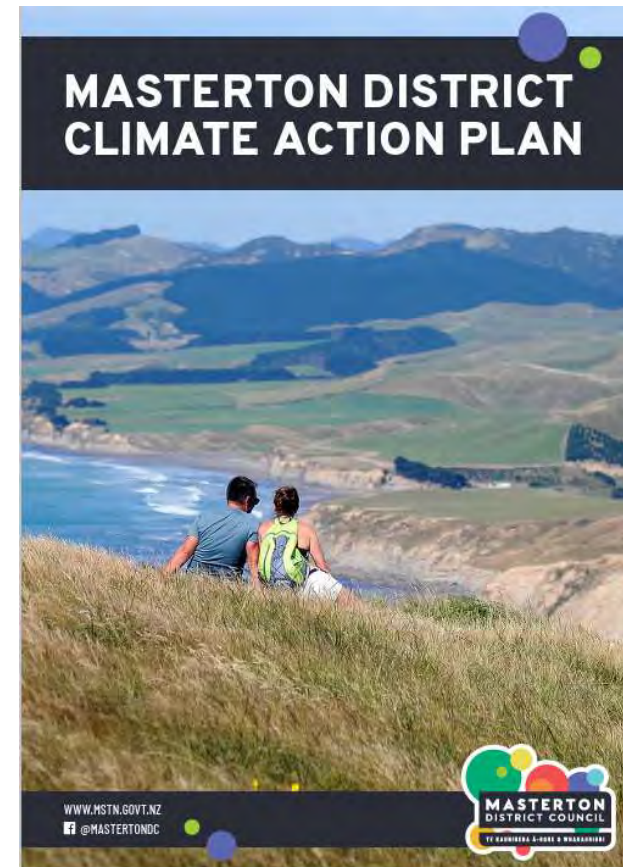
- Cycling
- Walking, wheelchairs, prams, scooters.
- Public Transport



20-MINUTE TOWN

How we move around the district using less climate-harming emissions.

Creating accessible, safe, and attractive local areas where people can access most of their everyday needs within a 20-minute walk, cycle or local public transport trip, allowing them to rely less on personal motor vehicles.

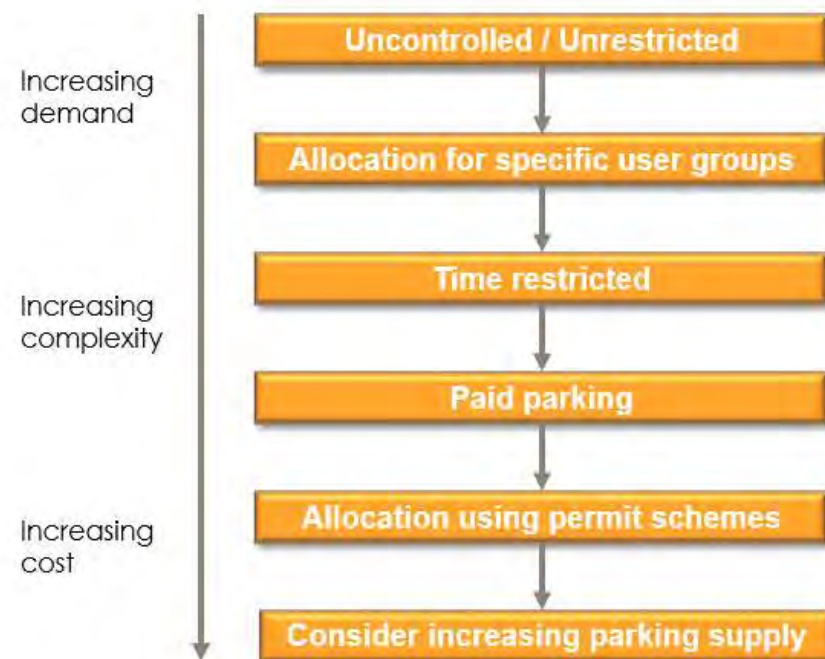


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Parking Fundamentals

Parking Fundamentals

Managing Demand



Parking Fundamentals

Types of parking

People

Commuters / staff
Residents
Shoppers
Tradespeople
Tourists

- Mobility impaired

Vehicle

Car
Taxi / SPSV
Service vehicles
Bus
Campervan
Coach
Motorcycle
Bicycle
Carpool & Car share

Variable length of stay, proximity and space requirements



Parking Fundamentals

The cost of parking

- Construction & maintenance
- Enforcement & technology
- Opportunity cost
 - Land use – parks, shops, homes
 - Transport – movement, place

Parking fees

- Recover costs
- Support turnover
- Prioritise premium spaces
- Influence behaviour / mode choice



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Parking Data

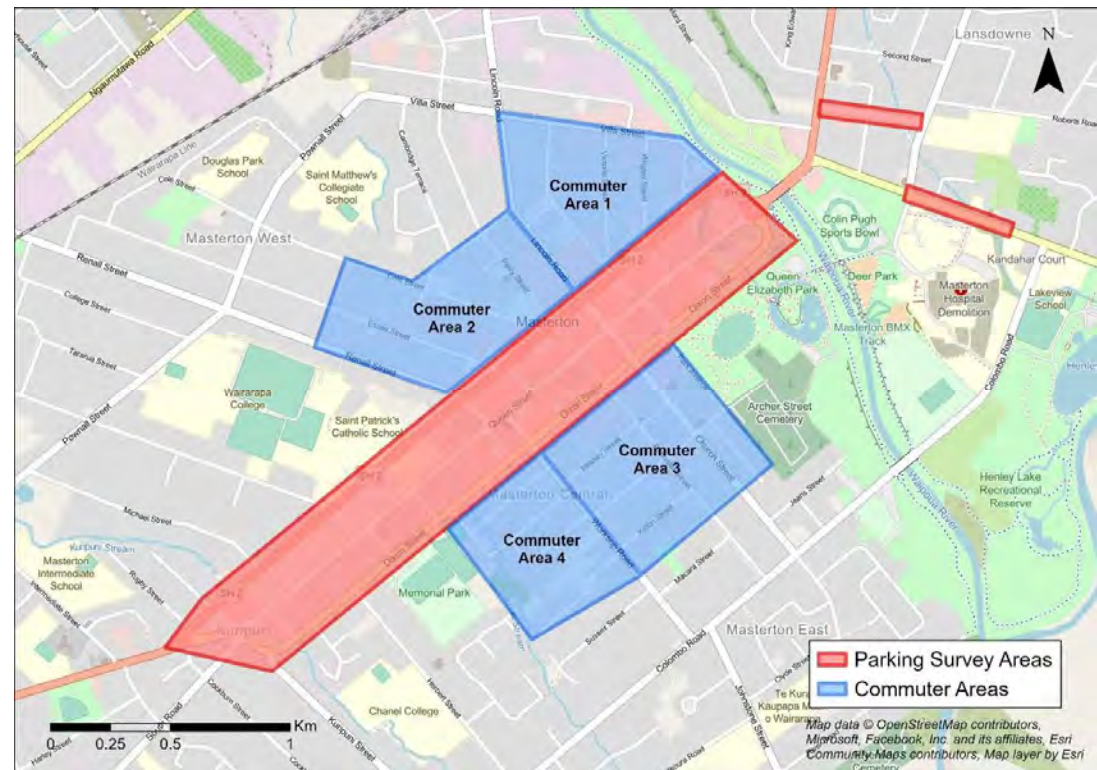
Parking Supply

Main study area

- 2,071 public spaces
 - 1,226 on-street
 - 845 off-street
 - 250 metered
- ~1,900 private spaces (48%)

Other areas

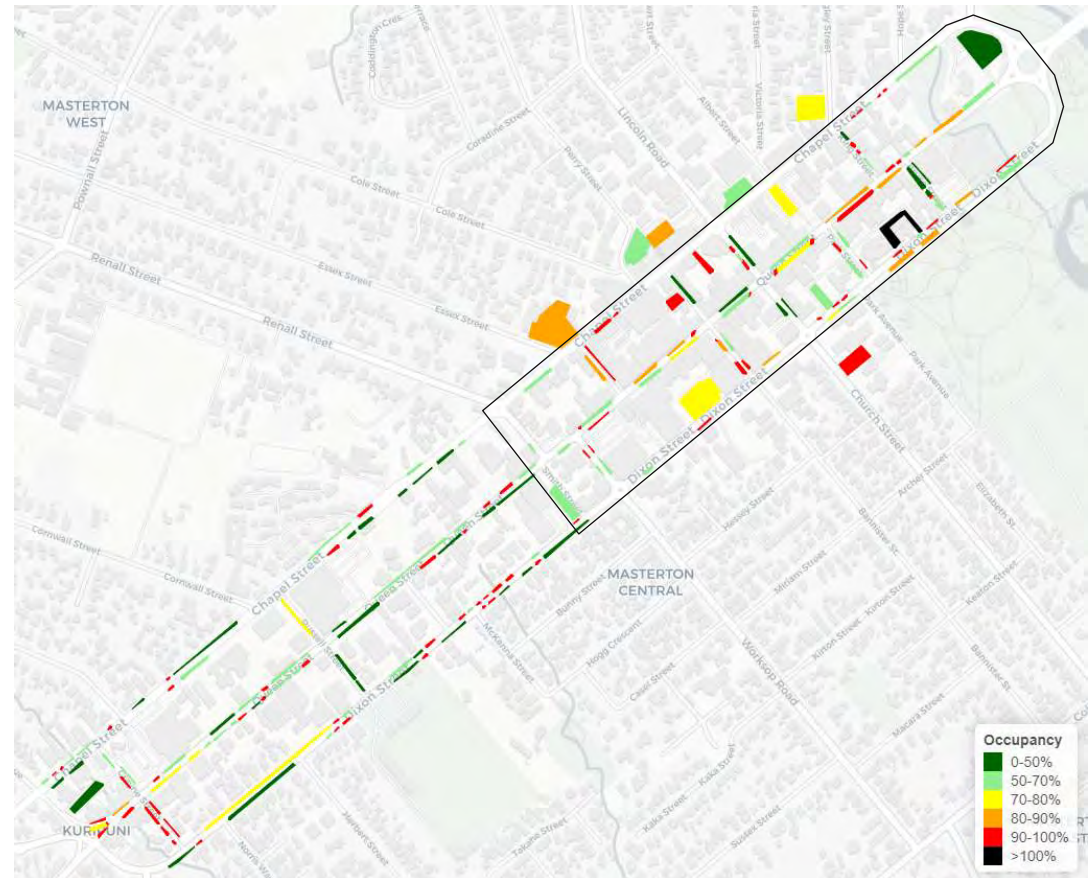
- Commuter area - 2,623 on-street
- First Street – 65 spaces
- Hospital – 82 spaces



Parking Demand

Peak Demand (town centre)

- @1pm
 - On-street - 71%
 - Off-street – 65%



Parking Demand – Residential areas



Parking Demand – off-street car parks

	Capacity	9am	11am	1pm	3pm
Average		45.6%	66.0%	64.8%	60.7%
Horseshoe carpark	66	10.6%	25.8%	18.2%	16.7%
Wrigley Street	55	70.9%	78.2%	78.2%	70.9%
Library carpark	43	32.6%	74.4%	74.4%	60.5%
McDonalds carpark	49	40.8%	55.1%	65.3%	61.2%
Cowie Place (Town Hall)	37	97.3%	100.0%	81.1%	91.9%
ACC carpark	14	92.9%	100.0%	92.9%	78.6%
Perry Street (Town Square)	26	34.6%	73.1%	61.5%	42.3%
Perry Street	17	70.6%	100.0%	100.0%	94.1%
Essex Street	128	53.1%	59.4%	85.9%	68.8%
QE Park*	112	1.8%	21.4%	8.9%	9.8%
Woolshed parking	41	109.8%	119.5%	109.8%	102.4%
Dixon Street (Southey)	24	37.5%	75.0%	66.7%	58.3%
Church Street (Police station)	43	100.0%	104.7%	97.7%	95.3%
Dixon Street / Uncle Bills	100	26.0%	75.0%	70.0%	82.0%
Smith Street (beside Moore Wilsons)	38	50.0%	78.9%	68.4%	65.8%
Total	793				

Parking Demand – Lansdowne / Hospital



Parking Demand – Kuripuni

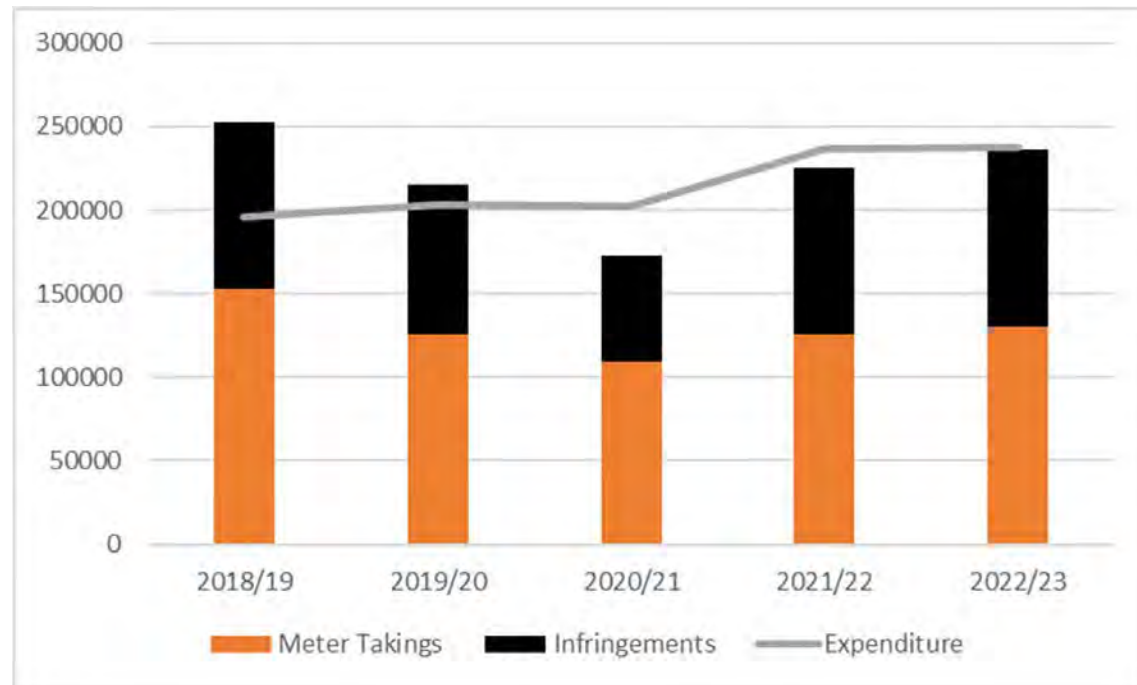


Parking / Infringement Revenue

2022/23: Revenue \approx cost

Parking meters

- 41% - expired
- 6 machines broken



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Parking opportunities

Social Licence

**What do we value?
What is our vision for the future?**

Communities may want

- **More parking**
- **Free parking**

But communities also want:

- **safer streets,**
- **vibrant places,**
- **climate action &**
- **better ways to move around**



What does success look like? How will we achieve it? What if we do nothing?

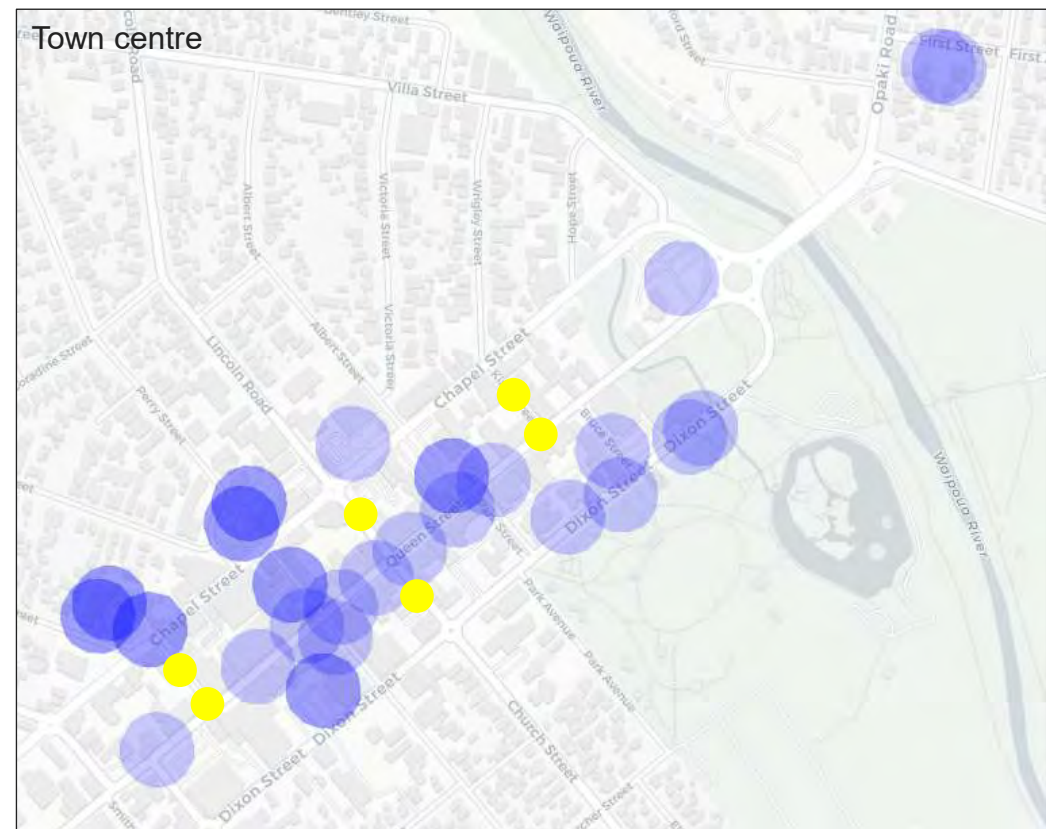
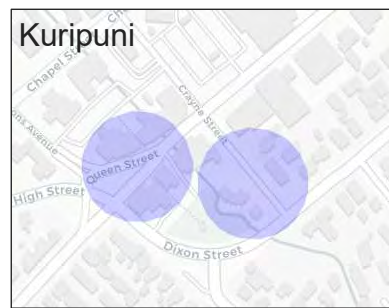
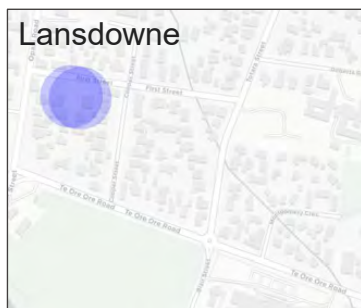
Technology

- Pay by plate
 - Payment options / apps
 - Enforcement
 - e-Permits
 - Park once
 - Data
- Wayfinding
- Parking sensors
- LPR
 - Enforcement
 - Data



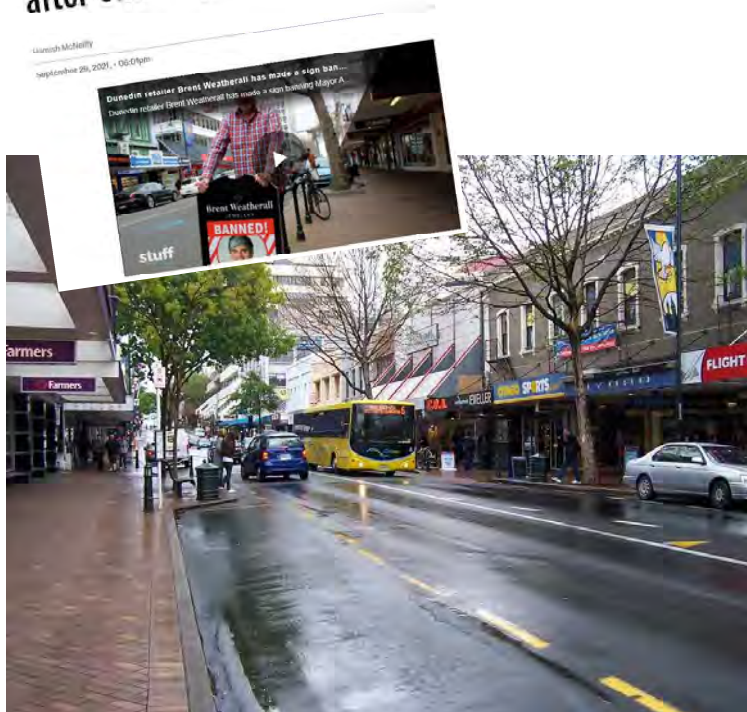
Mobility Parking

- 33 mobility spaces (public)
 - 36% occupied
 - 100% compliance
- Gaps – 50m buffer
- Side/rear loading
- Mobility permit holders
 - Free parking?
 - Double the time?



Case Study – George St, Dunedin

**Retailer bans Dunedin mayor
after one-way street decision**



Case Study – George St, Dunedin

Retailer bans Dunedin mayor after one-way street decision



'Looks good, doesn't it?: George St critic won over

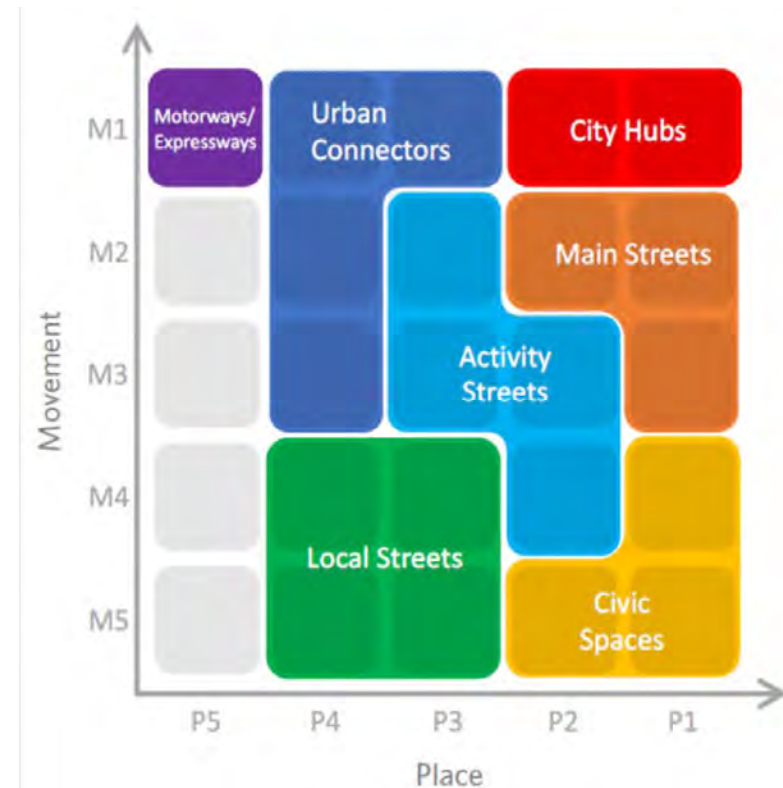
By *Gus Slessberg*
News > Dunedin



Parking Fundamentals

Road Space Hierarchy

Use	Examples
Movement	Footpaths Traffic lanes Bus / cycle lanes Clearways No stopping areas
Place	Landscaping & amenity Seating Outdoor dining Markets and events
Parking	On-street parking SPSV parking Bus stops Mobility parking Loading zones



7.6 CIVIC FACILITY CONSULTATION OPTIONS FOR THE 2024-2034 LONG TERM PLAN

File Number:

Author: Philip Evans, Project Delivery and Assets Manager

Authoriser: Kym Fell, Chief Executive

PURPOSE

The purpose of this report is to seek Council's approval to adopt the recommended options to proceed through to LTP consultation.

RECOMMENDATIONS

That Council:

1. For the Town Hall and Municipal Buildings:

- a) **Approve** as the PREFERRED option for Consultation Option 3: Demolish the Town Hall and Municipal Building, build new Town Hall and expand Waiata House (retaining the façade).
- b) **Approve** as the ALTERNATIVE option for consultation Option 1: Demolish the Town Hall and Municipal Buildings (including the façade), retain Waiata House and Queen Street premises.
- c) **Agree** that the Town Hall and Municipal Building Option 2: Demolish the Town Hall, build new Town Hall and *refurbish* the Municipal Building, does not proceed to LTP consultation as it is not a reasonably practicable option for the purposes of decision making and community consultation under the LGA because the information we have about this option is too uncertain.
- d) **Note** retaining the façade is possible with both Options 2 and 3. The estimated cost to retain the façade is \$1,628,224. This is included within the estimated costs of both options.

2. For the Library and Archives:

- a) **Approve** as the PREFERRED option for consultation Option 3: Upgrade and expand the library only.
- b) **Approve** the ALTERNATIVE options for consultation Option 1: Undertake essential repairs and maintenance and Option 2: Upgrade and expand the library *and* archives.
- c) **Note** the risks associated with delaying construction of the Archive building.
- d) **Note** due to the limited information available for each option at this early stage, the QS estimates are largely based on assumptions and benchmarked rates. Once an option is selected and the design matures, the costs will change as we know more and the risk profile changes.

CONTEXT

Masterton District Council confirmed the development of a new Civic Facility in the Long-Term Plan (LTP) 2021-31. The budget provision for the development was \$30.8 million plus contingency. By

2022 the forecast cost has escalated to \$57.14 million plus \$14.2 million contingency. Council considered this was unaffordable, and the project was put on hold.

Any decision to significantly reduce or change the scope of the Civic Facility from what was provided for in the 2021-31 LTP would depart from the LTP commitment. Therefore, the decision must be made in terms of descoping the project as part of an LTP process.

Council utilised the 2023/24 Annual Plan consultation process to seek feedback from the community to inform the development of options for a reduced scope Civic Facility, noting that preferred option/s would then be analysed, costed and consulted on as part of the 2024-34 LTP process.

During this consultation an average of 178-180 submitters responded to each question related to the Library and Civic Facility. The feedback received signalled a change in direction from what was scoped and included in the 2021-31 LTP. Feedback indicated our community would like Council to explore:

- Developing a Civic Facility with a reduced scope (excluding at least the library) on the existing Town Hall site.
- Expanding the existing Library on its current site.

This paper outlines the revised options for delivering a Town Hall, performance venue, library and archive for consultation through the 2024-34 Long Term Plan. The options focus on the work to be undertaken at the existing sites.

The background to the options development subsequent to the Annual Plan consultation is outlined in Attachment 1.

TOWN HALL AND MUNICIPAL BUILDING OPTIONS

Option 1: Demolish the Town Hall and Municipal Buildings (including the façade), retain Waiata House and Queen Street premises.

The estimated capital cost of this option is \$3,345,205.

The cost includes the demolition and removal of all existing infrastructure, buildings and foundations down to 2m in depth where required, removal of contaminated soils, lead paint and asbestos, scaffolding propping where required, traffic management plan for Chapel Street, reinstatement of site storm water, reinstatement of pavement, temporary site boundary with controlled access and repairs of any damage outside the site boundary.

To accommodate all Council functions both Waiata House and Queen Street would need to be retained.

Option 2: Demolish the Town Hall, build new Town Hall and *refurbish* the Municipal Building.

The estimated capital cost of this option is \$45,355,776. (See bulk and massing drawing in Attachment 2).

The cost is broken down between the two buildings as:

- Town Hall \$28,409,611

- Municipal Building refurbishment \$16,946,166

The refurbished Municipal Building will not have the space to accommodate all Council functions. Based on 1 desk per 7m² of open plan office area, approx. 100-110 desks can be accommodated. Therefore, Waiata House would need to be retained.

We do not recommend proceeding to LTP consultation with this option for the following reasons:

- It is not a reasonably practicable option for the purposes of decision making and community consultation under the LGA because the information we have about this option is too uncertain:
 - High level of uncertainty over final costs due to the lack of information available on the drawings
 - High risk involved with demolishing the Town Hall due to the structural integration with the Municipal Building
- The Municipal Building does not have the space to accommodate all Council functions. Therefore, Waiata House would need to be retained.

See expert advice received on this option below:

- **Engineer's advice on option 2**

The engineer has advised that there are known risks with demolishing the town hall and leaving the municipal building. Structural assessment has been undertaken to understand the connection between the buildings. The Town Hall is structurally connected to the Municipal and Civil Defence buildings in multiple locations and considerable consideration must be given to how these could be disconnected without compromising the Municipal and Civil Defence buildings. Any demolition of the Town Hall risks the structural integrity of the floor, walls and roof of this foyer space.

Costs for this work are based on the available drawings, but considering the age and nature of construction of the era in which it was built (and upgraded), it is highly likely that conditions may be different when works begin. This will cause cost and time escalations, which may be significant.

- **Architect's comment on option 2**

"While the scheme has been drawn for the purpose of scoping the option, **we do not in principle support this level of building intensification on this site.** We believe there is insufficient site area to support both the Town Hall operations and the Council operations proposed to be accommodated within the Municipal & CD Building. In particular, there is insufficient space for accommodation of fleet vehicles as well as truck and bus manoeuvring and car parking."

Option 3 (Preferred option): Demolish Town Hall and Municipal Buildings, build new Town Hall and expand Waiata House.

The estimated capital cost of this option is \$38,671,780. (See bulk and massing drawing in Attachment 3).

The cost is broken down between the two buildings as:

- Town Hall \$30,739,498

- Waiata House extension \$7,932,283

This is our preferred option because it:

- Provides more certainty over final costs (reducing risk)
- Is more cost effective to retain than re-build the equivalent space
- Provides a cost-effective way of creating a fit-for-purpose Civil Defence facility.
- Reduces expenditure on leased premises.
- Retains more carparking by retaining Waiata House

Retaining the façade is possible for both Options 2 and 3 above. All exterior walls are façade. The cost to retain the façade is \$1,628,224. This includes extra costs for demolition, allowance for structural steel propping to façade, allowance for retaining/making good the façade, repainting, making good the windows, professional and council fees and contingency.

Both the Town Hall and Municipal Building have a heritage listing in the District Plan when means a resource consent is required to demolish or partially demolish the building (front and back). The earthquake prone notice does not alleviate this situation, however, advice received is that this will be rationale for consent approval.

Due to the limited information available for each option at this early stage, the QS estimates are largely based on assumptions and benchmarked rates. Once an option is selected and the design matures, the risk profile will change and costs will become more certain.

LIBRARY AND ARCHIVES OPTIONS

Option 1: Undertake essential repairs and maintenance.

The estimated capital cost is \$2,228,143. Essential repairs and maintenance include replacing the roof, addressing water damage and leaking issues, heat and cooling system replacement, improve accessibility at the front entrance to the library.

Option 2: Upgrade and expand the library *and* archives.

The estimated capital cost is \$14,146,750. This option addresses the immediate issues of the building and provides:

- a total of 1,080m² additional library and archive space
- a permanent location for archives in a custom space as well as additional space for library programmes, community events and activities
- Archives with a permanent, purpose-build space
- the community with a modern library and archive facility.

See bulk and massing drawing in Attachment 4.

Option 3 (Preferred option): Upgrade and expand the library only.

The estimated capital cost is \$10,381,729. This option addresses the immediate issues of the building and provides:

- a total of 440m² additional library space
- the community with a modern library
- additional space for library programmes and activities

See bulk and massing drawing in Attachment 5.

This is our preferred option because it is a more affordable option due to phasing the work over several years.

The Archive building will be put on hold for future consideration in the next LTP. If this option is selected, we will not progress with any further design of the Archive building now.

There are risks with this option which are:

- The current archive space is leased till 1 April 2025. At that point MDC have a right of renewal for three years. The final expiry is 31 March 2028. If the Archive does not have a permanent home before this time, then it is possible that fit for purpose accommodation may not be found in Masterton and the archive is left without a home.
- The rent may increase at the point of renewal in 2025 (the building has new owners since the lease agreement was signed).

OPTIONS ASSESSMENT FOR THE LTP 2024-34 CONSULTATION

To meet the legal requirements for LTP consultation (S82A and S93C LGA) Council needs to include analysis of a preferred option and reasonably practicable alternatives in the LTP Consultation Document.

Town Hall and Municipal Building

Option	Advantages	Disadvantages
<p>Option 1</p> <p>Demolish the Town Hall and Municipal Buildings (including the façade), retain Waiata House and Queen Street premises</p>	<p>The most cost-effective for Council to meet its obligations to restrengthen or remove the earthquake prone Town Hall and Municipal buildings by 2026</p>	<p>Does not address:</p> <ul style="list-style-type: none"> • Masterton’s lack of a performance venue • The public accessibility of the Council meeting chambers • The lack of a fit for purpose Regional Civil Defence facility • Council staff housed in one building
<p>Option 2 (Recommend do not include in consultation)</p> <p>Demolish the Town Hall, build new Town Hall and <i>refurbish</i> the Municipal</p>	<p>Responds to members of the community who wish to retain the Municipal Building</p>	<ul style="list-style-type: none"> • High risk – demolition of the Town Hall risks the structural integrity of the Municipal Building • High level of cost uncertainty – costs for this work are based on the available drawings, but considering the age and

Option	Advantages	Disadvantages
Building.		<p>nature of construction of the era in which it was built and upgraded, it is highly unlikely that conditions may be different when works begin. This will cause time and cost escalations which may be significant</p> <ul style="list-style-type: none"> • Refurbishing the Municipal Building cost approx. \$9 million more than the extension of Waiata House and does not provide enough space to house all Council functions. Waiata House would need to be retained • Does not reduce expenditure on leased premises
<p>Option 3 (Preferred option)</p> <p>Demolish Town Hall and Municipal Buildings, build new Town Hall and expand Waiata House.</p>	<ul style="list-style-type: none"> • Provides more certainty over final costs • Is more cost effective to retain then re-build the equivalent space • Provides a cost-effective way of creating a fit-for-purpose Civil Defence facility • Reduces expenditure on leased premises • Retains more car-parking by retaining Waiata House 	<ul style="list-style-type: none"> • Does not respond to members of the community who wish to retain the Municipal Building

Library and Archives

Option	Advantages	Disadvantages
<p>Option 1: Undertake essential repairs and maintenance.</p>	<ul style="list-style-type: none"> • Extends the life of the library building. 	<ul style="list-style-type: none"> • Does not provide the community with a combined modern library and archive facility • Does not provide the community with a modern library and archive facility • Leaves the Archives in the current leased building with no long-term arrangement for accommodation • Leaves the library and heritage collection in a holding pattern with an uncertain future
<p>Option 2: Upgrade and expand the library <i>and</i></p>	<ul style="list-style-type: none"> • Addresses the immediate issues of the building and provides a permanent location 	<ul style="list-style-type: none"> • Undertaking work on both the library and archives is currently

Option	Advantages	Disadvantages
archives.	for archives in a custom space as well as additional space for library programmes, community events and activities	unaffordable.
Option 3: (Preferred option): Upgrade and expand the library only	<ul style="list-style-type: none"> Addresses the immediate issues of the building and provides a permanent location for archives in a custom space as well as additional space for library programmes, community events and activities This option is more affordable as it allows for the phasing of the work over several years 	<p>There are risks with this option:</p> <ul style="list-style-type: none"> The current archive space is leased till 1 April 2025. The final expiry is 31 March 2028. If the Archive does not have a permanent home before this time, then it is possible that the archive may be left without a home The rent may increase at the point of renewal in 2025

OPTIONS CONSIDERED

A summary of the options considered is included in the table below.

A summary of the options considered in relation to options for the LTP 2024-34 consultation is included in the table below.

Option	Advantages	Disadvantages
<p>A Recommended – That Council agrees to proceed to consultation with the recommended options for the Town Hall and Municipal Building – Options 1 and 3, with Option 3 and retaining the facade as the preferred option.</p> <p>That Council agrees to proceed to consultation with the recommended options for the Library and Archive - Options 1, 2 and 3, with Option 3 as the preferred option.</p>	<ul style="list-style-type: none"> Selects the best options to take forward for consultation with the community. Reflects the recommendations of the Project Advisory Group. Confidence that the best options meet consultation and decision-making requirements in the LGA and limits confusion by the community when considering those options and risk as the project progresses. The recommended options include a minimum (lowest cost option) and alternatives to give the community meaningful options to consider. 	<ul style="list-style-type: none"> Not all costed options are presented for consultation, although the community may still provide feedback.
<p>B Council selects alternative options for consultation or as the preferred option.</p>	<ul style="list-style-type: none"> All costed options are presented to the community. 	<ul style="list-style-type: none"> Inconsistent with the Project Advisory Group's recommendations. Presenting the Town Hall and Municipal Building

			<p>Option 2 has high uncertainty and risk.</p> <ul style="list-style-type: none"> • Costing additional options would cost more, delay the LTP consultation and risk delaying the LTP. • Adding additional options may add confusion.
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RECOMMENDED OPTION

The recommended option ensures that Council can take forward the best options for consultation with the community.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

A Civic Facility is a key strategic project for the Council and aligns with Council's aspirations for the social, cultural and economic wellbeing of the community. There is high community interest in the project. The decision-making process, community consultation, planning and budget setting are governed by the Local Government Act 2002 (LGA). Council's Procurement Policy applies to all procurement activities relating to the project, including the design and build of the Civic Facility. Following complaints earlier in the process there is likely to be a high level of scrutiny of the project by the community, the Office of the Ombudsman and the Office of the Auditor-General.

Section 79 sets out the extent to which councils must comply with decision-making requirements in any particular set of circumstances. The degree of compliance required is essentially in proportion to the importance of the decision being made.

Given the significance and history of this project, which has at times has been divisive, a high level of compliance with Section 76-81 of the LGA will be expected.

Anything that falls short of the LGA decision making, consultation or Long-Term Plan requirements would put Council at risk. The consequences could extend from damaging relationships with our community and mana whenua to further OAG/Ombudsman reviews to the appointment of Commissioners, depending on the extent of deviation.

Significance, Engagement and Consultation

The construction of a new civic facility is a significant decision as it would result in new strategic assets for Council, and for the reasons noted in the body of this report.

The level of significance has been assessed as high as there will be a high level of community interest, an effect on residential rates and on Council's reputation.

See the Context section of this paper for more information.

Financial Considerations

Financial considerations associated with the assessment of options for consultation as part of the 2024-34 LTP include officer time and costs associated with the assessment of options and with the Project Advisory Group, \$300,000 has been budgeted in this financial year (2023/2024) to progress the project. The work required to progress limited options for LTP consultation is

expected to cost between \$146-\$176K dependent on the number of workshops, analysis and external input required. Wherever possible, costs will be reduced to ensure that these are kept as low as possible.

Implications for Māori

Embracing our Māori culture and multi-cultural community is an objective for the Civic Facility project. Council and the Civic Facility Project Advisory Group benefit from mana whenua membership and guidance. While this decision does not give rise to or affect Treaty/Tiriti obligations, the Local Government Act 2002 has specific requirements to ensure the views of Māori are considered as part of Council decision making. Development of a cultural narrative for civic facilities should be led by Iwi, supported by Council. Its application to this project can be further developed when the project scope has been agreed.


Communications/Engagement Plan

A communications plan has been developed for the Civic Facility project. At this stage in the project the primary communication vehicles will be via the 2024-34 LTP consultation process.

Environmental/Climate Change Impact and Considerations

One of the objectives for a new Civic Facility is that it “utilises Green Building design concepts for efficiency and environmental benefit” and this featured in the ‘top 5’ for submitters who provided feedback via the 2023/24 Annual Plan process. There is a strong commitment from Council to explore all possible options to deliver a building that is sustainable and efficient, now and for the future.

ATTACHMENTS

1. **Background to Options Development** [↓](#) 
2. **Option 2 Demolish the Town Hall, build new Town Hall and refurbish the Municipal Building** [↓](#) 
3. **(Preferred option) Demolish Town Hall and Municipal Buildings, build new Town Hall and expand Waiata House** [↓](#) 
4. **Option 2 Upgrade and expand the library and archives** [↓](#) 
5. **Option 3 (Preferred option) Upgrade and expand the library only** [↓](#) 

ATTACHMENT 1: BACKGROUND TO OPTIONS DEVELOPMENT

At the Council meeting on 13 December 2023, Council agreed the Town Hall and Municipal Buildings options outlined below were to be taken forward for costing and to be consulted on through the 2024-34 Long Term Plan.

Quantity Surveyor (QS) costs for each option were received in January 2024.

- **Option 1:** Demolish the Town Hall and Municipal Buildings (including the façade), retain Waiata House and Queen Street premises. The estimated capital cost of this option is \$3,345,205.
- **Option 2:** Demolish the Town Hall, build new Town Hall and *refurbish* the Municipal Building. The estimated capital cost of this option is \$45,355,776. The cost is broken down between the two buildings as:
- **Option 3 (Preferred option):** Demolish Town Hall and Municipal Buildings, build new Town Hall and expand Waiata House. The estimated capital cost of this option is \$38,671,780.

The above options and costs were presented to the Project Advisory Group (PAG) on 24 January 2024. The group considered the estimate for the demolition of the Town Hall and Municipal Buildings to be high and requested two or three more quotes from demolition companies to compare with the current QS estimated costs.

A scope of work was sent to five demolition companies on 1 February 2024. Three responses were received. The scope of work sent to the demolition companies was to demolish the building, but did not include retaining the facade. The QS estimate to retain the façade is \$1,628,224. For a true comparison with the QS estimate, Council staff have added this cost onto the demolition companies estimate.

Contractor	Estimate
Central Demolition	\$1,394,731 plus GST. <i>(\$3,022,955 including retaining the façade)</i>
McMahon Services	The contractor requested an extension to Friday 1 March. A verbal update will be provided at the Council meeting.
Ward Demolition	Ward Demolition requested an extension to 4 March due to their office staff having COVID. A verbal update will be provided at the Council meeting.

Library and Archives buildings

At the Council meeting on 13 December 2023, Council agreed the Library and Archives options outlined below were to be taken forward for costing and to be consulted on through the 2024-34 Long Term Plan.

- **Option 1:** Status quo – Library and Archives remain in current building with no changes.

- **Option 2:** Undertake essential repairs and maintenance. Estimated capital cost \$2,228,143. – list the essential repairs and maintenance
- **Option 3:** Upgrade and expand the library and archives. Estimated capital cost \$14,146,750.

The above options and costs were presented to the Project Advisory Group (PAG) on 24 January 2024. The decision made at the meeting was to not proceed to LTP consultation with Option 1, as it is not really an option. Something must be done, and essential repairs and maintenance is the minimum viable option.

Option 2 now becomes Option 1 and Option 3 becomes Option 2 for the LTP consultation.

The group considered the cost of Option 3 (as it was then) - Upgrade and expand the library and archives to be high and requested that this option is split into two separate options with the additional option to show two separate stages, Stage 1 Library upgrade and extension and Stage 2 the Archive extension.

Silverwoods (the Architect) revised the drawing (see Attachment 4) clearly showing Stage 1 and Stage 2. The updated drawing was sent to the Quantity Surveyor for costing. The estimated cost for the library only option is \$10,381,729 including 20% construction contingency and 10% design contingency.

Revised options for LTP consultation

Based on the above, the options to be taken forward for LTP consultation for Library /Archives building are now:

- **Option 1:** Undertake essential repairs and maintenance.
- **Option 2:** Upgrade and expand the library *and* archives.
- **Option 3:** (Preferred option): Upgrade and expand the library only.

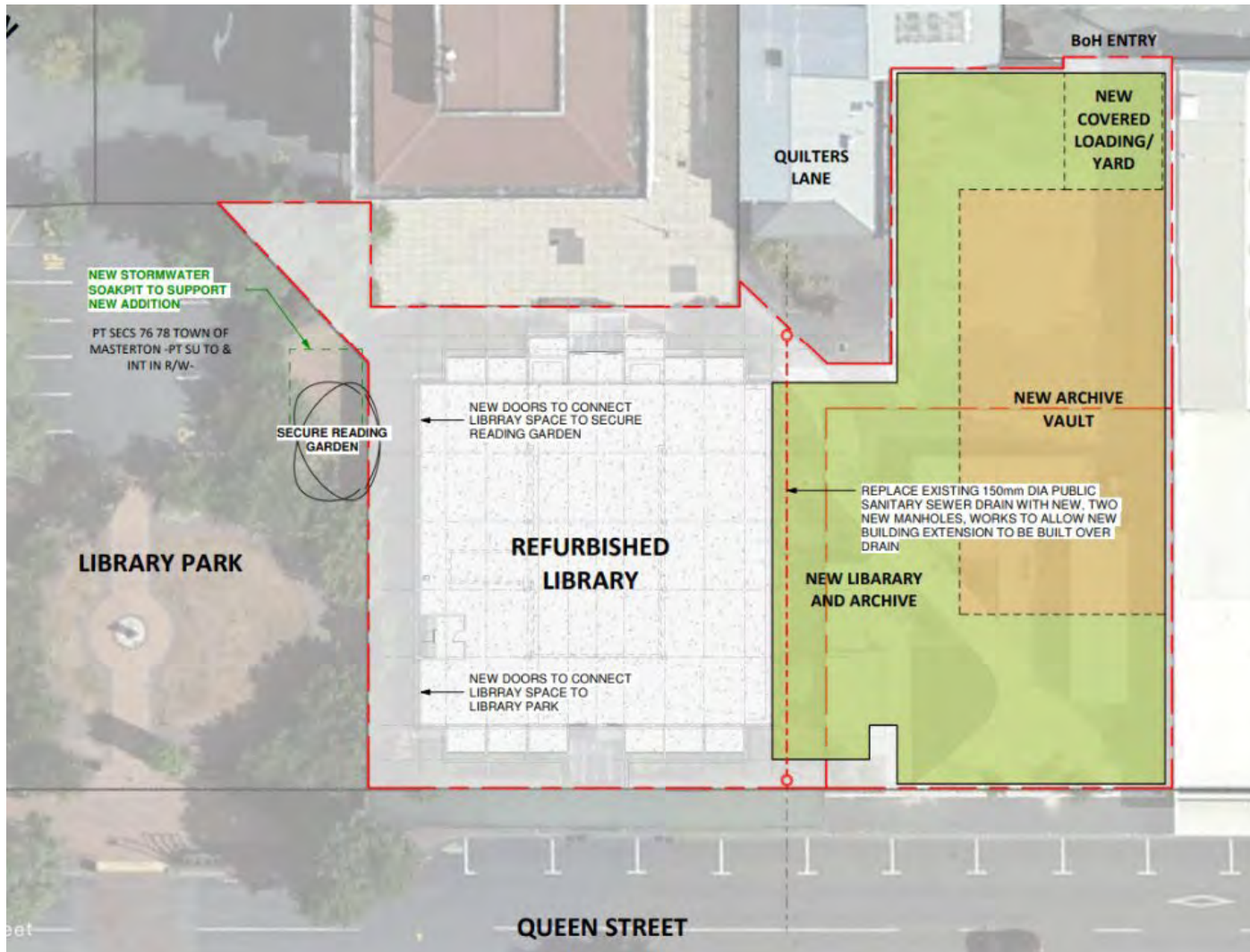
ATTACHMENT 2: TOWN HALL AND MUNICIPAL BUILDING OPTION 2 - DEMOLISH THE TOWN HALL, BUILD NEW TOWN HALL AND REFURBISH THE MUNICIPAL BUILDING.



ATTACHMENT 3: TOWN HALL AND MUNICIPAL BUILDING OPTION 3 - DEMOLISH TOWN HALL AND MUNICIPAL BUILDINGS, BUILD NEW TOWN HALL AND EXPAND WAIATA HOUSE



ATTACHMENT 4: LIBRARY AND ARCHIVE OPTION 2 - UPGRADE AND EXPAND THE LIBRARY AND ARCHIVES.



ATTACHMENT 5: LIBRARY AND ARCHIVE OPTION 3 – UPGRADE AND EXPAND THE LIBRARY ONLY

Design Concept.
Ground Floor
Plan.

PROPOSED LIBRARY & ARCHIVE (GFA)

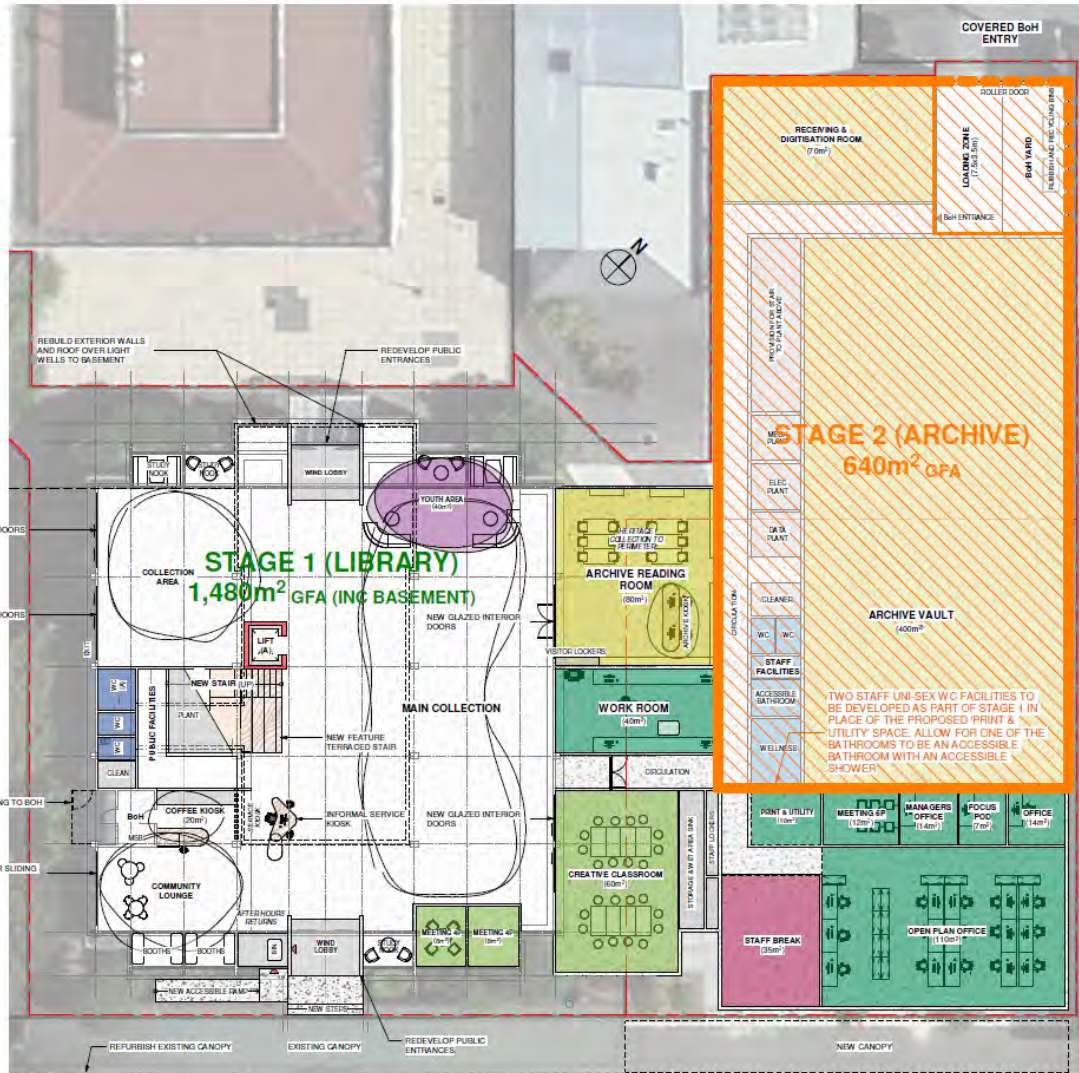
L-1. LIBRARY (BASEMENT)	190m ²
L0. EXISTING LIBRARY	660m ²
L0. ADDITION LIBRARY SPACE (STAGE 1)	440m ²
L0. ADDITION ARCHIVE SPACE (STAGE 2)	640m ²
L1. LIBRARY (MEZZANINE)	190m ²
GROSS FLOOR AREA	2,120m²

LIBRARY ASSUMPTIONS:

- All new space is to be single storey and in same area, ie one large addition.
- Existing basement to be used for general storage, basement leak to be fixed. Space is not suitable for archive type conditioned storage.
- Minimise alterations to the existing library structure where possible.
- Repurpose mezzanine floor as children's area (programming space and collection).
- Develop opportunities for library to connect with Russian Jacks Park.
- Relocate admin/staff/work room spaces between archive and library FoH to enable shared spaces.
- Use interface between Library and Archive for mixed use public/staff spaces creating active edge.

ARCHIVE ASSUMPTIONS:

- Provide Back of House service connection to existing public laneway for plant servicing, rubbish, courier drop-off and pick-up, major deliveries.
- Utilise areas with limited natural light for archive purposes.
- The existing leased MDC Archive facility has a floor area of 398m²



7.7 KEY LONG TERM PLAN DOCUMENTATION - APPROVAL FOR AUDIT REVIEW

File Number:

Author: Karen Yates, General Manager Strategy & Development

David Paris, General Manager, Finance

Phil Evans, Project Delivery and Assets Manager

Authoriser: Kym Fell, Chief Executive

PURPOSE

The purpose of this report is to seek Council approval of the following for the 2024-34 Long-Term Plan (LTP):

- key content to be included in the draft Consultation Document content (Attachment 1)
- draft Financial Strategy (Attachment 2)
- draft Infrastructure Strategy (Attachment 3), and
- draft Significant Assumptions (Attachment 4).

Attachments 1-4 will be reviewed by Audit New Zealand ahead of LTP consultation in April 2024 (see Next Steps section of this Report for a timeline of key dates).

RECOMMENDATIONS

That Council

1. approves for Audit New Zealand review:
 - a) key content for the 2024-34 Long Term Plan Consultation Document (Attachment 1);
 - b) the draft Financial Strategy, as supporting information for the 2024-34 Long Term Plan (Attachment 2);
 - c) the draft Infrastructure Strategy, as supporting information for the 2024-34 Long Term Plan (Attachment 3);
 - d) the draft significant assumptions as part of the supporting information for the 2024-34 Long Term Plan (Attachment 4);
2. notes the Town Hall/Library and Town Centre preferred and alternative options for consultation are to be confirmed through Reports 7.5 and 7.6 on this agenda.
3. approves the preferred and alternative options for the remaining key consultation issues as follows:
 - a) **Changes to Council Funding for Community Groups and Organisations**

Preferred: Most Council funding for community groups and organisations will be contestable annually. The total allocation for general contestable funding will be \$354,000, which is an increase in general contestable funding but 5% less overall than equivalent funding provision in 2023/24.

Alternative: Maintain existing Council funding arrangements. The total allocation for contestable funding would be the same reduced total pool, but three-year funding could be locked in for some organisations.

b) Reducing Wairarapa Economic Development Strategy Funding

Preferred: Reduce funding for the Wairarapa Economic Development Strategy by 20% compared to 2023/24, saving \$20,000 per annum.

Alternative: Maintain funding for the Wairarapa Economic Development Strategy at the 2023/24 level, noting that with inflation this may not 'buy' as much.

c) Regional Walking and Cycling Facilitation

Preferred: Cease funding for the regional Walking and Cycling facilitation, saving \$35,000 per annum.

Alternative: Continue funding for the regional Walking and Cycling facilitation.

d) Positive Ageing Facilitation

Preferred: Cease funding for the regional Positive Ageing Strategy facilitation saving \$40,500 per annum.

Alternative: Continue funding for the regional Positive Ageing Strategy facilitation.

e) Welcoming Communities Facilitation

Preferred: Seek further external funding for the Welcoming Communities facilitation when current funding expires in 2025/26. If external funding cannot be secured, the facilitation would cease.

Alternative: Allow funding from rates for the Welcoming Communities facilitation to continue when the external funding expires in 2025.

f) Climate Activation Facilitation and Community-Led Climate Initiatives Fund

Preferred: Increase the Community-Led Climate Initiatives Fund rather than funding Climate Activation facilitation beyond April 2026 when the external funding expires.

Alternative 1: Include provision in the plan to allow for Climate Activation facilitation to continue beyond April 2026 when the external funding expires and do not change funding for the Community-Led Climate Initiatives Fund.

Alternative 2: Include provision in the plan to allow for the Climate Activation facilitation to continue beyond April 2026 when the external funding expires AND increase funding for the Community-Led Climate Initiatives Fund to \$100K.

4. delegates authority to the Chief Executive to finalise the draft Consultation Document based on content included in Attachment 1; and to make compliance changes to Attachments 1-4 in response to the review undertaken by Audit New Zealand.
5. Note that the draft budgets associated with the decisions included in this report signal an average rates increase of 10.6% (after growth in the rating base) in Year 1 and that will translate to averages of 9.3% increase for urban properties and 14.8% on rural properties.

CONTEXT

The Local Government Act 2002 (LGA) requires Councils to prepare and adopt a Long Term Plan (LTP) every three years.

The LTP outlines the long-term direction for the activities we plan to deliver throughout the Masterton district. It states our vision and the outcomes we want to achieve for our community. It details what we intend to do over the next 10 years, including the services we will provide, the projects we will undertake, how much we will spend, how we will pay for everything and how we will measure success.

We are also required to develop a Consultation Document that:

- fairly represents the matters proposed for inclusion in the LTP in a way that can be readily understood by interested or affected people;
- explains the overall objectives of the proposals, and how rates, debt, and levels of service might be affected; and
- explains significant choices facing the district, and the consequences of those choices.

The Financial and Infrastructure Strategies, and the Significant Assumptions, are key supporting documents for the LTP Consultation Document and LTP providing more detail about our plans and proposals, and contextual information that has been considered. The proposed content for the Consultation Document and supporting information discussed in this report has been developed in alignment with requirements of the Local Government Act 2002 and other relevant legislation.

Within the context of this report, Council is being asked to approve key content proposed for the 2024-34 LTP Consultation Document, ahead of it being reviewed by Audit New Zealand (see Attachment 1).

The Consultation Document and supporting information is scheduled to be adopted by Council for consultation on Wednesday 3 April 2024, with public consultation scheduled to commence on Friday 5 April 2024.

ANALYSIS AND ADVICE

A series of Council workshops have been held to inform the development of the 2024-34 LTP Consultation Document and its supporting information. Workshops have covered the levels of service for council activities, asset management plans for infrastructure assets, and key assumptions that underpin the asset, activity and financial planning. All this content informs and is reflected in the draft Infrastructure and Financial Strategies and will be reflected in the Consultation Document.

Content for the LTP 2024-34 Consultation Document

Key content in the Consultation Document focuses on major projects and Council proposals that Council are consulting on:

- Town Hall and Library developments (see report 7.6 on this agenda)
 - Included as the preferred option scales down what was provided for in the 2021-31 LTP, it is a significant investment and we expect a high level of community interest.

- Town Centre Improvements
 - Included as the preferred option scales down what was provided for in the 2021-31 LTP, it is a significant investment and we expect a high level of community interest.
- Changes to funding for community groups and organisations and the level of funding that will be contestable annually.
 - Included as this will change the way funding is allocated and we expect a high level of interest from our community.
- Changes to levels of service and service provision over the course of the 2024-34 LTP
 - Included as this will impact levels of service for a range of functions that will impact across our community and therefore we expect a high level of interest from our community.

The Consultation Document will also include important information relating to:

- Infrastructure Strategy - including an overview of other key capex projects for the next 10 years and forecast infrastructure expenditure for the next 30 years.
- Financial Strategy - including how much the plan will cost, how we intend to pay for that, our plans for borrowing and how the plan will impact the average urban ratepayer.
- Key Challenges the Council is facing – such as economic conditions, affordability, climate change, resilience and recovery.
- Issues and matters that will require further conversations with our community - including the future of Henley Lake and the Lake of Remembrance; water meter charging; road prioritisation; development of a Sports and Facilities Strategy; identifying land and assets that could potentially be divested or repurposed; and exploring a forestry rating differential.
 - These issues and matters have not been included as consultation issues as they are not progressed enough to include in the 2024-34 LTP. As noted, further engagement and/or consultation will be undertaken at an appropriate time.
- Other consultation opportunities that are occurring at the same time – including Council's proposed Fees and Charges for 2024/25 and the Postponement of Rates on Māori Freehold Land policy.

Refer to Attachment 1 for further information on key content.

Financial Strategy and Infrastructure Strategies

The Financial Strategy and the Infrastructure Strategy support the Consultation Document. These strategies provide the foundations that support prudent asset and financial management over the

long term. The development of these strategies is aligned, and the documents must reflect each other.

The **Financial Strategy** (refer Attachment 2) focuses on the financial implications, constraints, and consequences of Council’s policy and service delivery options, and is a top-down direction for the way in which these will be managed. The Council’s financial projections for the ten years have been developed using a financial model that builds up the financial data from base level budgets for operating revenue and expenditure, capital expenditure and funding in the form of rates, loans and reserve funds. Prudent limits of debt levels, cost of that debt and the extent to which rates increases will be required to fund the LTP are included. It should be noted that year 1 of the LTP sees a breach of the self-imposed policy of restricting rates increases.

The **Infrastructure Strategy** (refer Attachment 3) details the significant infrastructural issues that are likely to arise over the next 30 years, including their financial and non-financial consequences, and the options for managing them.

The LGA requires that both strategies are adopted by Council as part of the 2024-34 LTP.

Significant Assumptions

Forecasting assumptions are one of the building blocks for the LTP. Forecasts of growth and demand are major drivers of expenditure and help inform financial forecasts.

In the LTP we must disclose all significant forecasting assumptions and risks, the level of uncertainty associated with each assumption and the potential effect of that uncertainty on financial estimates. Significant forecasting assumptions must be:

- realistic
- evidence-based
- internally consistent with other assumptions
- applied consistently across the LTP and supporting documents (unless there is good reason not to and the difference in treatment and reason are both explained).

Our Significant Assumptions (included as Attachment 4) consist of three parts:

- Part 1 - Growth Assumptions, including population, household and economic growth
- Part 2 - Climate Change Assumptions
- Part 3 – Financial and Other Assumptions

Assumptions are based on the best information available at a point in time. The level of uncertainty and risks associated with that are outlined in the assumptions document included in Attachment 4. We will continue to monitor trends through the course of the 2024-34 LTP.

OPTIONS CONSIDERED

A summary of the options considered is included in the table below.

Option	Advantages	Disadvantages
1 Approves the key content for the draft	<ul style="list-style-type: none"> • Aligns with agreed project timelines. 	No disadvantages have been identified.

Option	Advantages	Disadvantages
1	<ul style="list-style-type: none"> • Council approves content ahead of the Audit NZ review commencing. 	
2	No advantages have been identified.	<ul style="list-style-type: none"> • Will compromise agreed timeframes for the scheduled Audit NZ review. • Has implications for meeting timeframes for adopting the LTP.

RECOMMENDED OPTION

Option 1 is recommended. This will support the audit process and the finalisation of the draft Consultation Document; and support project and legislative timeframes to be met.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

The Local Government Act 2002 (LGA) is the primary legislative Act driving the requirements for the LTP, the Consultation Document, and all of the related LTP supporting information.

The LGA stipulates the frequency of when councils are required to prepare and adopt an LTP (every three years); details what must be included in the LTP and specifies what is considered supporting information. It also requires Councils to consult using the Special Consultative Procedure.

We have developed the draft Consultation Document, Infrastructure and Financial Strategies and the Significant Assumptions with legal requirements in mind.

Significance, Engagement and Consultation

The Financial Strategy, Infrastructure Strategy, and assumptions form part of the supporting information for the 2024-34 Long Term Plan Consultation Document.

Consultation is scheduled over April/May 2024. Supporting information will be reviewed by audit and made available for members of our community during the consultation period.

While we are specifically seeking feedback on key consultation issues identified in the Consultation Document, the community can provide feedback/comment on any matter included in the Consultation Document or supporting information.

As required by legislation, consultation will follow the Special Consultative Procedure.

Financial Considerations

The Council pays Audit New Zealand to review these documents. The cost of the audit can be influenced by the audit process. Approving these documents and confirming key content now assists the audit process. The estimated cost of the audit for the 2024-34 LTP is \$93,000.

Beyond the immediate decision to approve these documents:

- The Financial Strategy outlines how we intend to fund Council activities and service and fund our Infrastructure requirements (as outlined in the Infrastructure Strategy), for the next 30 years.
- The assumptions specify what financial information we have drawn on when developing our plan and what assumptions we have made about things like interest rates, borrowing and rates of inflation.
- The Consultation Document reflects key projects and decisions that will influence rates for our community over the next 10 years.

Together these are an important suite of documents that will have implications for our community for the next 10 years and beyond.

Implications for Māori

The issues included in these documents will have implications for Māori, and other members of our community. It is important for Māori to share their views and provide feedback on these issues when our consultation period opens. We are working with our Pou Ahurea to ensure our consultation approach considers how we can best engage with Māori and includes strategies to do achieve that.

Communications/Engagement Plan

The Financial Strategy, Infrastructure Strategy, and assumptions will be made available as part of the supporting information for the 2024-34 Long term Plan Consultation Document. The Financial Strategy, Infrastructure Strategy, and assumptions will also be included in the final Long Term Plan document when that is adopted in June 2024.

A Communications Plan is in development to support the consultation period. A range of different methods and approaches will be used to reach different members of our community.

Environmental/Climate Change Impact and Considerations

The content proposed for the 2024-34 Long Term Plan Consultation Document provides information on what environmental initiatives Council has planned or underway; and provides information regarding key implications of climate change and actions Council is taking in response.

NEXT STEPS

Next steps for the 2024-34 LTP are outlined below:

March 2024	<ul style="list-style-type: none"> • Audit NZ review • Finalisation of the 2024-34 LTP Consultation Document and supporting information.
April 2024	<ul style="list-style-type: none"> • 3rd April - Council adoption of the 2024-34 LTP Consultation Document and supporting information for public consultation • 5th April - Consultation commences
May 2024	<ul style="list-style-type: none"> • 5th May – Consultation closes • 22nd and 23rd May - LTP Hearings
June 2024	<ul style="list-style-type: none"> • 5th June - LTP Deliberations • 26th June - Council adopt the final 2024-34 LTP

ATTACHMENTS

1. **Key Content For 2024-34 LTP Consultation Document (under separate cover)** 
2. **Draft Financial Strategy (under separate cover)** 
3. **Draft Infrastructure Strategy** [↓](#) 
4. **Draft Significant Assumptions** [↓](#) 

INFRASTRUCTURE STRATEGY – 2024 - 2054

MASTERTON DISTRICT COUNCIL **DRAFT**



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Masterton District Council

PO Box 444

Masterton 5840

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INTRODUCTION

Purpose

Purpose of the Infrastructure Strategy

This Infrastructure Strategy outlines how we intend to manage our infrastructure assets over the next 30 years.

Infrastructure is an important community asset accounting for 88% of operating expenditure and 98% of capital expenditure, with assets grouped within the following activity areas:

- Water supply
- Wastewater
- Stormwater
- Solid waste
- Transport (roads, streets, footpaths and parking areas)
- Parks, Open Spaces and Community Facilities

Good infrastructure enables businesses and communities to flourish. It is essential to health, safety and transport and has a significant impact on the physical environment. Planning and programming infrastructure spending right is a pre-requisite to determining how much we can spend on services that enhance the quality of life of our residents and attract people to live in Masterton.

This strategy sets out the significant issues and risks relating to our infrastructure assets over the next 30 years and:

- Our main options for dealing with those issues;
- Cost and service delivery implications for residents and businesses of those options; and
- The Council's current preferred scenario for infrastructure provision

Context

The place - Masterton (Whakaoriori) - Wairarapa

Wairarapa is said to have been named by the Māori explorer Haunui as he stood on a peak in the Remutaka Range, looking down over the extensive valley. As he looked, the sun sparkled on the waters of the rivers and lakes, and he called the area Wairarapa-Glistening Waters.

The land was settled by successive waves of Māori. By the time Captain Cook became the first European to see Wairarapa in 1770, members of the Rangitāne and Kahungunu iwi were the tangata whenua of Wairarapa.

During the disruption caused by the Musket Wars many Wairarapa Māori left the district for sanctuary of Hawkes Bay and the East Coast, returning in 1841, following 10 years exile. They set about rebuilding their villages and re-establishing cultivations on their traditional sites. Sites near Masterton included Kaikokirikiri near today's Mahunga golf course, Mangaakuta at Homebush, and Kaitekateka at Te Ore-Ore.

In 1841 the first European explorers were also making their way through the interior of the valley, searching for grazing areas for the recently arrived Wellington settlers. By the late 1840s the first large run holders were established, leasing their substantial holdings from local Māori, grazing their stock on largely unaltered pasture.

In 1853, a group of Wellington and Hutt Valley workingmen, led by cooper Joseph Masters, formed the Small Farms Association, and petitioned Governor Grey for land upon which to establish their settlement. Following negotiations with local chief Te Retimana Te Korou, a piece of land on the banks of the Waipoua River was purchased, and on May 21, 1854, the first settlers from the Association arrived on the site of the new township of Masterton. The town grew slowly but as the rural areas surrounding it were more intensively farmed, Masterton grew to be the major town in the valley. It was declared a borough in 1877.

The rural areas were first administered as part of Wairarapa East and Wairarapa West Counties, then as part of Wairarapa North County. In 1899 the Mauriceville County was formed, then in 1900 Masterton and Castlepoint Counties were established. Masterton and Castlepoint Counties amalgamated in 1958 and were joined by Mauriceville County in 1966. Masterton County and Masterton Borough united, and following minor boundary adjustments, the current Masterton District was constituted on 1 November 1989, as part of a nation-wide reorganisation of local government.

Masterton is the largest township in the Masterton district and the Wairarapa region. Ninety minutes north of Wellington city, Masterton offers an escape from the hustle and bustle. The Wairarapa region is becoming famous for its wine, historical aircraft, and as one of the earliest inland European settlements the area has many historical sites to discover.

The Wairarapa railway line allows many residents easy commuting access to work in the cities of Wellington, Lower Hutt and Upper Hutt.

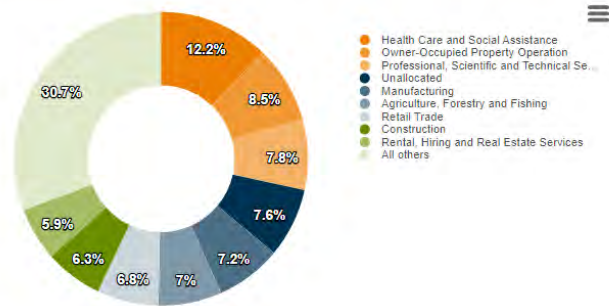
Local industries are predominantly service industries for the surrounding farming community, with industrial development growing in new industrial parks being developed at Waingawa (a services agreement with Carterton District), Solway and Upper Plain.

The five largest industry sectors in the district are Health Care and Social Assistance (12.2%), Owner Occupied Property Operation (8.5%) Professional, Scientific and Technical Services (7.8%) Manufacturing and Agriculture (7.2%), Forestry and Fishing (7%)*

Infometrics eco profile

<https://ecoprofile.infometrics.co.nz/Masterton%20District/Gdp>

Proportion of GDP by ANZSIC 1-digit industries, 2023



Biggest contributors to economic growth, 2013-2023

Health Care and Social Assistance	\$70m
Professional, Scientific and Technical Services	\$58m
Construction	\$36m
Retail Trade	\$31m
Electricity, Gas, Water and Waste Services	\$27m
All other industries	\$167m
Total increase in GDP	\$388m

The town is the headquarters of the annual Golden Shears sheep-shearing competition, and the “Wings over Wairarapa” Air Show.

Masterton has Sister City relationships with Hatsukaichi in Hiroshima, Japan; Changchun, China; and Armidale in New South Wales, Australia. Masterton District Council governs the Masterton district as a territorial authority. It is made up of an elected mayor, and eight Councillors. These positions are elected within the Masterton Whakaoriori General Ward, Masterton Whakaoriori Māori Ward, and at-large, every three years. Responsibility for Council activities sits with the Mayor and Councillors.

They are elected under the ‘First Past the Post’ system in triennial elections, with the last election being held in October 2022.

The 2022 Local Government election included, for the first time, a Māori ward, which enhances representation at the Council table for Māori in our community. Iwi representatives from our two Iwi (Kahungunu ki Wairarapa Iwi and Rangitāne o Wairarapa Iwi) are appointed to the Council and have speaking rights at all meetings but only voting rights at committee meetings.

Geography

The Masterton district comprises of 229,500ha of land located between the Tararua Range to the west and the Pacific Ocean to the east. The main urban area is Masterton located on the Wairarapa valley between the Ruamāhanga, Waipoua and Waingawa Rivers. The Masterton district has 218km of water pipes, 279km of sewer pipes, 55km of stormwater pipes and 811km of roads. It has two water treatment plants and four sewerage treatment plants.

Population

The population of the district increased slightly during the 1980s, rising from about 22,000 in 1981 to about 22,600 in 1991. The population was then relatively stable through until approximately 2014/15. The most recent 2018 census data showed an increase in population to 25,557. The Statistics NZ 2023 estimated population was 29,100. At the time of the 2018 Census, there were 22,600 urban and 6500 rural and semi-rural residents ((stats NZ*)).

The Masterton district includes the following census area units:
Rural and semi-rural: Homebush-Te Ore Ore; Opaki (part); UpperPlain (part); Kopuaranga and Whareama.

- Urban: Masterton Central; Kuripuni; Cameron & Soldiers Park; McJorow Park; Solway North; Solway South; Ngaumutawa (part); Douglas Park and Lansdowne West and East.

Key characteristics of this population base include:

- 78% of the population lives in the urban area of Masterton.
- Those who identify as Māori make up approximately 21.3% of the population (compared with the national average of 16.2%).
- Overall, 25.7% of the population was aged under 19, and 27% were aged 60 years and over, compared with 24.6% and 19.8% respectively for New Zealand.
- As illustrated by the table below, the total population in Masterton was almost unchanged for approximately 15 years, but the proportion of people aged over 60 years has been increasing by approximately 1-2% at each census count since 1991. The number/proportion of single occupant houses is steadily increasing and was 28.5% at the last census.
-

Future growth

We expect to see population average annual growth of 1.5% per annum over the life of the plan. Masterton district's population is projected to grow from 28,900 in 2022 to 33,900 by 2032 (+17.3% over that ten years or +1.73% average growth per annum). Projections through to 2052 see the population increase to 42,100 by 2052 (+45.6% over the 30 year forecast or +1.52% average growth per annum) compared to the 2022 base.

Our population will continue to age faster than the NZ average. Infometrics data shows Masterton currently (at 30 June 2023) has more people aged 65+ (22.7% compared to 16.5%); similar numbers of people aged under 15 (18.2% compared to 18.5%) and a smaller proportion of 'working age' (15-64 years - 59.1% compared to 64.9%). Statistics NZ 2022 forecasts growth in the Masterton population aged 65+, from an estimated 6,600 people in 2023 to 8,900 in 2048 - an increase of approximately 35%. Youth (under 15 years of age) and 'working age' groups are expected to remain at similar levels throughout this period (a small decrease in under 15s and a small increase in 'working age' people). The combined effect is that the proportion of people aged 65+ will increase and Masterton's population will age, projected to move from an average age of 42.2 in 2023 to 47.7 in 2048.

We are currently working to ensure we balance demand at both ends of the demographic pyramid, providing services and opportunities that engage and contribute to the wellbeing of both our younger and our more mature populations.

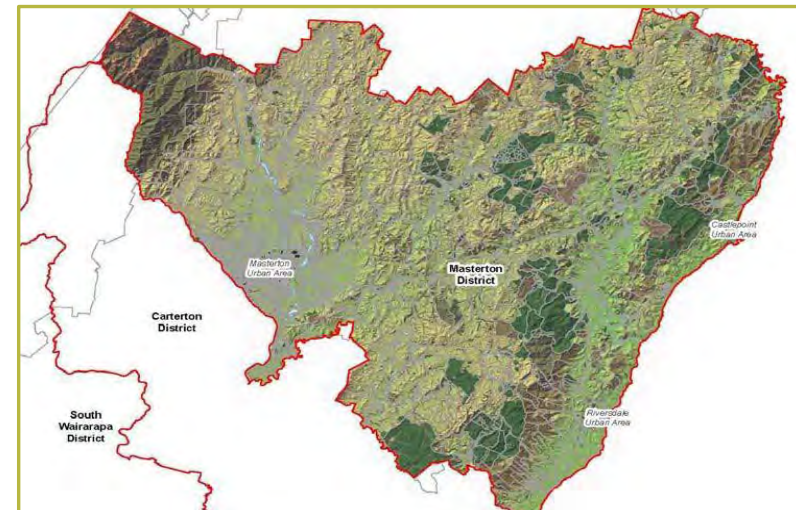
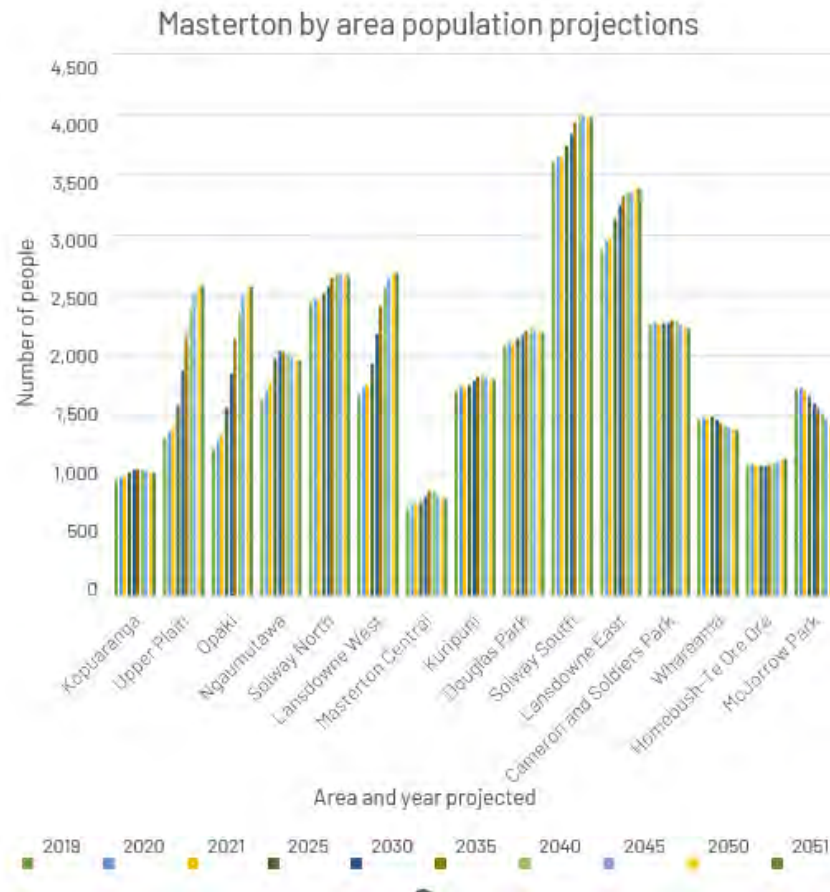
We are also becoming more diverse and we are reflecting this diversity in all that we do.

Household numbers are forecast to grow from 12,352 in 2022 to 18,902 in 2054. This equates to average annual growth of 1.66% to 2054, with higher growth of approximately 1.95% expected in the first ten years and lower growth in the latter years.

reassess this as we develop the spatial plan scheduled for Year 1 of the 2024-34 LTP, noting also, that there are high levels of uncertainty regarding forecasts in the current environment.

Masterton has capacity for growth within its key infrastructure and services. Our 2021 Asset Management Plans indicated we could accommodate housing growth up to 1.8% per annum over the ten years from 2021-31 without significant impacts. We will test and

Masterton population aged over 65						
		1996	2006	2013	2018	2023 Estimated Population
Total population		23,200	23,000	24,100	26,400	29,700
Population aged 65+		3,200	3,800	4,600	5,500	6,600
% of population aged 65+		(13.8%)	(16.5%)	(19.1%)	(20.8%)	(22.2%)



STRATEGIC ALIGNMENT

Alignment with other documents

This Infrastructure Strategy has been developed in alignment with other key documents, including Asset Management Plans for each group of assets and the 2024-34 Financial Strategy.

Vision

This strategy recognises the Council's vision: Providing the best of rural provincial living.

It also acknowledges the community outcomes that flow from our My Masterton: Our People Our Land strategy (He Hiringa T angata, He Hiringa Whenua) and aims to deliver efficient and effective infrastructure that:

- supports a socially engaged and empowered community.
- recognises cultural pride in our identity and heritage.
- is environmentally sustainable and healthy; and
- is economically thriving and resilient.

Evolving community expectations

Community expectations change and evolve over time and future generations want to see current thinking challenged and debated. More and more people are environmentally aware and readily embrace technological advancement. The Council acknowledges the following community expectations/aspirations within this strategy. These are themes that have been heard over time through various engagement and consultation processes, and generally align with Council's Community Outcomes:

- Increasing desire for 'green' thinking and approaches within the community, noting environmental, climate change and resilience drivers.
- Increased Iwi representation and participation in decision making.
- A desire for resilient networks and communities.
- Recognition of future generations and intergenerational equity.
- Managing urban growth well; and
- Responding to and utilising technology where appropriate,.

Regional Spatial Planning

Over the past 18 months Masterton District Council has participated in the Wellington Regional Leadership Committee (WRLC) led project to develop Te Rautaki Whanaketanga ki tua a Wairarapa-Wellington-Horowhenua Future Development Strategy (the FDS). The FDS prioritises housing and business development, as well as investment in infrastructure to support this development. The FDS guides regional policy development, including Regional and District Plan changes in the future, as well as Land Transport Plans, infrastructure strategies, councils’ budgets (Long Term Plans) and other policies.

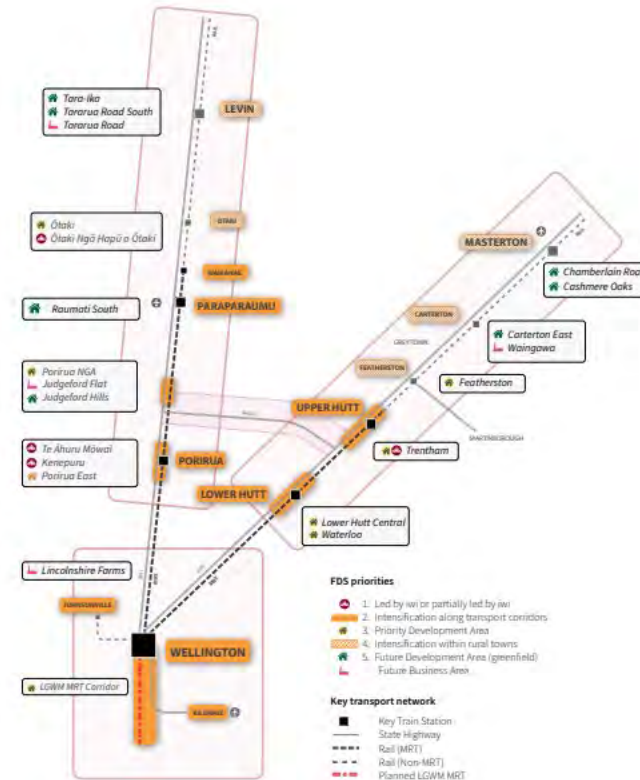
The FDS builds on and replaces the previous Wellington Regional Growth Framework. Consultation on the FDS took place over October/November 2023. The hearings and deliberations were held in December 2023, and the FDS is scheduled for adoption in March 2024. More information on the FDS is available here: <https://wrlc.org.nz/project/future-development-strategy>

The FDS strategic direction is:

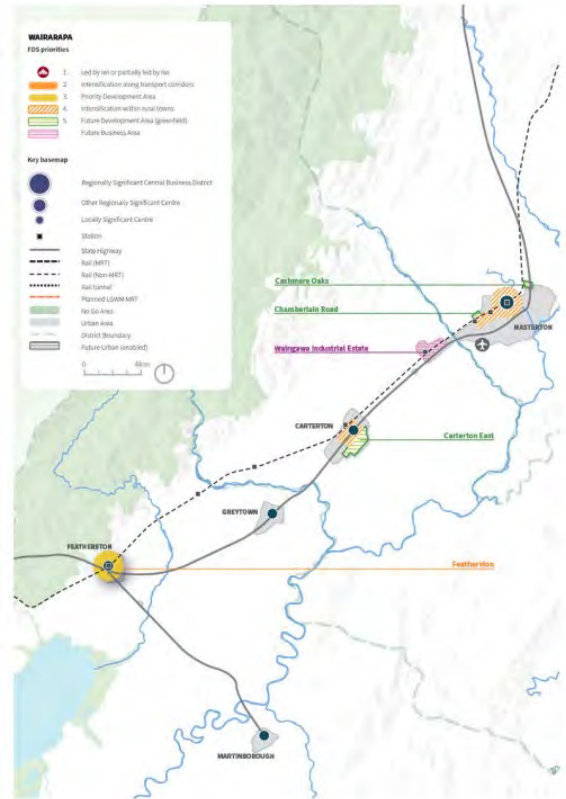
- Providing for affordable housing that meets our needs, and for compact, well-designed towns and cities.
- Realising iwi and hapu values and aspirations
- A flourishing zero-emissions region
- Protecting what we love
- We have the infrastructure we need to thrive
- Productive, resilient, inclusive and sustainable employment.

A draft Implementation Plan is being developed and will be finalised in June 2024 once participating Council’s Long-Term Plans are finalised.

A corridor view of where the Wellington region will develop:



Prioritised development within the Wairarapa:



Three Waters Reform

The Three Waters legislation introduced by the previous Government was repealed on 14 February 2024.

Two further bills will be introduced this year to progress the Coalition Government's policy "Local Water Done Well", with the first to be introduced and enacted by mid-2024, and the second introduced in December 2024 and enacted by mid-2025.

Local Water Done Well recognises the importance of local decision-making and flexibility for communities and councils to determine how their water services will be delivered in future, while ensuring emphasis on meeting rules for water quality and long-term investment in infrastructure.

Masterton District Council will assess what these changes mean for our community and come back to the community before decisions are made.

The Three Waters activities are included in our financial strategy and the infrastructure strategy. These strategies, along with other supporting information like our forecasting assumptions and disclosures, give a complete and accurate set of information on the medium-term and long-term financial situation for these services.

National Policy Statement for Freshwater Management

The National Policy Statement (NPS) for Freshwater Management (FM) provides direction to local authorities on managing the activities that affect the health of freshwater.

The Coalition Government has commenced work on the NPS-FM replacement, this process is expected to take between 18 to 24 months and will include consultation with all stakeholders including iwi and the public.

Council has reviewed the Freshwater NPS along with the Natural Resource Plan (NRP) and Waitua chapters relevant to Masterton District Council and we have captured the NPS requirements for planning our work and upgrading works.

Information about the Natural Resource Plan and Waitua Chapters can be found in Masterton District Councils 3 Water asset management plans.

More information on the Government’s Freshwater National Policy Statement is available at <https://www.mfe.govt.nz/fresh-water/freshwater-acts-and-regulations/national-policy-statement-freshwater-management>

AIMS OF THE INFRASTRUCTURE STRATEGY

Understanding Level of Services

This strategy intends to match the level of service the asset provides with the expectations of customers given financial, technical and legislative constraints. We use formal asset management systems and practices, which provide the Council with key benefits, such as:

- improved understanding of service level options and requirements;
- minimum life cycle (long term) costs for an agreed level of service;
- better understanding and forecasting of asset related management options and costs;
- managed risk of asset failure;
- improved decision making based on costs and benefits of alternatives;
- clear justification for forward works programmes and funding requirements;
- improved accountability over the use of public resources; and
- improved customer satisfaction.

There has been an economic impact resulting from two years of wet weather that included four storm, or heavy rainfall events. The Council’s ability to respond to those events and reinstate service levels (particularly for roading and wastewater) has been a key focus of 2022 and 2023. The on-going investment in recovery and resilience and the costs of servicing the associated debt, incurred as a result of the weather events, is a factor in the Council’s current

financial position and strategy over the next ten years.

This strategy enables the Council, as owners of a comprehensive range of assets, to demonstrate to our customers and other stakeholders that services are being delivered in the most effective manner over at least a 30-year time period.

Catering for growth and demand

This strategy aims to create, operate, maintain, rehabilitate and replace assets at the required level of service for present and future customers and residents in a cost-effective and sustainable manner. Therefore, we must forecast the needs and demands of the community now and in the future, and outline strategies to develop the assets to meet those needs.

The following factors have been considered in order to predict future demand, noting Council’s 2023 Environmental Scan and 202–34 Assumptions provide additional context:

- demographics and population;
- economic development and commercial influences;
- climate and environmental changes; and
- demand for improvements in levels of service from other various sources including:
 - advances in available technology;
 - improving standards of living;
 - a greater understanding of customers’ perceptions and expectations;
 - changing legislative requirements;
 - changes in the Council’s strategic asset management; and
 - changing customer expectations.
- Population growth, including changes in our demographics, is considered the key factor for predicting the future demand for

services and assets. Population growth is strongly aligned with economic development.

Minimising the risk, increasing the resilience

Risk management is as much about identifying opportunities as avoiding or mitigating losses. Risk management in asset management planning is a requirement of the Local Government Act 2002 (LGA). Risk management will be used when there are:

- large potential damages/losses;
- changing economic conditions;
- varying levels of demand for services;
- investments that lie outside the ability to fund;
- important political, economic or financial aspects;
- environmental or safety issues; or
- threats or changes to service levels.

The range and complexity of issues addressed in this section are a clear indication of the increasing challenges facing our communities. We are not alone in facing these challenges. Many of these issues are national or global in their scope and impact. However, many of the most difficult challenges to resolve are new to us all, resource and energy constraints, and good models of how to deal with them are lacking.

Local government has a role and responsibility in addressing these issues as many of their impacts will be felt locally. Vital infrastructure, which underpins the daily functioning of our communities, is often wholly or partly provided by councils e.g., pipes and roads.

The community's ability to deal with increased flooding risk, wastewater challenges or possible transport fuel shortages is critically dependent on how the council manages its assets and these networks.

These issues could mean that there will be a periods of uncertainty and change for the district.

The Masterton district is particularly vulnerable to the impacts of global economic pressures given its high proportion of people on low, fixed incomes and high number of young people on low wages. Possibly correlated is the higher incidence of single occupant households, many of whom are over 65. As a result, many people's range of choice is restricted which in turn limits their ability to respond to change and build resilience

The large land mass of our district, especially relative to our metro counterparts, also means we have more dispersed communities who may be – depending on the scenario – more isolated, more at risk, less able to respond and more or less resilient.

There is a need for communities to cope with these multiple pressures and be able to adapt to new technologies and ways of life – in other words, to become more resilient. We acknowledge that the Council has a role in helping to build local resilience to potential shocks. How we plan to manage and maintain our assets is one of the ways we fulfil this role.

We do this through:

- trying to anticipate risks;
- engaging with the community as early as possible to develop options; and
- making decisions about infrastructure systems and design in such a way that possible improvements are included and choices are kept open as much as possible – adaptability is built in.
- engaging with Regional and Central Government to ensure that information and support – both financial and operational – are provide where appropriate.

A number of risks common to all key activities have been identified.

Some of these common risks have different responses and mitigations measures in the different activities. Where this is the case, the risks are included in the activity specific risk registers associated with each activity asset management plan.

Identifying, analysing, evaluating, treating, monitoring, and communicating risks associated with any activity, function, or process in a way that will enable organisations to reduce losses and maximise opportunities is known as risk management. Identification of opportunities is a key component of risk management, along with preventing or minimising losses.

The Local Government Act of 2002 mandates the inclusion of risk management in asset management planning. It ought to be applied when:

- Significant potential losses/damages.
- Important political, economic, or financial considerations.
- varying levels of service demand.
- investments that are outside of funding capabilities.
- environmental or safety concerns.
- Threats or modifications to service standards

The systematic application of management policies, procedures, and practices to the tasks of identifying, assessing, treating, and monitoring those risks that could prevent a local authority from achieving its strategic or operational objectives, or plans, or from adhering to its legal obligations is referred to as the risk management process.

MDC approved a Corporate Risk Management Policy in September 2022. According to the policy, the key goals are to:

- enhance MDC's ability to achieve business objectives.
- maintain the integrity of services.
- safeguard assets, people, finances, and property

- create a culture where all employees accept responsibility for managing risk.
- ensure that MDC can adequately and appropriately deal with risk and issues as they occur.
- demonstrate transparent and responsible risk management processes which align with and demonstrate good governance.
- identify opportunities and promote innovation and integration.
- record and maintain a risk management framework aligned with the AS/NZS ISO 31000:2018 standard.
- utilize risk management process outputs as inputs into MDC decision-making processes.

The Masterton District Council Policy provides a framework to effectively manage risks inherent to the Council's operations which can affect the achievement of its goals and objectives by:

- Ensuring risk-based information is available to support good decision-making
- Providing assurance that risks are being appropriately addressed and managed
- Ensuring compliance with legislation and regulations.

Managing the life of our assets

Managing the life of our assets to ensure our assets are fit for purpose. All assets will eventually reach the end of their useful life and need to be replaced or retired. We manage each asset to ensure it's working at its optimum level. Our assets are measured on:

- what the asset is and what is its purpose (description);
- asset capacity and performance;
- asset condition (including age);
- asset current valuation; and
- asset maintenance.

The activity of asset management is a continual, cyclic process that incorporates the concept of continual improvement. Over time it is intended that the asset management plans and processes will be improved with better information, better management systems and a more holistic, lifecycle approach to the long-term management of the infrastructural assets.

Council has installed an asset Management system called "Assetic" which is a central strategic register and asset management system for all asset classes. It includes in-built reporting, works tracking and life-cycle costing. It is integrated with 'Assetic Predictor' for a complete Strategic Asset Management planning and operational system capable of holding asset information.

Council has also developed an Engineering Lifelines plan, which identifies vulnerable components of assets and ways of mitigating the degree of disruption likely to be incurred in a civil emergency. Mitigating work identified in the plan will be progressively implemented.

WATER INFRASTRUCTURE ASSETS

Water assets are grouped by each population centre in the Masterton district into water aggregated communities for analysis. The different water communities identified are:

- Urban fully served. Masterton and Tinui are the only communities in this group to date.
- Semi-served (non-potable water only). Taueru, Castlepoint toilets and Wainuioru are the only communities in this group to date.
- Unserved (roof water) includes Whakataki, Mataikona, rural schools (e.g. Mauriceville and Whareama), rural halls, and private rural facilities (e.g. Ararangi Camp, Camp Anderson, Riversdale Motor Camp).
- Unserved (ground/surface water). See above – Unserved (roof water)
- Unserved limited population. Not applicable to Masterton.
- Industrial communities with Building Act requirements for water and wastewater.
- Private water supplies. This includes Castlepoint, Fernridge, Upper Plain, Mauriceville, Opaki and Taueru (Tauweru), and lastly the Wainuioru scheme which is a non-potable supply owned by the Council but operated by a User Committee.

The total optimised replacement cost of water assets inclusive of supply, reticulation & rural supplies as of 30th October 2023 was \$155,492,646. With an optimised depreciated replacement cost of \$70,626,968 (Source - WSP/Opus valuations Oct 2023)

Critical assets

Critical assets can be defined as those that are especially significant to societal wellbeing and that therefore merit priority attention by utilities in emergency response and recovery. They are also defined as those which have a high consequence of failure. For example, a

transport route may be critical because it carries high volumes of traffic, or if it is the only access route to a hospital.

The critical assets that are identified in the asset management plan are:

- The Kaituna Water Treatment Plant;
- The trunk main from Kaituna to the Masterton urban area;
- Urban storage reservoirs, Upper Plain, Titoki Street, and Manuka Street; and
- Tinui reservoir and treatment plant.

Risks

Risks, at a strategic level, relevant to the water supply assets were identified and assessed by both Council staff and Waugh Consultants Ltd.

Risks, at an operational level, relevant to the water supply assets have been identified as a result of this work, the 2023 WSP review, Leak Detection Studies, council workshops and Condition Assessment.

Operational risks identified through these projects have been assessed and incorporated into the 2024 Water Supply Asset Management Plan.

Levels of service

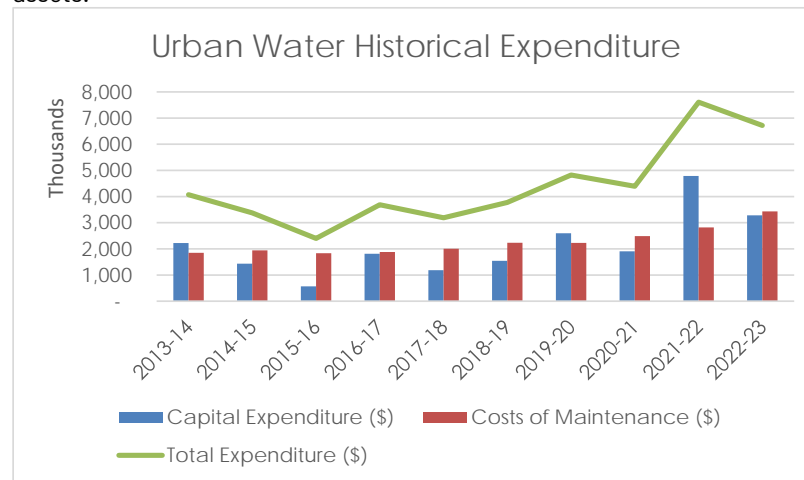
Levels of service were reviewed as part of the development of the 2024-34 Long-Term Plan. The community were asked for feedback on Levels of Service as part of the 2022/23 Annual Plan process to feed into the review. The 2023 Community Satisfaction Survey was also taken into consideration. Water supply levels of service are summarised as:

- Providing efficient and effective water supply systems.
 - This level of service aims to ensure the needs of local communities are met regarding the treatment and supply of domestic and industrial water requirements. This contributes to both the public health of the community and the community's capacity for growth and economic development, now and in the future.

- Providing water supply services in a way that is acceptable, safe and has minimal environmental impact.
 - This level of service aims to ensure that services are provided in a way that is equitable and culturally acceptable, whilst maximising public health opportunities and minimising environmental impact.

Historical expenditure

The graph below shows the historical expenditure on water assets.



WASTEWATER INFRASTRUCTURE ASSETS

The main wastewater systems in the Masterton district are located in Masterton, Riversdale, Castlepoint and Tinui. They comprise the following:

- Masterton – utilises an urban wastewater reticulation network and a treatment plant with waste stabilisation ponds that dispose primarily to border strips and supporting infrastructure and then to the Ruamāhanga River.
- Riversdale – a wastewater reticulation system and a treatment plant with land disposal via an irrigation scheme.
- Castlepoint – a wastewater reticulation system and a waste stabilisation pond followed by three wetland cells.
- Tinui – a wastewater reticulation system, then discharge to constructed wetland.

The total optimised replacement cost of water assets inclusive of reticulation & treatment as of 30 Oct. 2023 was \$234,333,597. With an optimised depreciated replacement cost of \$140,773,399. (Source - WSP/Opus valuations Nov 2020)

- Critical assets

Critical assets can be defined as those that are especially significant to societal wellbeing and that therefore merit priority attention by utilities in emergency response and recovery. They are also defined as those which have a high consequence of failure. For example, a transport route may be critical because it carries high volumes of traffic, or if it is the only access route to a hospital.

The critical assets that are identified in the asset management plan are:

- The Colombo Road pump station
- Homebush Wastewater treatment facility (Inclusive of the wetlands and settling pond areas)

- Castlepoint Wastewater treatment plant
- Riversdale Wastewater treatment plant
- The Wastewater trunk mains network
- Pump stations

Risks

Risks, at a strategic level, relevant to the wastewater assets were identified and assessed by both Council staff and Waugh Consultants Ltd.

Risks, at an operational level, relevant to the Wastewater assets have been identified as a result of this work, the 2014 PHRMP review, 2020 risk workshops, Leak Detection Studies and Condition Assessment. Operational risks identified through these projects have been assessed and incorporated into the 2024 Wastewater Asset Management Plan

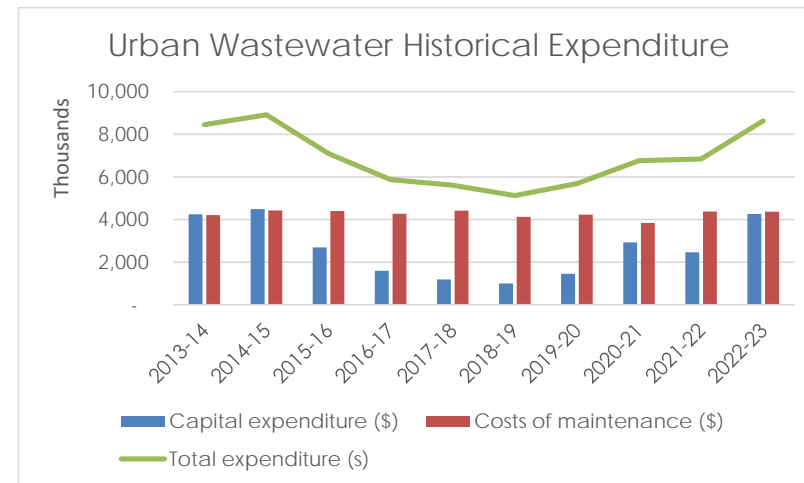
Levels of service

Wastewater levels of service are summarised as:

- Providing efficient and effective wastewater systems for the collection, transfer and disposal of wastewater.
 - This level of service aims to ensure the needs of local communities are met regarding the treatment and supply of domestic and industrial water requirements. This contributes to both the public health of the community and the community’s capacity for growth and economic development, now and in the future.
- Providing wastewater disposal that is acceptable, safe and has minimal impact on the environment; and
 - This level of service aims to ensure that services are provided in a way that is equitable and culturally acceptable, whilst maximising public health opportunities and minimising environmental impact.
- delivering inspection, monitoring and enforcement services of trade waste disposal to protect community health and safety.

Historical operating expenditure

The graph below shows the historical operating expenditure on wastewater assets.



Note: Includes costs associated with Homebush Wastewater treatment plant.

STORMWATER INFRASTRUCTURE ASSETS

The stormwater system consists of approximately 55km of pipes and approximately 734 manholes/sumps stop banks, and a retention dam. The Council also contributes to designated stop bank protection works on the Waingawa and Ruamāhanga Rivers.

The total optimised replacement cost of stormwater assets as of 30th October 2023 was \$63,060,805. With an optimised depreciated replacement cost of \$36,819,933. Possible new stormwater assets are also funded from private developments. Source - WSP/Opus valuations Oct 2023)

Critical assets

Critical assets can be defined as those that are especially significant to societal wellbeing and that therefore merit priority attention by utilities in emergency response and recovery. They are also defined as those which have a high consequence of failure. For example, a transport route may be critical because it carries high volumes of traffic, or if it is the only access route to a hospital. The critical assets that are identified in the asset management plan are:

- the Chapel Street (Town) drain; and stormwater connections to the Waipoua stop bank.
- Fifth Street retention pond.

Risks

There are risks associated with the collection of stormwaters and those stormwater assets, and the main risk identified that may pose a threat to the Councils stormwater assets is both possible climate changes and the resulting GWRC predictions for flooding extents.

Risks, at a strategic level, relevant to the wastewater assets were identified and assessed by both Council staff

and Waugh Consultants Ltd.

Risks, at an operational level, relevant to the Wastewater assets have been identified as a result of this work, the 2014 PHRMP review, 2020 risk workshops, Leak Detection Studies, and Condition Assessment. Operational risks identified through these projects have been assessed and incorporated into the 2024 Stormwater Asset Management Plan.

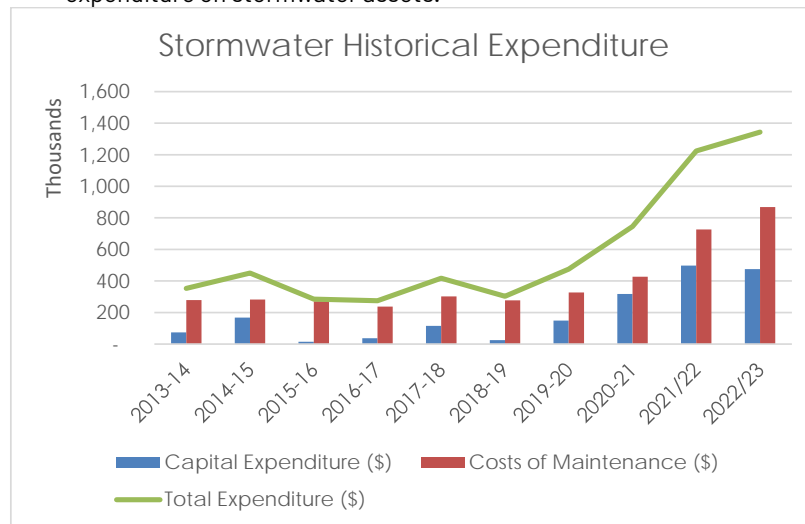
Levels of service

Stormwater waste levels of service are summarised as:

- Providing an efficient and effective stormwater system to minimise the impact of heavy rainfall and reduce flooding risk.
 - This level of service aims to reduce the impact of heavy rainfall and the risk of flooding and consequent impacts, such as public health risks and damage to private and public property, industry, roads and infrastructure. This contributes to both the public health of the community; and the community's capacity for growth and economic development, now and in the future.
- Delivering stormwater services in a manner that is acceptable, safe and where possible enhances the environment.
 - This level of service aims to ensure that services are provided in a way that is equitable and culturally acceptable, whilst maximising public health opportunities and minimising environmental impact.
- Percentage of stormwater renewal completed.

Historical operating expenditure

The graph below shows the historical operating expenditure on stormwater assets.



SOLID WASTE INFRASTRUCTURE ASSETS

Masterton District Council provides, maintains, and manages solid waste management services to offer a dependable, safe, and affordable collection and disposal service that promotes recycling, encourages responsible trash disposal, and fosters a cleaner, greener environment.

Solid waste assets facilitate the collection and transportation of solid waste. Assets are located at the following locations:

- Solid waste assets include the following:
 - Nursery Road Transfer Station
 - Nursery Road Landfill (closed)
 - Clean fill Area (for Landfill cover)
 - Hazardous Wastes Temporary Storage
 - Special Waste Disposal Facility
 - Hastwell Landfill (closed)
 - Tinui Landfill (closed)
 - Castlepoint Transfer Station
 - Riversdale Transfer Station
 - Mauriceville Transfer Station (closed)
 - Recycling wheelie bins

Total solid waste assets optimised replacement valuation as at 2020 was \$1,595,590 Source - WSP/Opus valuations Nov 2020)

The Regional Waste Minimisation Plan (WMMP) 2023- 2029 has been adopted. This is a crucial document for figuring out how the Masterton District Council's solid waste asset management plans will impact the level of service in the future.

Critical assets

Critical assets can be defined as those that are especially significant to societal wellbeing and that therefore merit priority attention by utilities in emergency response and recovery. They are also defined as those which have a high consequence of failure. For example, a transport route may be critical because it carries high volumes of traffic, or if it is the only access route to a hospital.

There are no critical assets identified in the asset management plan.

Risks

A strategic level risk assessment has been completed via a review of Masterton District Council's Asset Management Procedures and Risk Management (Waugh Consultants, 2006), in collaboration with asset managers, and through the creation of new asset management procedures at Masterton District Council (Waugh Consultants, 2011)

The impact of the Waugh Update (2011, 2014 & 2020) was reviewed at a strategic level in conjunction with the risk assessments carried out by Council staff. The risk management analysis is now consistently incorporated into all respective asset management plans, including the 2024 Solid Waste Asset Management Plan.

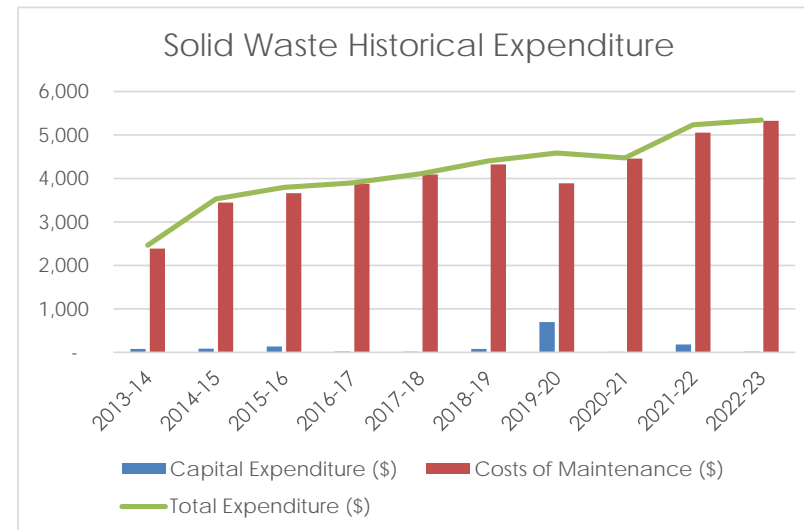
Levels of service

Solid waste levels of service are summarised as:

- Provide solid waste management facilities and solutions across the district in accordance with the solid waste management plan for the Wairarapa.
 - This level of service aims to ensure the needs of local communities are met about the transfer and disposal of both domestic and industrial waste products. This contributes to both the public health of the community and the capacity for growth and economic development, now and in the future.
- Operating the rural and urban transfer, composting and recycling operations in a safe and environmentally-sensitive manner.
 - This level of service aims to ensure that services are provided in a way that is safe and acceptable, whilst maximising public health and minimising environmental impact.

Historical operating expenditure

The graph below shows the historical operating expenditure on solid waste assets.



TRANSPORT (ROADING) INFRASTRUCTURE ASSETS

There are approximately 281km unsealed and 521km of sealed carriageway in the roading network. The network also includes approximately 208km of footpaths, 2800 streetlamps, 4832 signs, 40km of drainage culverts as well as 202 km of kerbing, channels and associated drainage structures. Hood Aerodrome has a 1250m sealed runway, three grass runways, a terminal and multiple privately-owned hangers and buildings. There are 5,87km of cycle lanes and shared paths and 267 bridges.

The total optimised replacement cost of roading assets as at 30 June 2022 was \$840,740,319. With an optimised depreciated replacement cost of \$651,957,155. Annual depreciation (a measure of asset consumption) for 2023/24 was calculated \$7,810,387.

Currently the annual cost for the maintenance and renewals activity is approximately \$10.6 per km of network per year. Compared to our peers of other provincial centres we are currently at the lower end of the investment scale in all areas

Critical assets

An assessment of Critical Assets has been undertaken in line with the process developed by AECOM and used by NZTA and several other local authorities.

Critical assets can be defined as those that are especially significant to societal wellbeing and that therefore merit priority attention by utilities in emergency response and recovery. They are also defined as those which have a high consequence of failure. For example, a transport route may be critical because it carries high volumes of traffic, or if it is the only access route to a hospital.

In determining critical roading assets, a criticality framework has been proposed which incorporates three elements:

1. ONRC/ONF classification.
2. Access to lifeline utilities or a lifeline evacuation route.
3. Access to essential services

Critical roads list in the asset management plan are:

Criteria	Address	Area in District
SH Detour	Akura Road	
Hall – Tinui	3 Blackhill Road	Tinui
Fire station – Tinui	11 Blackhill Road, Tinui	Tinui
Wairarapa Village	140 Chapel Street, Masterton	Masterton
Fire Station - Masterton	2 Chapel Street, Masterton	Masterton
School - Tinui School	25 Charles Street Tinui	Tinui
Amalgamated Helicopters NZ Ltd	625 Chester Road	West Taratahi
Police Station - Masterton	21 Church Street	Masterton
Lyndale Manor	95 Cole Street	Masterton
Lyndale Villa	5 Cole Street	Masterton
School - Douglas Park School	136 Cole Street	Masterton
School - Masterton West Kindergarten	159 Cole Street	Masterton
Kandahar Court	2/4 Colombo Road	Masterton
School - Masterton East School	83 Colombo Rd	Masterton
Cornwall Rest Home	3 Cornwall Street	Masterton
School - Cornwall Street School	Cornwall St	Masterton
School - Hadlow Preparatory School	76 High St Solway	Masterton
School - Masterton Intermediate	38 Intermediate Street	Masterton
Fire Station - Castlepoint	Jetty Road	Castlepoint
Hall – Rangitumau	14 Kaka Amu Road	Rangitumau
Hall – Whareama	6 Langdale Road	Whangaehu
School - Wharema School	84 Langdale Road Rd 12 Whareama	Masterton
SH Detour	Lincoln Road	
Flight - Hood Aerodrome	Manaia Rd	Masterton
SH Detour	Manaia Rd	Masterton
Hall – Taueru	1 Main Road	Taueru

Hall – Wainuioru	133 Masterton-Stronvar Road	Masterton
SH Detour	Ngaumutawa Road	
School - Mauriceville School	1357 Opaki Kaiparoro Road	Mauriceville
Fire station - Mauriceville	1343 Opaki Kaiparoro Road	Mauriceville
SH Detour	Opaki Kaiparoro Road	
Ultimate Care Lansdowne Court	Oxford Street	Masterton
SH Detour	Paierau Road	
Fire Station - Riverside Beach	10 Pinedale Crescent	Riverside Beach
School - St Matthew's Collegiate School	33 Pownall Street	Masterton
School - Wairarapa College	83 Pownall Street	Masterton
School - St Matthew's Collegiate School	33 Pownall Street	Masterton
Army - Linton Military Camp	1 Puttick Road, Linton Camp, Palmerston North	Palmerston North
School - Poto College House	Renall Street	Masterton
Kandahar Home	8 Roberts Road	Masterton
SH Detour	South Belt	
School - Masterton Primary School	53 South Road	Masterton
Hall – Whangaehu	685 Te Ore Ore – Bideford Road	Whangaehu
Wairarapa Hospital	Te Ore Ore Road	Masterton
Wairarapa Helicopters	Te Parae Road	Masterton
School - Gladstone School	147 Te Whiti Road	Gladstone
SH Detour	Te Whiti Road	
Lansdowne Park Village	100 Titoki Street	Masterton
Glenwood Masonic Hospital	74 Upper Plain Road	Masterton
SH Detour	Villa Street	
School - Opaki School	36 Waipipi Rd	Opaki
Fire Station - Wainuiora	6A Westmere Road	Wainuioru
School - 2023 Rathkeale College	203 Willow Park Drive	Opaki

Risks

Key risks addressed in the 2024 Roding Asset Management Plan include:

- A lack of business continuity planning
- Lack of Succession Planning
- Poor quality of vested assets
- Inadequate insurance

Section 8.5 of the Roding AMP 2024 - 2034 details the Roding risks and Council response to those risks.

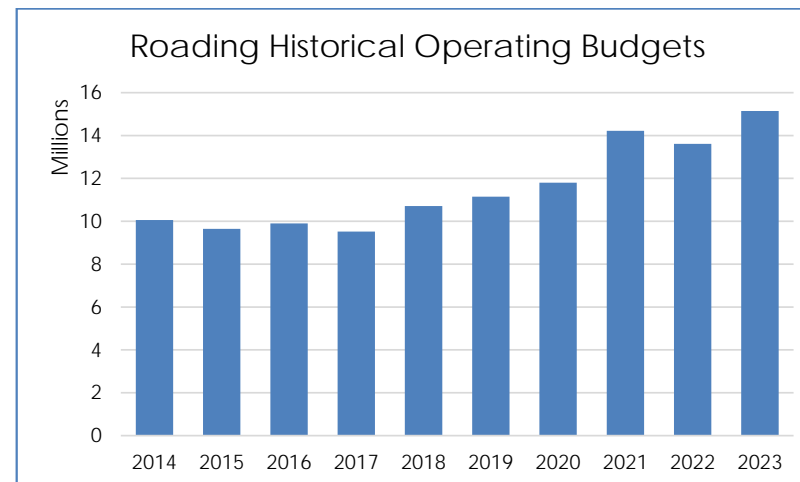
Levels of service

Roding levels of Service are summarised as:

- Road safety
- Road condition
- Road maintenance
- Footpaths

Historical operating expenditure

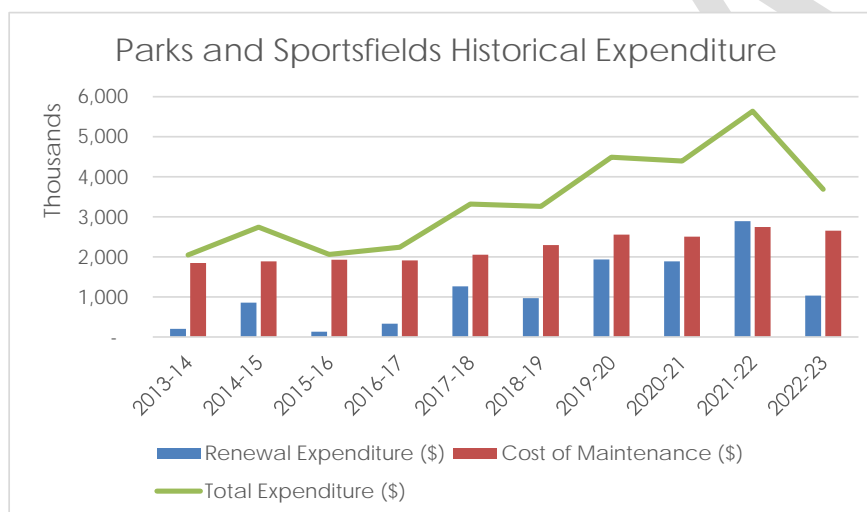
The graph below shows the historical operating expenditure on roading assets.

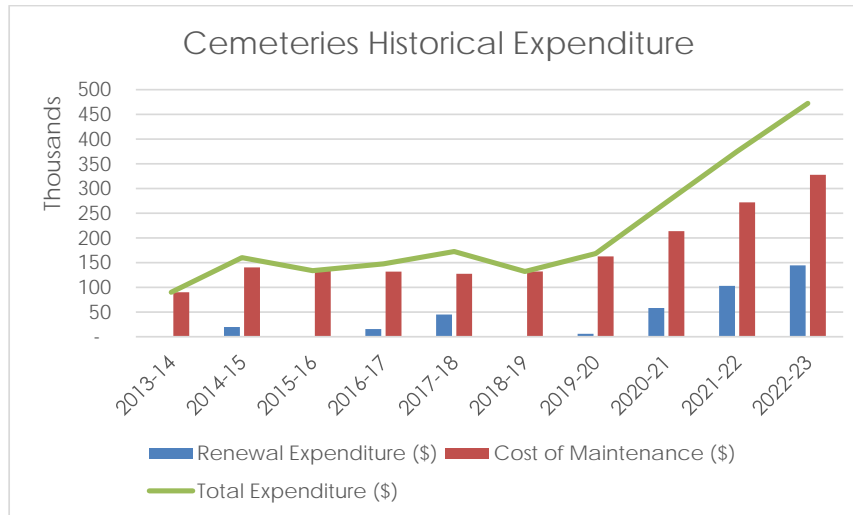


PARKS, OPEN SPACES AND COMMUNITY FACILITIES INFRASTRUCTURE ASSETS

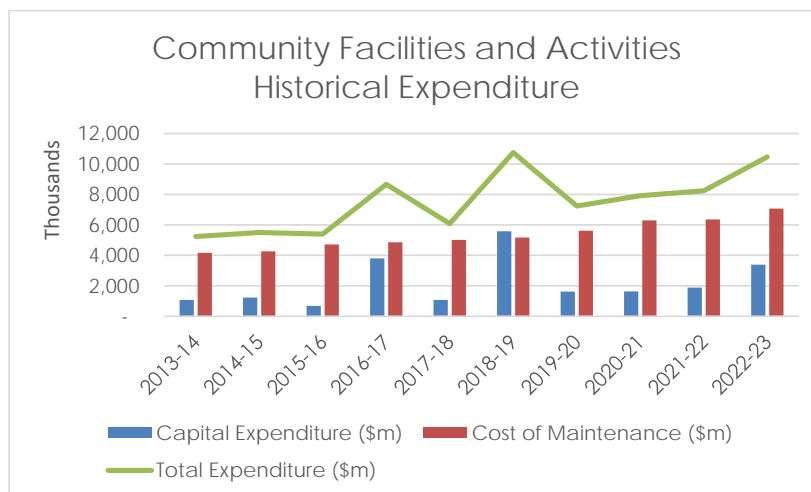
In February 2021 Council adopted its first Parks and Open Strategy (POSS). Council is committed to using the POSS and the recommendations as a framework and guide for planning, maintenance and investment decisions for planning including the Annual Plan and Long-Term Plan processes, as well as Asset Management.

Council owns, maintains and manages diverse property and community facilities. These include assets such as Waiata House, Masterton Airport (Hood Aerodrome), the Library and Archive, Mawley Park camping ground, senior/community housing, other housing, rural halls, public toilets, sports clubs/facilities,





fields, and leased land. Assets also include the Trust House Recreation Centre which comprises the War Memorial Stadium, fitness gym and indoor/outdoor swimming pools and the all-weather athletics track and associated facilities the town hall, cemeteries and reserves.



Parks and Open Spaces assets optimised replacement valuation as of 2020 was \$21,000,000.

Total community building assets optimised replacement valuation as at 2020 was \$36,300,000.

Hood Aerodrome runway assets optimised replacement valuation as of 2023 was \$6,314,327. Source - WSP/Opus valuations Oct 2023)

Critical assets

Critical assets can be defined as those that are especially significant to societal wellbeing and that therefore merit priority attention by utilities in emergency response and recovery. They are also defined as those which have a high consequence of failure. For example, a transport route may be critical because it carries high volumes of traffic, or if it is the only access route to a hospital.

There are no critical assets identified in the asset management plan for Parks and Open Spaces or for Property and Facilities. We acknowledge that some assets that may not meet our definition of critical are considered to be of significant value to the community.

Asset management

Council has installed an asset management system called 'Assetic' which is a central strategic register and asset management system for all asset classes. It includes in-built reporting, works tracking and life-cycle costing. It is integrated with 'Assetic Predictor' for a complete strategic asset management planning and operational system capable of holding all asset information. As of February 2024, property and community facility assets have not transferred onto Council Asset management System (Assetic) but will be one of the next Council asset groups to do so.

Historical operating expenditure

The graph below shows the historical operating expenditure on parks and community facilities assets.

Risks

There are risks associated with Parks and Open Spaces assets, and the main risk identified is possible changes to climate. Climate change affects how council manages its parks and reserves assets both now and in the future and how these assets are affected by associated activities due to climate change, in particular the availability of water for our sports fields and gardens

Current operational risks associated with Property and Facilities include:

- Health and Safety
- Constant compliance with Standard Operating Procedures
- Legislative requirements.

MAINTENANCE STRATEGIES

Maintenance strategies have been developed to achieve cost effective maintenance to maintain assets to meet the intended levels of service. We have determined that the most effective way to achieve this objective is to contract out the network maintenance works to commercial contractors.

We will review the cost-effectiveness of the current arrangements for meeting the needs of the community within the district for good-quality local infrastructure, local public services, and the performance of regulatory functions according to Council’s review schedule in accordance with Section 17a of the LGA.

Data confidence

Data confidence is rated for all asset streams in the Asset Management Plans and is summarised the table below.

OUR APPROACH TO ASSET MANAGEMENT

The following principles and issues set out the long-term approach used to manage the Council’s infrastructure.

The data confidence levels for this asset are shown in the below table where, a = highly reliable, b = reliable, c = uncertain, and d = very uncertain.

Data Confidence				
Attribute	D	C	B	A
Physical parameters				
Asset capacity				
Asset condition				
Valuations				
Historical expenditures				
Design standards				

Renew or replace assets

The objective of asset management is to create, operate, maintain, rehabilitate and replace assets at the required level of service for present and future customers in a cost effective and sustainable manner. Capital investment decisions are determined by the following considerations:

- When should existing infrastructure be replaced?
- When should the Council invest in improving the existing service?
- How much needs to be invested to provide infrastructure for a growing community?

The Asset Management Plans for each infrastructure activity provide the details of the renewal programme.

Response to community growth or decline

Projections suggest that, without intervention, Masterton's population will increase by 1.5% per annum.

Existing Council systems and services (such as Kaituna water supply and the Homebush wastewater treatment plant) have the capacity and capability to accommodate increasing development or demand resulting from economic or population growth demands that are beyond the current projected growth forecasts.

Lifecycle renewals

The Optimised Renewal Decision Making process is the primary basis for making lifecycle renewal decisions. This process is a risk-based methodology which assesses the probability of each failure mode (including structural, capacity, performance, age, operational and performance) and the consequence (or damages) of the failures.

A scoring system of 1 to 5 is employed to quantitatively assess the risk components e.g., structurally failed sections will attract a failure mode probability of 5. The risks of failure (for each failure mode) of each section are assessed and calculated by quantifying the product of their probability and consequence of failure.

Assets with a high risk of failure are then ranked and the top group is included in the priority 1 list. The ongoing programme of collecting further asset information and variation of market prices for asset renewal/replacement, as well new technology advances in the associated industries, mean that the priority list is provisional and will be subject to change with new information. Lifecycles of renewed assets vary depending on type but are typically 18 years for road reseals, 25 years for footpaths and 60 to 80 years for pipework.

Planned increase or decrease in the levels of service

Levels of service were reviewed through the 2024-34 LTP process. A programme of work relevant to this Strategy has been scheduled as a result of that review. This includes:

- Review Mawley Park
- Rural Halls and other asset divestment
- Redevelopment of public library
- Henley and Remembrance Lakes

If other level of service changes are made, these will be incorporated in future Long- term Plans (LTP). Key factors in determining any changes to the current levels of service are affordability, user expectations and the willingness of the community to pay.

Maintain or improve public health

Our focus is to maintain Masterton's high drinking water quality. Due to nature of our water supply operations, substantial changes are not necessary.

The Ministry of Health has an ongoing programme of improving standards for small and rural drinking water suppliers. Ongoing infrastructure investment is required to achieve compliance with these standards. This will raise affordability challenges for users of small supplies into the future. The Council has acknowledged, within the water supply asset management plan, assistance for rural water schemes to meet future drinking water standard compliance. How this provision will be spent is dependent on any changes to the Drinking Water Standards.

Natural Resources Plan

Greater Wellington Regional Councils (GWRC) Natural Resources Plan (NRP) became fully operative on 28 July 2023

The NRP for the Wellington region is an integration and replacement of five regional plans for soil; fresh water; air; discharges to land; and the coastal marine area.

The NRP sets targets and rules for all activities in the Wellington region that have the potential to affect the natural environment, biodiversity and landscape values.

Demand drivers

It is possible that factors in the future could change the demand on the Council's infrastructure assets. The asset management plans

provide an analysis of these drivers and possible impacts and are summarised in the table below,

Demand drivers		
Demand drivers	Future Impact	Future possible operational demands
Population	Low/Med	Minor impact on demand
Commercial Influences	Low/Med	Demand is expected to increase at the Waingawa Industrial area
Climate	Med/High	Demand likely to increase in hotter/ drier periods and more severe storm events
Tourism	No/Low	Unlikely to impact significantly on demand
Land Use	Low/Med	Demand may increase from large wood processing sites supplied by Kaituna and/or Tinui
Improvement in the level of service	Med	Although demand for quantity is not expected to change, demand for improvement in water quality is anticipated
Changes in customer expectations	Low/moderate	Outcomes from public consultation
Water standards	Moderate/High	More stringent standards applied to water production and to rural water schemes.
Wastewater Volume/ Mix	Low	Negligible
Solid waste Volume/Mix	Low/moderate	Minor impact on demand
Transport traffic volumes	Moderate	Increased maintenance and renewal program
Heavy Class Vehicles	Moderate	Lifting weight restriction from rural bridges

Demand drivers		
Demand drivers	Future Impact	Future possible operational demands
Pastoral Farming practices	Low	Minor impact on demand
Land use (Forestry)	Moderate/High	Construction of an eastern bypass for Masterton was investigated in 2011 and found not economically viable. The report is to be reviewed in 2019.
Footpath's (ageing population)	Moderate	Footpath surfaces and widths will increasingly need to be upgraded to accommodate growing numbers of mobility scooters
The usage of walkways and other passive parks facilities	Medium	Review of the trails network
Parks playing surfaces	Low/Medium	Review the requirements of each park facility

Risk and resilience for infrastructure

The Council carries material damage insurance cover on all its buildings and significant above-ground assets. We are also a member of the Local Authority Protection Programme fund (LAPP) which is a mutual fund scheme designed to cover our 40% contribution to meet the costs of restoring underground infrastructure in the event of a disaster. The balance of 60% is expected to be met by central government's Disaster Recovery Fund. Damage to roads and bridge assets in the event of natural disaster events (including flooding) will be funded by way of our annual roading budget, reserve funds and the NZ Transport Agency (NZTA) share of the damage incurred.

The financial resilience of the Council in the face of unexpected costs is also supplemented by having cash reserves of based on having cash reserves of \$16 million. These funds are available to meet immediate

recovery costs and would be expected to be reimbursed once appropriate funding sources are confirmed.

Our asset management practices also need to include a stronger understanding of the resilience of our infrastructure networks, especially key pinch-points and the degree to which different parts of networks are critical to overall performance.

There is a need to increase the sophistication of how we think about resilience, shifting beyond a narrow focus on shock events or infrastructure failure and thinking more about interdependencies, levels of service and community preparedness.

A longer-term view needs to be taken with increased focus on adapting to slower changes over time, including climate change.

Importantly, increased resilience is not necessarily about making things stronger or investing more and is quite often achieved by operational changes. Some key elements of resilience attributes are:

- organisational performance;
- community preparedness;
- service delivery;
- adaptation;
- financial sustainability;
- interdependencies; and
- responsibility.

OPERATIONAL RISKS

The key identified operational risks that would affect the performance of our infrastructure assets are detailed below.

Water Supply Assets

- Contamination to Masterton district drinking supplies. Given recent drinking water contamination in supplies around the country, our focus is to ensure Masterton's drinking water quality remains at the highest possible level. The nature of Masterton water supply operations mean substantial changes are not envisioned and the Council has developed a Water Safety Plan to manage this risk.
- Future "water take" consents from the Waingawa River being reduced. Options for additional water storage and demand management with meters are included in this strategy.

Wastewater Assets

- Wastewater treatment plant capacity. Options to increase treatment capacity at Homebush are included in this strategy.
- Pipe capacity and wastewater overflows. Blockages and stormwater inflows can cause overflow. We have an Inflow and Infiltration strategy to minimise these events. The direction of further work will be guided by independent engineering advice. Council has received some one-off funding from central government to assist this work as a way of improving the resilience of the wastewater network.

Stormwater Assets

- Blockages to the stormwater network. Blockages can cause localised flooding. Maintaining the network and associated waterways and enforcing bylaws will help us keep the stormwater network performing.
- Severe Tropical Cyclone Gabrielle was a severe tropical cyclone that devastated parts of the North Island of New Zealand and affected parts of Vanuatu and Australia in February 2023.
- Cyclone Gabrielle followed closely timed severe weather events, including floods. Cyclone Gabrielle had a significant impact on Masterton, NZ, in February 2023. Tinui homes were flooded, leading to discussions between affected owners and Masterton Council. Coastal communities in Wairarapa faced isolation due to slips and flooding, prompting support from the Horowhenua District Council. The aftermath prompted the Wairarapa mayors to establish a Relief Fund for those impacted by Gabrielle.

Solid Waste Assets

- Recycling processing and solid waste transportation. Being able to recycle more and having to transport less waste will benefit our community.

Roading Assets

- Slips and flood damage. Work on rural roads and pavement

drainage will aid in the prevention of slips and flood damage. This work will also assist out stormwater network.

Parks, Property and Community Facilities Assets

- Earthquakes and water supply to parks. Earthquake strengthening or alternative options for public and council owned buildings has started. The Council is aware that water supply to our parks will be a challenge in future years. Future work may include sewer mining, water harvesting and increased planting of drought-tolerant species.

OTHER RISKS

Climate change and stormwater protection

Climate change will increase the risks from natural hazard events that already occur within the district, particularly as a result of:

- sea level rise, exacerbating the effects of coastal erosion and inundation and of river flooding in low lying areas, especially during storm surge;
- increased frequency and intensity of storm events, adding to the risk from floods, landslides, severe wind, storm surge, coastal erosion and inundation; and
- increased frequency of drought, placing pressure on water resources and increasing the wildfire risk.

More frequent droughts may also affect the security of water supply. Currently we rely on adequate water flows from the Waingawa River and have no stored water for a prolonged drought.

We therefore reduce the causes and adapt to the effects of climate change. Our policies and responses will need to be robust to a range of possible futures, rather than relying on a single 'forecast'.

Climate change is projected to have the impacts shown in the table below on the Masterton district coast. These are expressed as a range, as there are several scenarios considered when making projections.

We have based our planning on the NIWA modelled regional climate change projections (known as the Whaitua tables). The scenarios are expressed as a range, from higher emissions to lower emissions for a number of climate related parameters.

Council is taking a two-plan approach to addressing the impacts of climate change:

1. The Corporate Carbon Emission Reduction Plan (CCERP 2021) guides the Council's journey to become a net zero carbon organisation. It is about reducing our organisational greenhouse gas emissions (GHG). These are the emissions that are a result of the day-to-day operations of our organisation.
2. The development of the Masterton District's Climate Action Plan (CAP 2022) created a set of 76 actions that the wider district could implement collectively to reduce emissions and adapt to climate change impacts.

Our Asset Management Plans and Infrastructure Strategy have considered the impacts on our infrastructure over the next 30 years. They consider:

- the scenarios and projections expressed in the Whaitua tables.
- Regional Climate Change Risk Assessment
- Regional Emissions Reduction Plan
- Regional Food System Strategy
- Participating in the National Climate Change Network
- Developing an organisational carbon footprint
- Focusing on energy efficiency
- Increasing our EV fleet
- Promoting waste minimisation
- Council's corporate carbon emissions reduction plan
- Masterton's climate action plan

Notes:

https://www.gw.govt.nz/assets/Uploads/WhaituaClimateChangeprojectionsMarch2024_0.pdf

Rcp4.5 mid-range scenarios where greenhouse gas concentrations stabilise by 2100

Rcp8.5 is a high concentration scenario where the ghg emissions continuing very high. In the light of new technologies and improvements it remains a valid way to test the sensitivity of the climate variables.



Climate Change Wairarapa			
By 2040, seasonally the region could expect*:			Impacts
Ruamahanga	<ul style="list-style-type: none"> 0.7°C to 1°C temperature rise Up to 30 Increased hot days over 25°C 	<ul style="list-style-type: none"> Between 5 % less rain, to 5 % more rainfall 0.12 to 0.24 metres above present 	<ul style="list-style-type: none"> Increased human heat stress and mental health issues, rurally and in urban centres Increased temperatures in urban centres due to human activities, large areas of concrete, buildings and vehicles Increased risks of pests (such as wasps, rodents and fruit flies) and diseases (including risks to human health) and biodiversity losses Increased air pollution and seasonal allergies Higher demand for drinking water at times when water is likely to be scarcer Stress on ecosystems and associated impacts on health and economy Range and habitat of native plants and animals will change-extinction of some species Higher temperatures may allow for different crops to be grown. Timing of seasonal activities such as flowering, breeding and migration will change. •Several fold increase in urban and rural wildfire risk – a particular concern for water supply
Wairarapa Coast	<ul style="list-style-type: none"> 0.5°C to 1°C temperature rise Up to 30 Increased hot days over 25°C 	<ul style="list-style-type: none"> Between 0 % less rain, to 5 % more rainfall 0.12 to 0.24 metres above present 	
By 2090, seasonally the region could expect*:			
Ruamahanga	<ul style="list-style-type: none"> 1.2°C to 3°C temperature rise Up to 80 Increased hot days over 25°C 	<ul style="list-style-type: none"> Between 0 % less rain, to 10 % more rainfall 0.68 to 1.75 metres above present 	<ul style="list-style-type: none"> Flood protection infrastructure Levels of Service reduced overtime Impacted rural community due to reduced agricultural production Reduced soil fertility Regional parks negatively affected by both drought and flooding Higher stress on indigenous ecosystems, plants and animals, especially with drought Reduced workplace productivity
Wairarapa Coast	<ul style="list-style-type: none"> 1°C to 3°C temperature rise Up to 60 Increased hot days over 25°C 	<ul style="list-style-type: none"> Between 10 % less rain, to 5 % more rainfall 0.68 to 1.75 metres above present 	

– Source: MFE , GWRC and NIWA climate change summaries. Updated 2020*Projected changes are relative to 1995 levels. The numbers provided are mid-range estimates of what the change is projected to be and should not be taken as definitive values.

Increased flood risk

As well as the main township of Masterton, our district has other smaller communities such as Castlepoint, Taueru, Tinui, Mauriceville and Riversdale. Two of these communities are situated along the district's coastal edge. These urban developments are subject to flooding from the many streams and rivers which drop fast out of the ranges and then slow down and spread out on the plain on their way to the sea. In high rainfall events, the volume and rate of flow of the water coming down the waterways rises quickly and residual ponding, once the waterway levels have dropped, can be significant.

Severe Tropical Cyclone Gabrielle was a severe tropical cyclone that devastated parts of the North Island of New Zealand and affected parts of Vanuatu and Australia in February 2023.

Cyclone Gabrielle followed closely timed severe weather events, including floods. Cyclone Gabrielle had a significant impact on Masterton, NZ, in February 2023. Tinui homes were flooded, leading to discussions between affected owners and Masterton Council. Coastal communities in Wairarapa faced isolation due to slips and flooding, prompting support from the Horowhenua District Council. The aftermath prompted the Wairarapa mayors to establish a Relief Fund for those impacted by Gabrielle.

The climate change projections suggest that very heavy rainfall events are likely to become more frequent, especially in the Tararua ranges during north-westerly storms and the Wairarapa during southerly storms. This will present very significant challenges in how we manage our assets.

Stormwater eventually finds its way to the sea. The level of the sea at the time the stormwater is flowing down the rivers influences how fast and how much of the stormwater can drain away. If the sea level is high enough, it can prevent the water flowing away out to sea causing it to back up and overflow inland. The rise in base sea level is

caused in part by rising ocean temperatures – heated water expands.

In addition to this effect, rising ocean temperatures mean that storms generated at sea will contain more energy, for example be more intense. This in turn means that storm surges and wave heights will be higher. All these factors combine to significantly increase the risk of inland flooding on the district's coastal plains.

GWRC has collated data gathered from 20 years' research and data using aerial photos, electronic flood mapping tools and a range of analytical techniques to identify hundreds of Masterton properties as being at potential increased risk of flooding.

We are working with GWRC to confirm predictions for flood events. The overriding issue is to ensure timely protection measures are in place against a 1 in 100-year flood to preserve our community and our economy. Until levels are confirmed, and any mitigation required is in place, there may be implications for any proposed developments in the town centre, the library project and the town's overall economic development.

Earthquake resilience risks

Parts of Masterton are built on old flood plains that could be subject to liquefaction in a major earthquake. Part of the Council's bridge and reticulation renewals programme involves using different construction methods and materials to provide greater earthquake resilience in pipelines.

We do not consider that this risk is so great that the renewals programme should be brought forward. Instead, we will address resilience at the time pipes and bridges are replaced.

WHAT WORK IS PLANNED?

Significant Infrastructure

Significant Council infrastructure is identified in each Asset Management Plan. The expected asset lives are set out in detail in our statement of accounting policies. The asset management programme is focused on the most critical parts of the network servicing large numbers of properties, essential services and businesses.

Work programmes assumptions

The Asset Management Plans also detail the projected work programme associated with the management and renewal of assets. This work programme is based on the following assumptions:

There are no significant proposed changes to current levels of service.

Inflation is based on projections by BERL for the local government cost index.

The lifecycle of assets, demand forecast, resilience and regulatory compliance are based on the principles detailed in this strategy.

All necessary resource consents will be obtained for proposed major projects. Consent risks have been included in the option assessment and project selection.

The NZTA funding assistance rate remains at 56% and that NZTA will continue to provide funding to maintain the network at its existing condition.

The current state of engineering technology remains unchanged. The Council has already adopted developments that both lower the cost of replacing pipes, for example by using trenchless construction technologies, and allow pipes to be treated in ways that extend their lives for several decades such as by inserting new linings in existing pipes. Future technological developments have not been factored into this strategy but opportunities for innovation will be explored as they become available.

No natural hazard events that impact on planned business as usual in a major way have been factored into the work programme. However, the Council continues to improve asset resilience and to plan and prepare for hazard events.

Treaty of Waitangi settlements will not significantly affect current governance arrangements of infrastructure assets.

We will ensure the network renewal programme is adequate to, at a minimum, maintain the asset condition rating and to improve it over 30 years.

These assumptions have all been assessed with a low level of uncertainty based on information collected. Particular risks associated with individual projects are included in the option assessment.

SIGNIFICANT PROJECTS REQUIRED

Over the next ten years we have scheduled some high value infrastructure spending (renewals and service level increases) as well as construction projects to address areas of community well-being. The proposed library extension and new town hall are significant projects that increase the level of service to our community. We are committed to cyclone recovery roading works, an airport runway project and new animal shelter, all factored in before considering new projects for the 2024-34 Long Term Plan. The new debt associated with these projects will result in increasing rates to pay for the increased levels of service.

We are looking to respond to the needs identified in our asset management plans, with a step change increase in maintenance and renewal spending on our roading assets to maintain the current level of service. Water resilience is also a major driver for expenditure as we look at water storage, leaks, charging by usages and improvements to urban drainage and flood protection.

Significant decisions about capital expenditure will be required over the life of this plan or LTP plan life. The tables below provide a summary of these decisions.

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Project	Date and Category	Est Cost \$	Preferred option	Other options	
3 Water Renewals	2024 - 34 Growth / Renewals/LOS	\$3.6M p/a. +\$1M for Year 1 as a catch up.	Continue with proactive approach to renewal programme. Targeting older and under performing assets.	Reduce renewal plan but this will increase the asset failure risk. Assets will continue to age and deteriorate	Increase renewal spend. Affordability issues for community versus potential asset condition gains.
Trunk Main Renewal	2024 - 26 LOS/Risk	\$3.7M (Year 1 & 2)	Replacement of trunk main from Kaituna WTP.	Do not replace - not appropriate as main is at end of life.	
Roading Programme	2024 - 34 Growth/ LOS & Renewals	\$9.9M p/a. (includes subsidised and non-subsidised expenditure)	Continue with proactive approach to renewal programme. Programme designed to bring Roothing asset up to prescribed LOS	Reduce renewal plan. This will increase the asset failure risk. Assets will continue to age and deteriorate	Increase renewal spend. Affordability issues for community versus potential asset condition gains

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Project	Date and Category	Est Cost \$	Preferred option	Other options
Urbanisation	2024 - 27 Growth / Renewals	\$7.5M Millard \$2.2M Chamberlain	Included within 3 water and roading programmes to enable growth around Masterton urban fringes and infill.	Do nothing and let developers cover all costs.
Masterton Raw Water Storage	2025 - 28 Risk / LOS	\$7.5M over 3 years.	Increase Masterton urban raw water storage capacity to 40 days.	Restrict water use to the community to match our current and future water take consent and storage capability
Potable Water Storage	2027 - 28 Risk / LOS	\$7M	Construction of new reservoir to provide resilience within network. Currently less than 12 hours storage available in network.	Accept less resilience to the supply.

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Project	Date and Category	Est Cost \$	Preferred option	Other options
Town Hall / Municipal Building	2024 - 26	Town Hall \$3.3M to \$45M	Demolish Town Hall and Municipal buildings, build new Town Hall and expand Waiata House; \$38.7M	Town Hall/Municipal <ul style="list-style-type: none"> Option 1; Demolish the Town Hall and Municipal Buildings; retain Waiata House and Queen St premises. \$3.3M Option 2; Demolish the Town Hall and refurbish the Municipal Buildings; \$45.4M
	LOS	Library / Archives \$2.2M to \$14.1M	Upgrade and expand library only; \$10.4M	Library / Archive <ul style="list-style-type: none"> Option 1; Essential repairs and maintenance to library only; \$2.2M Option 2; Upgrade and expand library and Archives; \$14.1M
Masterton Revamp	2024 - 27 LOS	\$6.5M	Reduced programme of work, focusing on replacement of water infrastructure and resurfacing of road and footpath in CBD only.	Enhanced CBD option to improve pedestrian access and reduce on street car parking. Cost Est \$14.5M. Focus on the CBD from Jackson Street to Park Street. Do nothing: this option would see no investment made in the Centre. This is deferring a decision on the infrastructure in the Town Centre that is end of life and overdue for renewal.

Major projects required

<u>Project</u>	<u>Date and Category</u>	<u>Est Cost \$</u>	<u>Preferred option</u>	<u>Other options</u>
Hood Aerodrome Upgrades	2024 - 26 Risk / LOS & growth	\$17M (\$10M of this budget has been funded by NZ Govt PGF / Kanoa	Current focus in on the delivery of Stage 1 infrastructure, runway widening and resurfacing.	The signed contact with Kanoa outlines Council and Government obligations to the project and funding sources, based on the application we put forward in 2020.
Mataikona Road Access	2024 - 34 LOS	\$22.8M (\$7.6M in years 2&3)	Mataikona business case has been developed with a hybrid preferred option. Further work required to confirm Councils direction.	TBC.
Stopbank / Flood Control	2024 - 25 LOS/Risk	\$2M	To provide flood protection to the Masterton Urban area.	Note – awaiting GWRC policy and plans to inform this work.

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Project	Date and Category	Est Cost \$	Preferred option	Other options / Notes
Homebush Wastewater Treatment Plant Upgrades	Before 2034 Renewals	\$25 million for plant upgrade.	Upgrades to meet current and future consent requirements for 2034.	Homebush strategy will require amendments if changes to its implementation are agreed. These amendments may be brought about by changes to policies and or technology. Note that we are still awaiting clear policy guidance from GWRC which will inform any future treatment options.
Clean Fill Site	2028 LOS	\$400K for developing new cleanfill site.	Council provides a clean fill site to support waste management in accordance with the WMMP.	Council does not develop clean fill site and allows private sector to provide instead.

More information on each of these projects including most likely scenarios, timings and options is provided below.

Renewals of existing 3 water assets

The proposed scenario for the renewal work programme for the three waters network has an estimated cost of \$8.3M in year one. These costs do not include any enhancements, maintenance or operational expenditure.

The principle alternative is to reduce or defer the renewal spends resulting in a reduction in asset condition and performance, risking a reduction in the levels of service provided by the three water networks.

Renewals and upgrades of existing roading assets

The proposed scenario for the renewal work programme for the roading network has an estimated cost of \$7.7M in year one, excluding Cyclone recovery/reinstatement. These costs do not include any enhancements, maintenance or operational expenditure.

The transportation maintenance, operational and renewals programme is the largest of MDC activities. Together it constitutes around 14 million dollars of annual spending. The three major areas within the programme and their forecast spend for the next 10 years are shown below. The detail programme case is for the funding outlined in section 9.

In 2021, it was anticipated that investment in maintenance and operations would remain relatively constant for the foreseeable future. This investment in renewals proposed was in response to MDC deterioration modelling scenarios, Waka Kotahi (NZTA) audit recommendations and the increased activity in the forestry sector, which is applying additional demand loading on pavements.

Over the past three years the impact of cyclones Gabrielle and Hale along with other storms has refocused efforts. While rebuilding and recovery of storm damaged assets is an immediate focus, it is important that we do not allow other assets to fall into disrepair. Accordingly, the focus will remain on timely asset renewal outside of the recovery works.

The principal alternative is to reduce or defer the renewal spends resulting in a reduction in asset condition and performance, risking a reduction in the levels of service provided by the Roothing networks. It would also have implications for rural roads and bridges with the forecast increased in the forest harvest and the increase in truck capacity currently being implemented by the central government's HMPV and 50 max programmes. The financial impact of deferring renewals is difficult to quantify for an entire network but inevitably

the disruption and renewal costs of a failed asset are greater than if the work was undertaken in a timely manner.

Network expansion and upgrades

To meet growing demand for more housing project are required to expand or upgrade areas on the urban fringes of Masterton. These upgrades mainly include Roding and 3 Water upgrades to meet the required demand.

Town Hall and Municipal Building:

Since the closure of the Town Hall in 2016 there has been much time spent engaging with the community, investigating, and analysing options to help shape what a new Civic facility for Masterton looks like. Through the 2024-34 Long Term Plan, Council will consider options for a dynamic and adaptable venue that can support a wide range of cultural events and provide a point of difference to other venues in the district, as well as a fit for purpose Civic Defence facility and a modern, safe workspace for staff while providing an “accessible ‘front door’ to Council services and community meeting facilities.

The LTP includes an allocation of \$38 million dollars spread over the first 4 years in order to deliver the project.

Library and Archives

Council will provide a modern Library that is a centre of literacy, knowledge and documentary heritage that connects people to each other, services, and information to create a thriving and sustainable community.

Masterton Revamp (Town Centre upgrade):

We want people to enjoying spending time in Masterton, and for visitors to want to come back, so we have had discussions with the community to understand the aspirations, desires and requirements to help Masterton thrive. Those discussions led to the development and adoption of a Town Centre Strategy in 2018 which helped shape the objectives for our Town Centre and the areas that we should start to invest in.

The Council has since pulled back on the scope and ambition of the strategy. The current LTP includes provision to renew assets in Queen Street, including the water main, footpath and road surfaces.

All other work associated with the Town Centre Strategy , including entrances to the town, linkages within the town centre and developing our connection to the Waipoua river remain available for a future Council to re-prioritise.

The previous LTP included an allocation of \$35.4 million dollars over the 10-year period to deliver the project. This provision has largely been removed from the 2024-34 LTP.

Water supply resilience

Urban 40-day raw water reservoir

We need to be able to store more water in order to meet increased demand from a growing population, provide safeguards against any future changes to resource consent conditions and provide greater resilience in times of drought. To address this, we will investigate options for reservoirs for urban raw water. The LTP includes a provision of \$7.3 million over 2023-25 to complete the work. The consequence of not undertaking projects to increase our water supply resilience is that Masterton will not have a secondary drinking water supply that is separate to our main supply. Causes of using a secondary supply could be a natural event e.g., earthquake, infrastructure failure, or water supply contamination.

Homebush wastewater treatment plant upgrade/consent review

The Natural Resources Plan requires the Council to further reduce treated wastewater discharged into the river. The most likely scenario and timing of this will be subject to further consultation with Iwi, GWRC and the community.

The Council's Wastewater Strategy is outlined with the following objectives:

Objective 1 – Project Plan: Establish an overall project plan with clear timelines.

Objective 2 – Engagement: Have the community understand the importance of, and actively manage, their water and wastewater solutions.

Objective 3 – Land Identification: Identification of land suitable for treated wastewater irrigation (and available for purchase, lease or collaboration with owners).

Objective 4 – Flow and Volume Characteristics: Gather comprehensive data and information on flow and volume characteristics of water to be available to farmers/owners.

Objective 5 – Develop Market: Develop means of on-selling available water.

Objective 6 – Develop Infrastructure: Develop plan and implement infrastructure.

Objective 7 – Reduce River Discharge: Over time reduce river discharges and ideally eliminate and direct river (piped) discharge, particularly during lower flows.

Objective 8 – High Flow Land Passage: Any (reduced) discharge to river is via land passage.

A budget provision of \$2.5 million is allowed for in the work programme in year 8 for the implementation of the selected option, \$643K for preparation of a Resource Consent application and a further \$1.9 million provision in year 10 (2033/34) allowed to commence a plant upgrade to stop treated wastewater discharges to the river when the current consent expires in 2034. Further funds are anticipated in the 30-year infrastructure strategy, but outside the scope of this LTP cycle. It is noted that until the Natural Resources Plan is fully implemented, the Homebush upgrade timetable and scope creates significant uncertainty. The impact of not implementing this strategy could potentially incur higher costs in the future.

Hood Aerodrome

Hood Aerodrome is a prized asset in the Wairarapa – home to the world-famous Wings over Wairarapa show and rare vintage aircraft – but it is not meeting current demands or realising its strategic potential as a critical contributor to building and developing the local

economy. To meet current demand for an efficient, connective transport system, and enable further economic growth through business investment, critical infrastructure improvements need to be made. This infrastructure upgrades will transform Hood Aerodrome into a modern, functional airport, with capacity for growth beyond its current usage. An airport with greater capacity, functionality, and enhanced safety will support a high-value economy, facilitate freight, trade, and further business development within New Zealand. Improving the accessibility to the Wairarapa through an air service option made possible by extended and upgraded infrastructure will increase social connectivity and enhance Hood Aerodrome's already strong local, national, and international reputation.

In July 2020, the Government announced it was contributing \$10 million to make the critical investments in our strategic asset. The LTP includes how the \$17 million will be spent over Y0 – Y5 (2021-2026).

Building a new animal shelter:

The current animal shelter does not fully meet legislative requirements and upgrades are required for the welfare of the staff, the animals under their care, and visiting public. The existing facility is temporary and is not suitable for renovation. A new purpose-built facility has been designed and a construction contract tendered for the Council-owned site on Ngaumutawa Road. This facility will accommodate the current and future needs of Masterton in the delivery of a crucial service. The investment will include specialists' areas to care for and protect the animals in the Council's care and will also provide an improved service with the ability for the public to pay for the release of their dogs on site.

The work is expected to start in early 2024 and be completed within the first year of the 2024-34 LTP. The expected budget for the whole project sits at \$2.5 million.

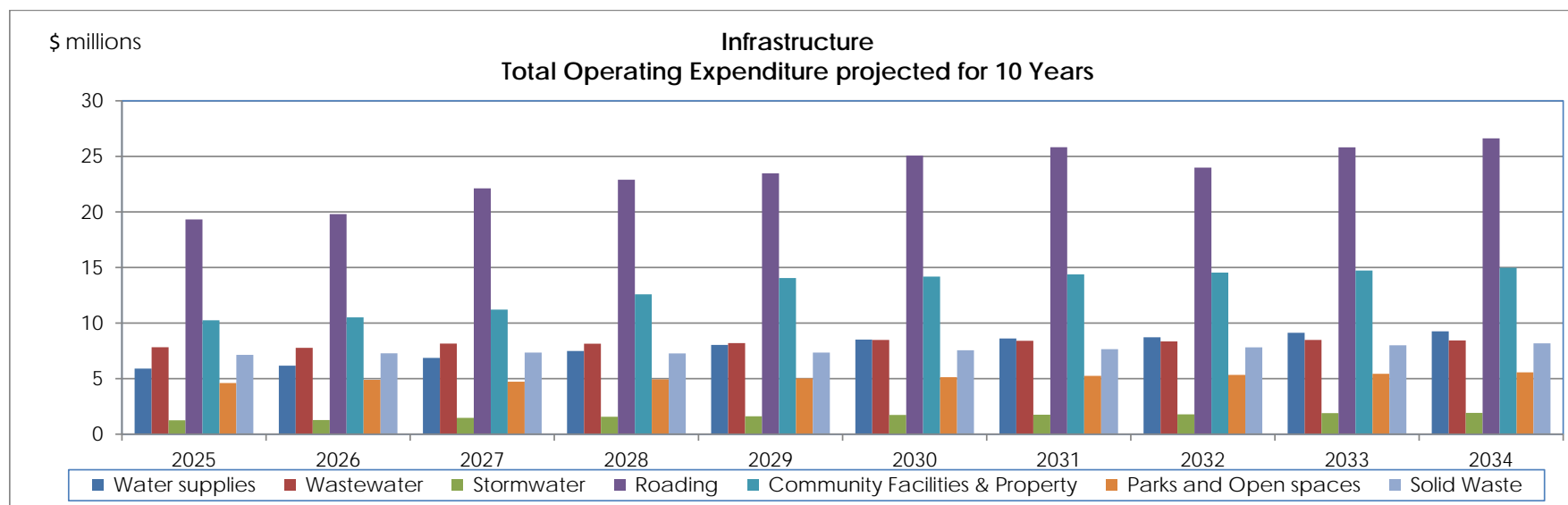
FUNDING OF OPERATING AND CAPITAL EXPENDITURE

The Council's policy with regard to the funding of capital expenditure is to:

- fund roading renewal expenditure from NZTA subsidies and annual rates.
- fund the replacement programme of other assets from depreciation reserve funds to the extent that those funds are available. Where depreciation reserves are insufficient, loan funding will be used.
- fund assets which increase levels of service with loan funding.
- fund assets needed because of growth, from developers, either by the developer providing the infrastructure or developers making financial contributions at the outset of the development. The early identification of the need for new assets driven by growth allows a long lead time for more developments to contribute and funds to accumulate prior to the upgrade being needed.

The operating expenditure for services can be funded by rates, user charges, subsidies or reserve funds. For the majority we are aiming at sustaining current service levels over the next 10 years however in a number of areas we are investing in improvements and additions to services that will increase operating costs and require additional rates funding.

These policies are further detailed in our financial strategy.



10 Year Infrastructure Expenditure Forecast

Renewal and maintenance programmes

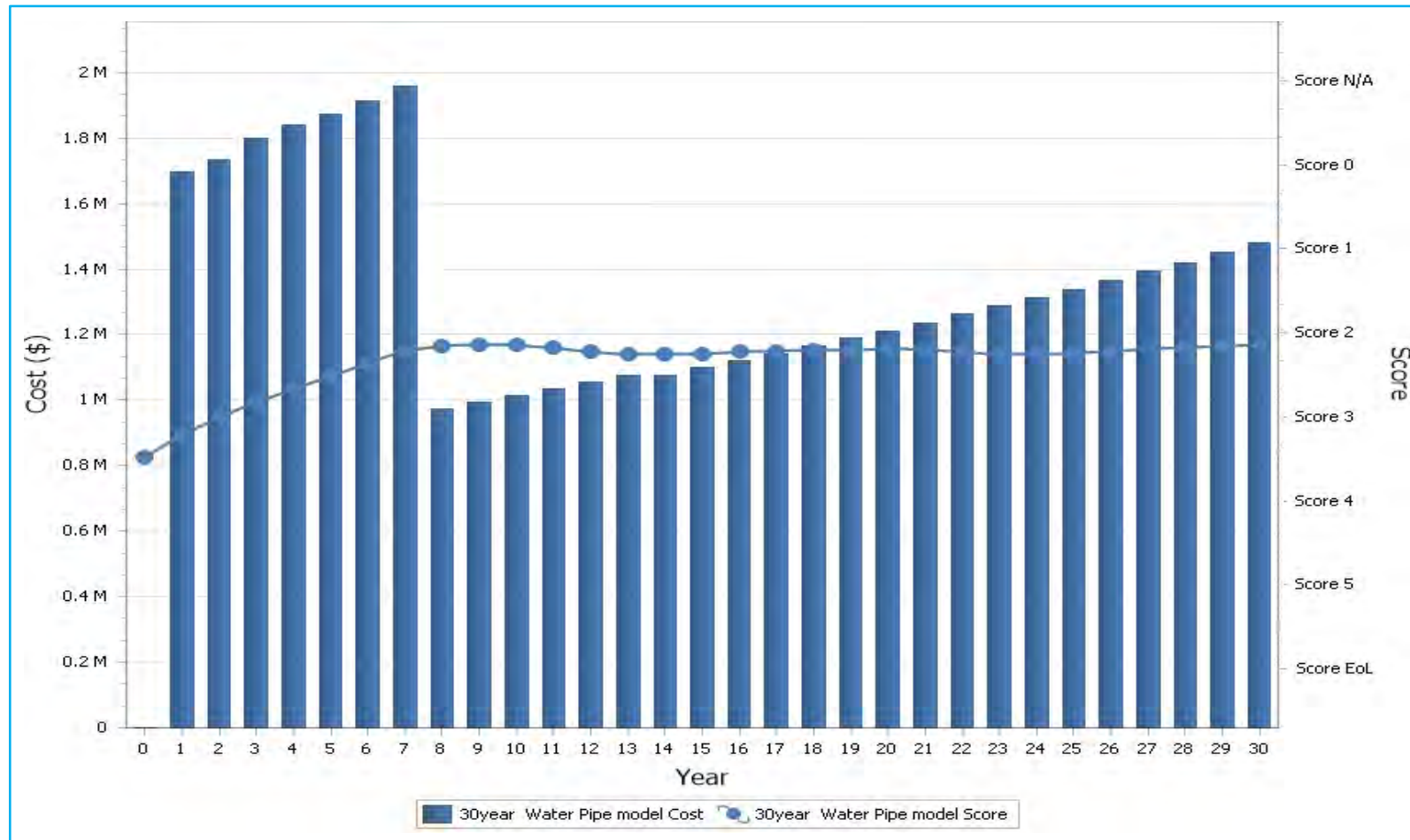
The graphs below show the forecast asset condition for the Council's water, sewer, and stormwater networks, with the proposed network renewal spend over the next 30 years. The performance of the network typically deteriorates gradually over time. Therefore, it is not critical that any particular asset is replaced in the specific year shown.

We will smooth the planned renewal programmes based on the optimised renewal decision process to achieve a balance between

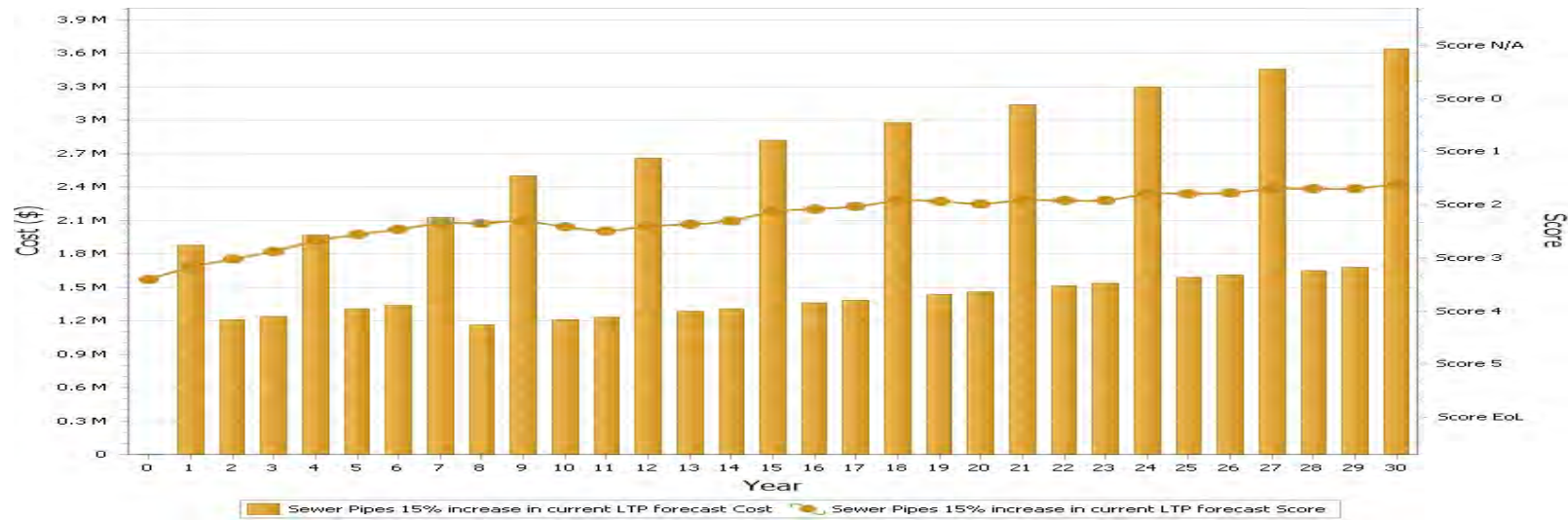
optimal timing of maintenance and replacement, keeping funding demands on ratepayers even, and ensuring that work that affects street surfaces is integrated with our street resealing programme. There are no plans to differ or delay the renewals programme specified in the asset management plans for any infrastructure assets. (NB: All graphs include an assumed inflation rate source BERL mid scenario cost adjustors 2020).

10 and 30-Year Infrastructure 3 Water infrastructure expenditure v condition Forecast

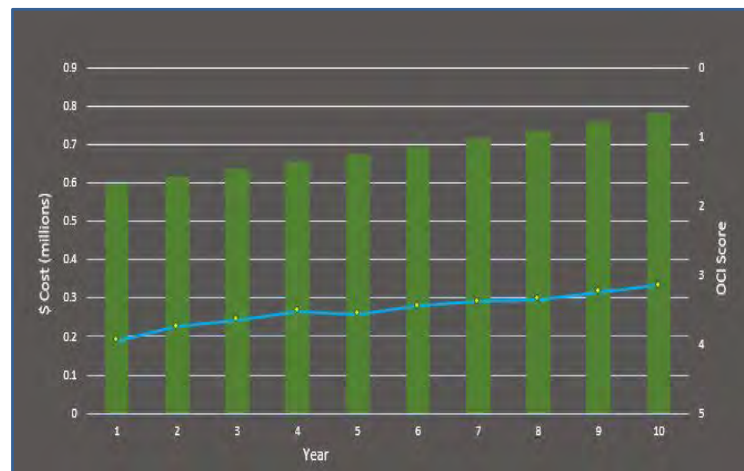
30-year scenario modelling for Water Supply reticulation pipes. Condition score and spend (Assumed 2.4% inflation) 2024-2053



30-year scenario modelling for Wastewater reticulation pipes. Condition Score and Spend 2024 -2033 (assumed 2.4% inflation)

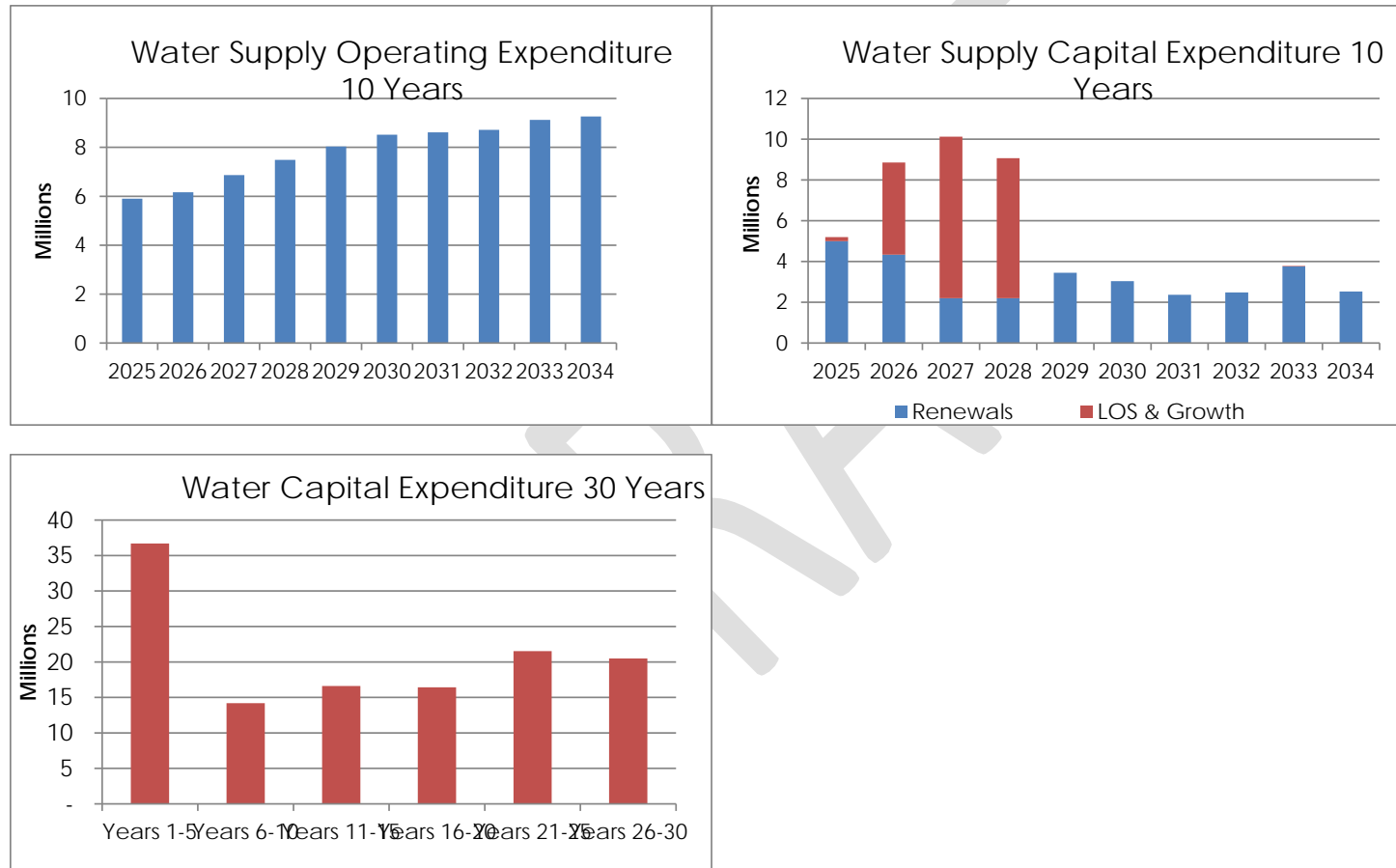


10-year scenario modelling for Stormwater reticulation pipes. Condition Score and Spend 2024 -2033 (assumed 2.4% inflation)



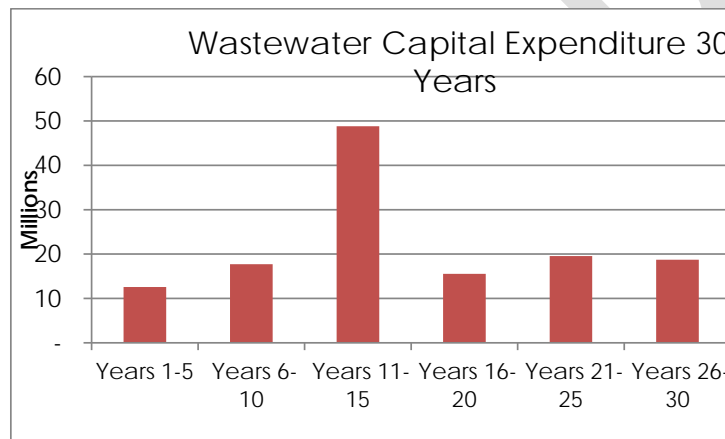
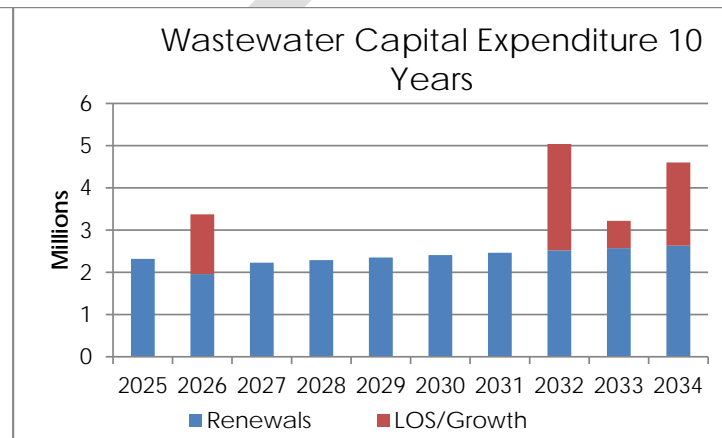
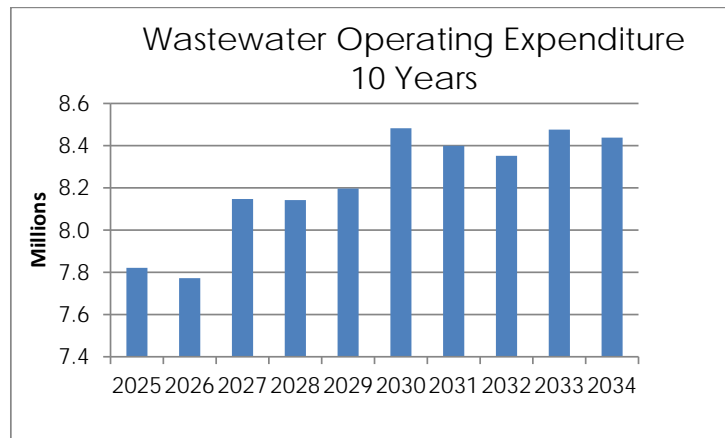
Planned expenditure – water assets

The graphs below show the projected expenditure on water assets over the next 10 to 30 years.



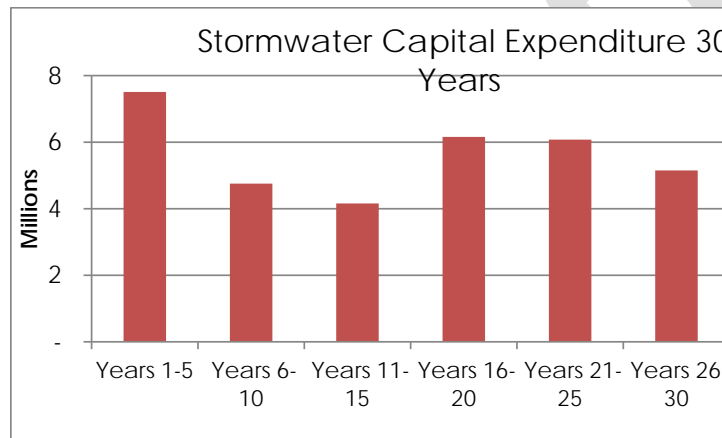
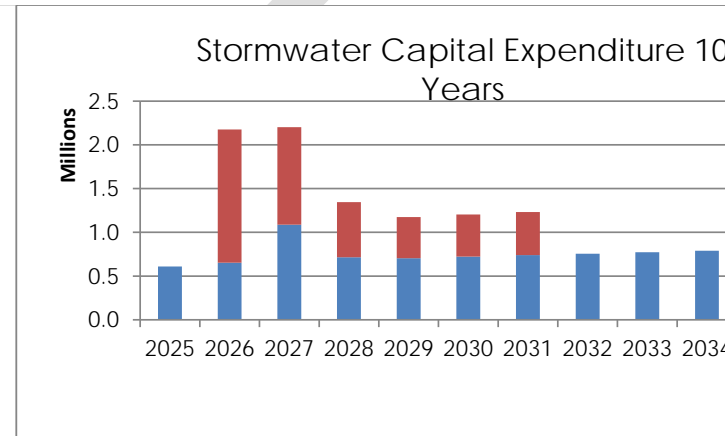
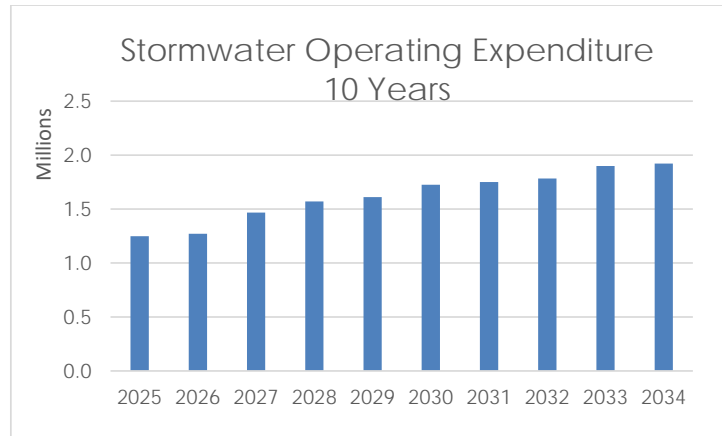
Planned expenditure – wastewater assets

The graphs below show the projected expenditure on wastewater assets over the next 10 to 30 years.



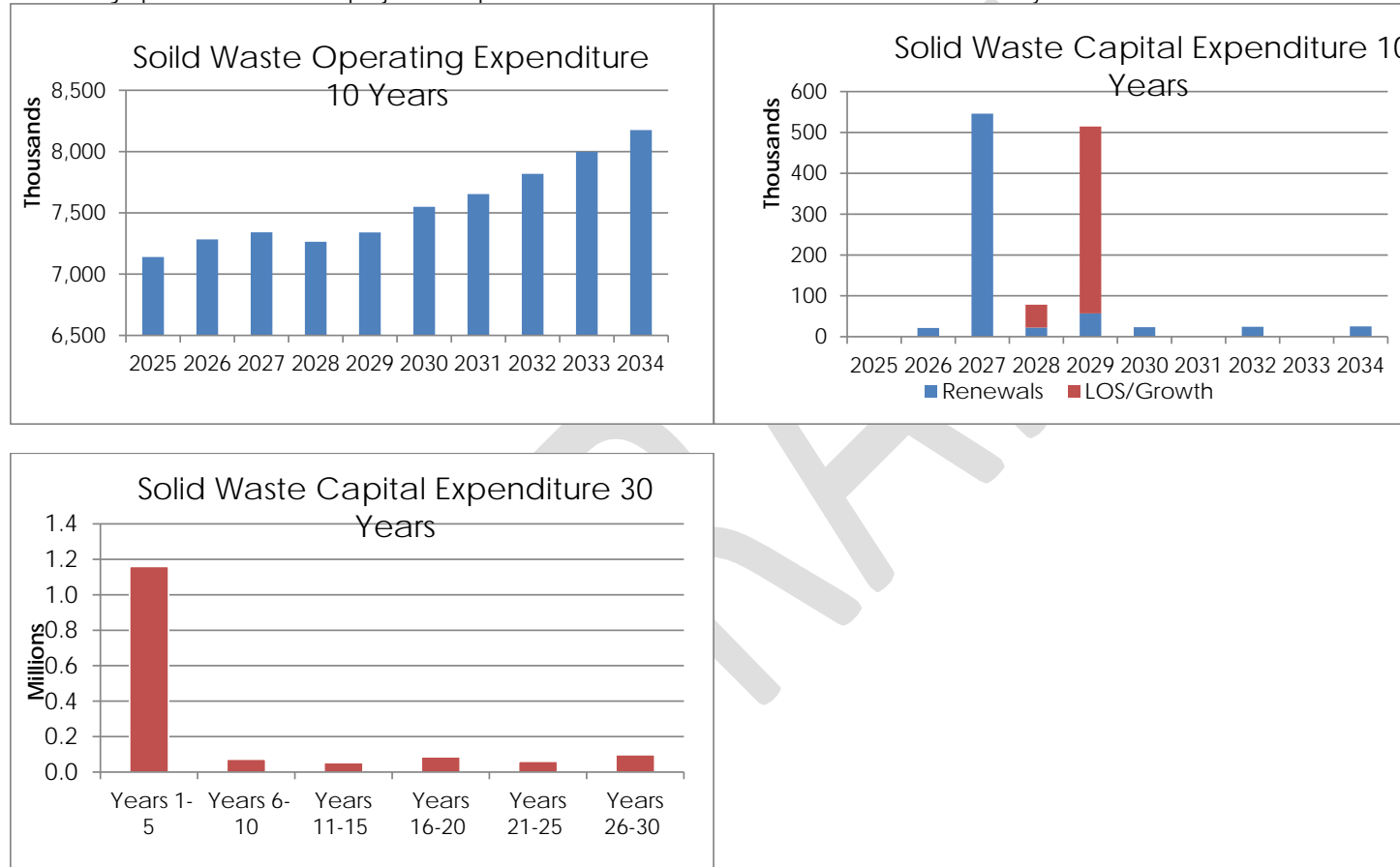
Planned expenditure – stormwater assets

The graphs below show the projected expenditure on stormwater assets over the next 10 to 30 years.



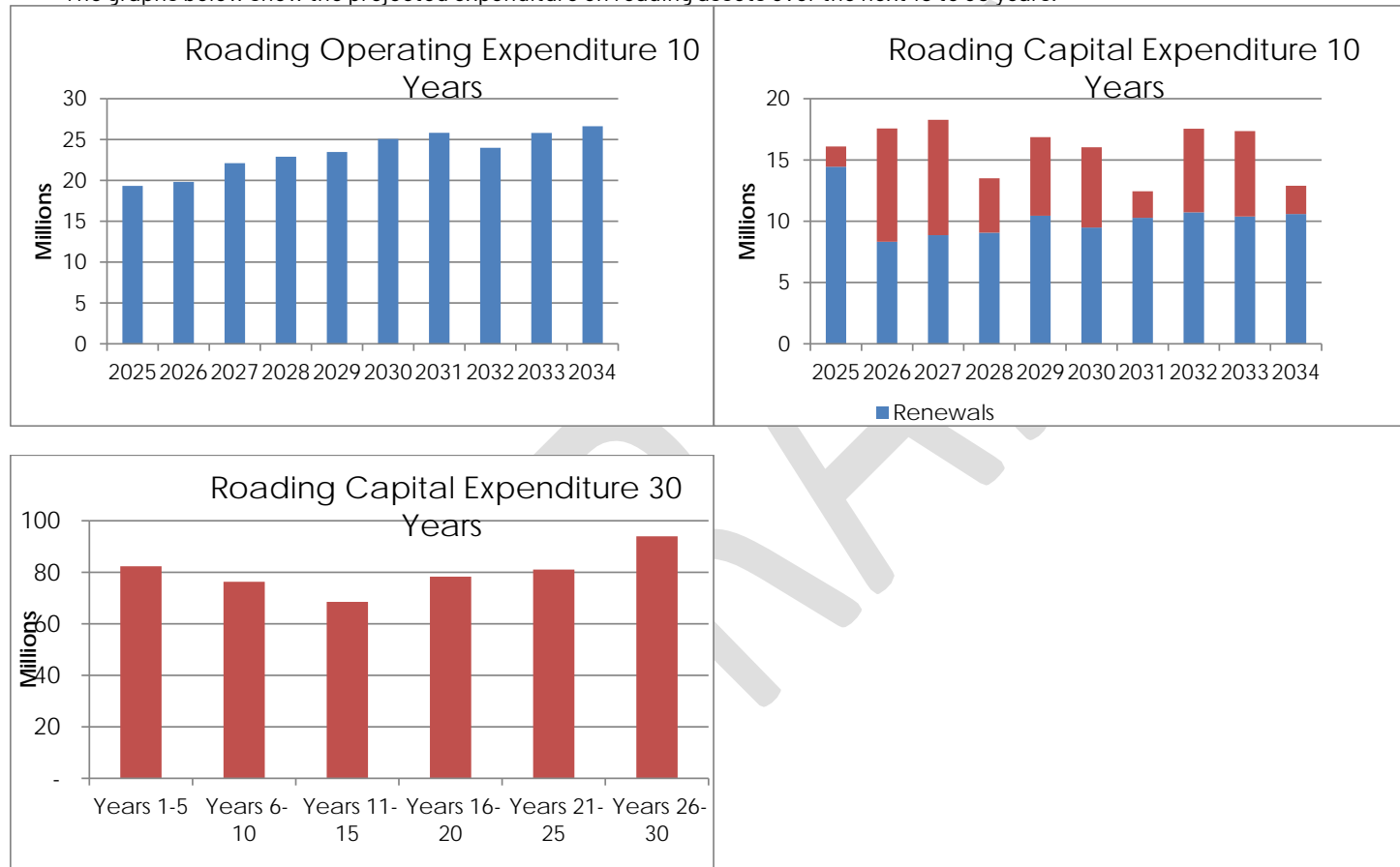
Planned expenditure – solid waste assets

The graphs below show the projected expenditure on solid waste assets over the next 10 to 30 years.



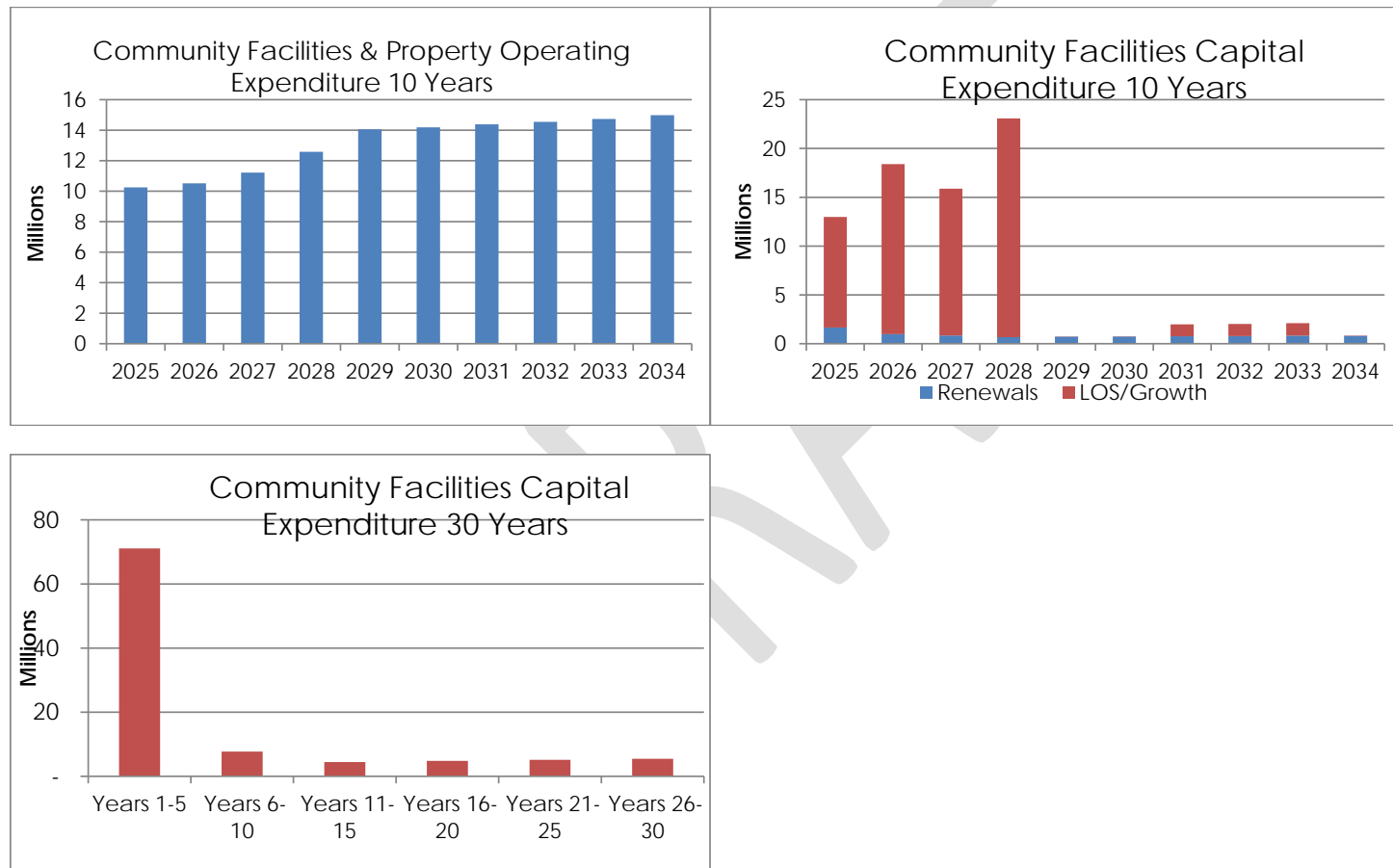
Planned expenditure – roading assets

The graphs below show the projected expenditure on roading assets over the next 10 to 30 years.



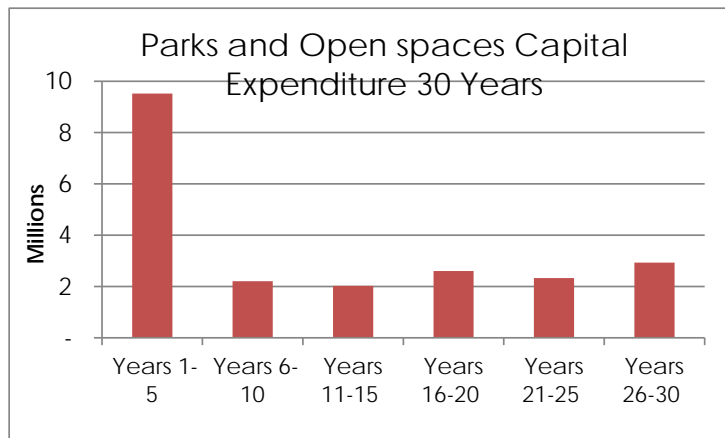
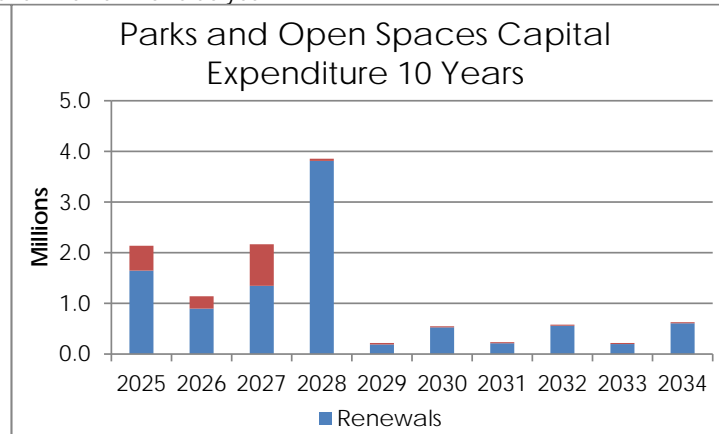
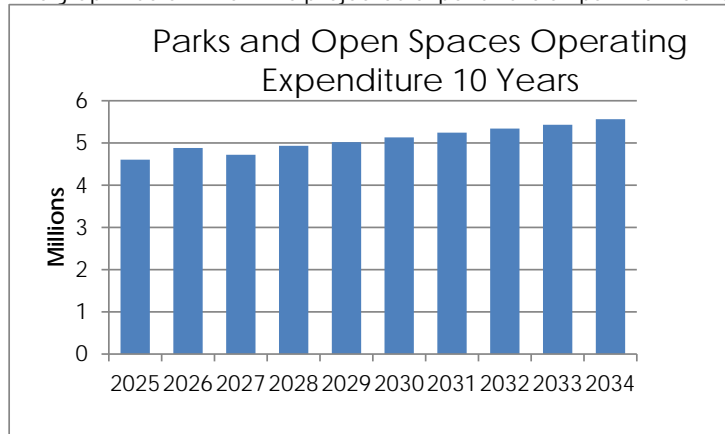
Planned expenditure – community facilities and property assets

The graphs below show the projected expenditure on community facilities and property assets over the next 10 to 30 years.



Planned expenditure – parks assets

The graphs below show the projected expenditure on parks assets over the next 10 to 30 years.



ATTACHMENT 4 DRAFT SIGNIFICANT ASSUMPTIONS

DRAFT

PART 1 – Growth and Demand Assumptions

1. POPULATION GROWTH

<p>Our Assumption – The Most Likely Scenario:</p>	<p>Average 1.5% growth per annum to 2054 (50th percentile) with higher growth of approximately 1.7% expected in Y1-10, and lower average growth in later years.</p> <p>This is based on Sense Partners growth projections (50th percentile). For the 3 decades from 2018-2048 Sense forecast median growth at 1.47% per annum. For 2022-2054 this is forecast at 1.48% per annum.</p> <p>The 50th percentile is considered the most likely scenario based on current data and most recent trends, noting a high level of uncertainty surrounding migration.</p> <p>Mean¹ Growth: Sense Partners 2023² projections forecast mean population change of +1.7% for Masterton for the 10 years from 2022-2032; and +1.4% per annum for the period from 2022-2047.</p> <p>Median³ Growth: Sense Partners 2023 median projections (from a 2018 base) forecast growth of 2.0% for the 10 years from 2018-2028, with slower rates of growth in later years: 1.3% growth for 2028-2038; and 1.1% growth for 2038-48. For 2022-2054 an average 1.48% per annum growth is forecast.</p> <p>Masterton has seen consistent growth over the past 10 years, with peak annual growth of 3% in 2020 aligning with the emergence of the COVID-19 pandemic. During the period that borders were closed, the regions continued to see growth as people moved from the cities to surrounding areas. However, since borders have re-opened, there has been a slowing of growth in rural-provincial areas where growth tends to be influenced by internal rather than international migration. With the borders open, younger people and families have been relocating overseas, and new migrants have tended to 'land' in our biggest cities. This has seen</p>
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¹ Mean = The mean (average) of a data set is found by adding all numbers in the data set and then dividing by the number of values in the set.

² Sense Partners March 2023 Update – Demographic forecasts for the Wellington region.

³ Median = The median is the middle value when a data set is ordered from least to greatest.

	regional growth slow, and growth in our cities begin to increase again ⁴ .
High Growth Scenario:	<p>Average 2.0% growth per annum to 2054 (75th percentile) Average 2.88% growth per annum (95th percentile)</p> <p>2.0% is based on Sense Partners median-higher growth projections (75th percentile) for 2022-2054.</p> <p>2.9% is based on Sense Partners high growth projections (75th percentile) for 2022-2054.</p>
Low Growth Scenario:	<p>Average 0.45% growth per annum to 2054 (5th percentile) Average 0.85% growth per annum to 2054 (25th percentile)</p> <p>0.45% is based on Sense Partners low growth projections (5th percentile) for 2022-2054.</p> <p>0.85% is based on Sense Partners median-low growth projections (25th percentile) for 2022-2054.</p>
Level of Uncertainty:	<p style="text-align: center;">High Uncertainty</p> <p>Uncertainty is assessed as high as it is still too early to fully ascertain the impacts of COVID-19 border closures and subsequent re-opening on growth. Sense Partners (P7) state <i>“There is considerable uncertainty about what will happen to immigration now that the borders have reopened”</i>.</p> <p>In September 2023 changes to immigration settings were announced including adding roles to the ‘green list’ and increasing seasonal employer caps⁵. A simplified Skilled Migrant Category Resident Visa process also applies from 9 October 2023⁶. These changes may also influence trends.</p>

⁴ Infometrics 31 October 2023 Rising Tide of Net Migration Doesn’t Lift All Boats

<https://www.infometrics.co.nz/article/2023-10-regional-population-estimates>

⁵ <https://www.immigration.govt.nz/about-us/media-centre/news-notifications/changes-to-immigration-settings-announced>

⁶ <https://www.immigration.govt.nz/about-us/media-centre/news-notifications/skilled-migrant-category-to-open-on-9-october-2023#:~:text=From%209%20October%202023%2C%20there,Skilled%20Migrant%20Category%20Resident%20Visa.&text=These%20changes%20will%20see%20a,to%20demonstrate%20their%20skill%20level.>

<p>Risk:</p>	<p>Given the level of uncertainty, there is a high risk that population growth across the district will occur at a rate that is higher or lower than we have assumed.</p>
<p>Financial Implications if we get it wrong:</p>	<p>A higher growth scenario:</p> <p>Masterton has capacity for growth within its key infrastructure and services. Our 2021 Asset Management Plans indicated we could accommodate growth of up to 1.8% per annum over the ten years to 2028 without significant impacts. We will reassess this as we develop the spatial plan scheduled for Year 1 of the 2024-34 LTP.</p> <p>If there was a significant and sustained rise in population beyond 1.8% per annum, that could have adverse effects on our ability to deliver some services to existing service levels – e.g. if demand was higher than the capacity of the service or asset. This could result in reduced levels of service or, worst case scenario, asset failures and/or a need to rapidly and heavily invest in assets to accommodate the growth. This in turn could result in much higher than planned debt or significant increases in rates (or both).</p> <p>If we were to experience higher growth than we have planned for, Council services that could be most affected are:</p> <ul style="list-style-type: none"> • Roading – greater congestion could be experienced on our roads, especially at peak times of the day. There could be a need to expand roads and/or introduce new traffic management controls. • Water Supply – given consent conditions, demand for water can exceed our capacity to supply over hot, dry summer periods. Rapid growth could add to this. To help mitigate water demand Council have introduced water meters, however the water charging regime has been deferred. The full effect of water meters will not be seen until the charging regime is introduced. We have purchased land and have provision for water storage reservoirs in Year 2-4 of the 2024-34 LTP. • Community Facilities e.g. the Library and Recreation Centre may not have the capacity to meet demand from an increased population. A library expansion, which would take population growth into consideration, has been included in Year 1 and 2 of the 2024-34 LTP. • Community Services e.g. our regulatory functions like Animal and Noise Control could see increased demand as ‘nuisance’

	<p>related requests for service tend to be concentrated in more densely populated areas.</p> <p>A lower growth scenario:</p> <p>If there was significant and sustained decline in population, this would ultimately impact our rating base and may affect our ability to set rates at a level that is affordable for our community.</p> <p>This could result in higher than planned rates increases to maintain infrastructural assets (such as roads, water, and wastewater) and/or assets with greater capacity than required. It could also reduce demand for some services. This could increase the 'cost per use' for those services making them less affordable, whether that is due to increased fees and charges or increased rates to support the cost of service.</p> <p>However, in the short to medium term, lower growth than we have assumed, or even declines in our population, would not necessarily result in a lower number of rating units given the rating base relies on the number of rateable properties versus people. As projections for households indicate fewer people per household, the number of rateable properties is likely to decline at a slower rate than the population.</p> <p>That noted, one of the drivers for more but smaller households is our aging population, and an aged population also means more people on fixed incomes. So while the rating base may not decline as rapidly, those paying the rates may have less capacity to absorb future rate increases.</p>
<p>What are we doing to reduce that risk? (Mitigation)</p>	<p>We need to balance the risk of over-investing to expand infrastructure and services that may not ultimately be required against the alternative risk of not being adequately prepared for growth.</p> <p>Our 2021 Asset Management Plans indicated we could accommodate growth up to 1.8% per annum over the ten years to 2028 within existing infrastructure and services. We will reassess this as we develop the spatial plan scheduled for Year 1 of the 2024-34 LTP.</p> <p>Where growth requires additional infrastructure (e.g. subdivisions), Council can currently require financial contributions for this work. Any costs beyond the level funded by financial contributions could result in additional Council expenditure, which would likely be loan funded.</p> <p>The financial implications for Council should be limited and able to be managed in the short to medium term but may</p>

	<p>need longer term responses if growth is substantially more or less than assumed.</p> <p>To help mitigate the risk of over or under investing in infrastructure, Council has included provision for a Spatial Plan in Year 1 of the 2024-34 LTP. This plan will help inform our planning for growth, where that is most likely to occur and what infrastructure will be needed to support that growth. The proposed WCDP also includes increased cost recovery from development.</p> <p>Council will also continue to closely monitor population change in the District. By monitoring trends we can adjust and respond accordingly if we do need to revise our plans and approach.</p>
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SUPPORTING INFORMATION:

Growth Projections

Sense Partners produce annual updates of population projections for all Councils in the Wellington Region.

Sense Partners 2023 Projections to 2052⁷

Percentile	Population in 2022	Population in 2025	Population in 2032	Population in 2052	Change 2022-2025	Change 2025-2032	Change 2032-2052
5th percentile	28,900	30,100	32,000	33,300	1,200	1,900	1,300
25th percentile	28,900	30,300	33,100	36,700	1,400	2,800	3,600
50th percentile	28,900	30,500	33,900	42,100	1,600	3,400	8,200
75th percentile	28,900	30,600	35,000	47,000	1,700	4,400	12,000
95th percentile	28,900	30,800	36,000	54,000	1,900	5,200	18,000

Sense Partners 2023 Median Projections (50th Percentile) for Masterton

	2021	2030	2040	2050	2054	% Change 2021-2054
Growth	28,403	33,060	37,416	41,546	42,984	+51%
		+16.4%	+31.7%	+46.3%	+51.3%	

⁷ Sense Partners Website – accessed 24/10/23

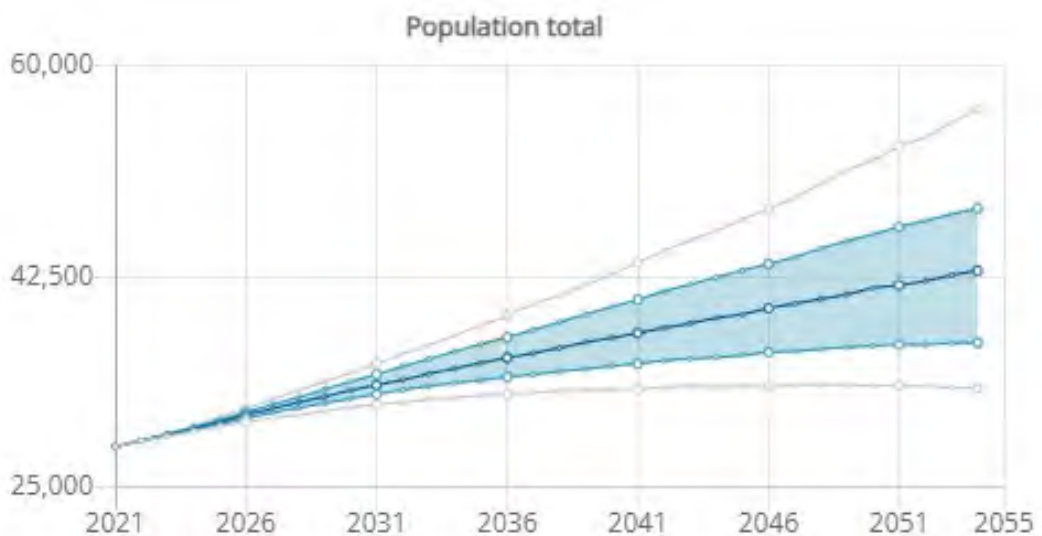
Sense Partners 2023 Median Projections (50th Percentile) for Masterton

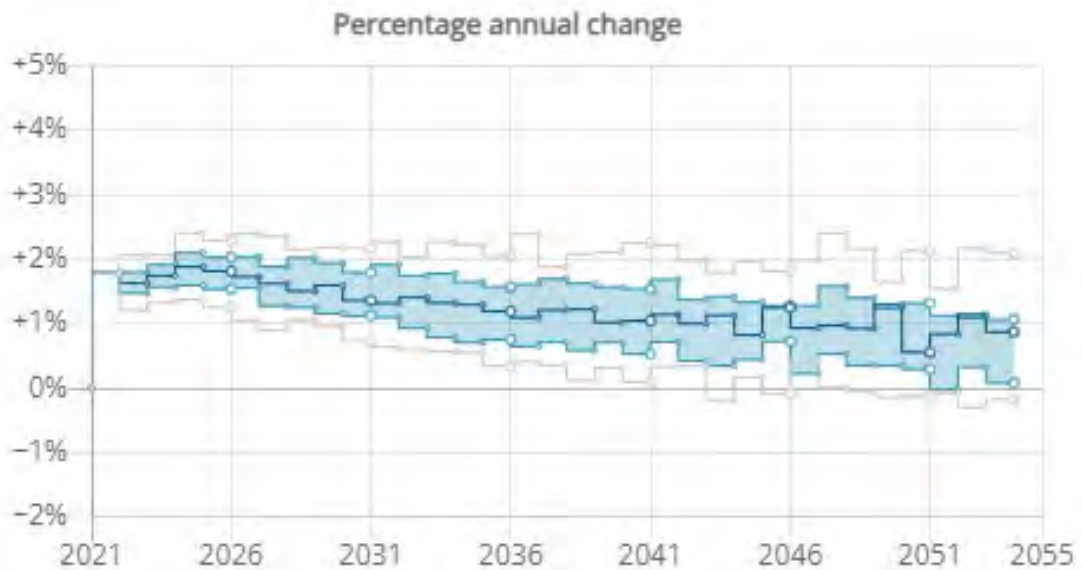
	2021	2024	2027	2030	2033
Annual % Growth	28,403	1.75	1.73	1.59	1.41

Annual average population growth

Area	Historical	Stats NZ medium projections			Sense median projections		
	1998-2018	2018-2028	2028-2038	2038-2048	2018-2028	2028-2038	2038-2048
Horowhenua	0.6%	1.2%	0.5%	0.3%	1.5%	1.0%	0.9%
Kapiti Coast	1.5%	0.7%	0.3%	0.2%	1.2%	1.2%	1.0%
Porirua	0.9%	0.9%	0.5%	0.3%	1.1%	1.0%	0.9%
Upper Hutt	0.9%	1.0%	0.5%	0.3%	1.2%	1.0%	0.8%
Lower Hutt	0.4%	0.7%	0.4%	0.2%	0.9%	1.0%	0.9%
Wellington City	1.2%	0.2%	0.5%	0.4%	0.4%	0.9%	0.8%
Masterton	0.6%	1.5%	0.4%	0.1%	2.0%	1.3%	1.1%
Carterton	1.7%	1.2%	0.5%	0.3%	1.6%	1.3%	1.1%
South Wairarapa	1.0%	1.3%	0.5%	0.2%	1.5%	1.2%	0.9%

Tables from Sense Partners website for Masterton District:





Sense Partners 2023 Updates⁸:

Components of population change, by district next 10 years (2022-2032)



Components of projected mean population change¹

Area	Horowhenua	Kapiti	Porirua	Upper Hutt	Lower Hutt	Wellington	Masterton	Carterton	Wairarapa	Region	NZ
2022 population	36,952	57,551	61,564	47,689	112,422	212,849	28,910	10,258	11,758	543,001	5,118,207
Net natural change	-0.2%	-0.2%	1.1%	0.5%	0.8%	0.7%	0.2%	0.2%	0.4%	0.6000%	0.5%
Births	1.3%	1.1%	1.7%	1.4%	1.5%	1.2%	1.5%	1.3%	1.4%	1.3%	1.4%
Deaths	-1.5%	-1.3%	-0.6%	-0.9%	-0.7%	-0.5%	-1.3%	-1.1%	-1.0%	-0.7%	-0.8%
Net migration change	1.5%	1.5%	0.0%	0.7%	0.3%	0.1%	1.6%	1.4%	1.0%	0.5000%	0.8%
Net domestic change	1.4%	1.1%	0.0%	0.6%	0.0%	-0.6%	1.4%	1.1%	0.8%	0.0%	0.0%
In-migration	7.2%	6.7%	6.4%	6.2%	5.3%	5.5%	7.9%	8.9%	8.8%	6.0%	0.0%
Out-migration	-5.8%	-5.6%	-6.4%	-5.6%	-5.3%	-6.1%	-6.5%	-7.9%	-8.0%	-6.0%	0.0%
Net international change	0.1%	0.4%	0.0%	0.1%	0.3%	0.7%	0.2%	0.3%	0.2%	0.4%	0.8%
Immigration	1.2%	1.6%	1.7%	1.3%	1.9%	3.7%	1.3%	1.0%	1.4%	2.5%	2.7%
Emigration	-1.1%	-1.2%	-1.7%	-1.2%	-1.6%	-3.0%	-1.1%	-0.8%	-1.1%	-2.0%	-1.9%
2032 population	41,763	65,310	68,287	53,447	124,321	229,368	34,052	11,890	13,450	600,124	5,776,577
10 year change	4,811	7,759	6,723	5,758	11,899	16,519	5,142	1,632	1,692	57,123	658,370
10 year growth	1.2%	1.3%	1.0%	1.1%	1.0%	0.8%	1.7%	1.5%	1.4%	1.0%	1.2%
Prior 10 years growth	1.7%	1.3%	1.4%	1.5%	1.1%	0.8%	1.8%	2.1%	2.0%	1.1%	1.5%
Growth vs Region	1.2	1.3	1.0	1.1	1.0	0.8	1.7	1.5	1.4	1.0	1.2
Growth vs NZ	1.0	1.1	0.8	0.9	0.8	0.7	1.4	1.3	1.2	0.8	1.0

¹ Overall growth at the mean does not align with growth at the median. Means are provided here because they allow for consistent comparisons of the contributions across the components of population change.

⁸ Sense Partners March 2023 Update – Demographic forecasts for the Wellington region

Sense Partners compared to Statistics New Zealand Forecasts:

Projected population growth rates, comparison with Stats NZ projections



Annual average population growth

Area	Historical	Stats NZ medium projections			Sense median projections		
	1998-2018	2018-2028	2028-2038	2038-2048	2018-2028	2028-2038	2038-2048
Horowhenua	0.6%	1.2%	0.5%	0.3%	1.5%	1.0%	0.9%
Kapiti Coast	1.5%	0.7%	0.3%	0.2%	1.2%	1.2%	1.0%
Porirua	0.9%	0.9%	0.5%	0.3%	1.1%	1.0%	0.9%
Upper Hutt	0.9%	1.0%	0.5%	0.3%	1.2%	1.0%	0.8%
Lower Hutt	0.4%	0.7%	0.4%	0.2%	0.9%	1.0%	0.9%
Wellington City	1.2%	0.2%	0.5%	0.4%	0.4%	0.9%	0.8%
Masterton	0.6%	1.5%	0.4%	0.1%	2.0%	1.3%	1.1%
Carterton	1.7%	1.2%	0.5%	0.3%	1.6%	1.3%	1.1%
South Wairarapa	1.0%	1.3%	0.5%	0.2%	1.5%	1.2%	0.9%

- Our projections for population growth are substantially higher than Stats NZ's projections released on 12 December 2022.
- The substantial difference between these two sets of projections is due to differing views on migration. Our median projections include long-run positive net migration rates of similar magnitude to trends observed in the past 10 years pre pandemic. Stats NZ is projecting a substantial decline in net migration.

14

Past Growth Trends

Since 2013, Masterton's population has increased by approximately 5,000 people, or 20.1%. That equates to average annual growth of around 2.0%.

Just over half of that growth (54% of the 5,000 increase) has occurred in the last five years, with Masterton's population growing by 2,700 since 2018. That equates to an average annual growth rate of 2.18%.

Peak growth over this period occurred in 2020 and 2021 and aligns with trends of New Zealander's returning 'home' in response to the COVID-19 pandemic. Growth slowed slightly in 2022 compared to the previous two years, and in 2023 growth is at the lowest rate experienced since 2013. This is likely to be associated with borders re-opening following the closure during the COVID-19 pandemic. Areas that are influenced more by internal than international migration, like Masterton, have seen growth begin to slow since the borders have re-opened. This is influenced by NZ residents heading overseas and new migrants tending to 'land' in the cities first⁹.

In the last ten years the lowest annual growth has been 1.4% in 2023 and the highest was 3.0% in 2020.

⁹ Infometrics 31 October 2023 Rising Tide of Net Migration Doesn't Lift All Boats
<https://www.infometrics.co.nz/article/2023-10-regional-population-estimates>

Past Growth - Infometrics¹⁰

Year	Population	Change	Change
2023	29,100	+100	+1.4%
2022	29,000	+600	+2.1%
2021	28,400	+700	+2.5%
2020	27,700	+800	+3.0%
2019	26,900	+500	+1.9%
5Y Baseline - 2018	26,400	+600	+2.3%
2017	25,800	+400	+1.6%
2016	25,400	+500	+2.0%
2015	24,900	+400	+1.6%
2014	24,500	+400	+1.7%
2013	24,100		
Growth Over 10Y from 2013:		+5000	+20.1%



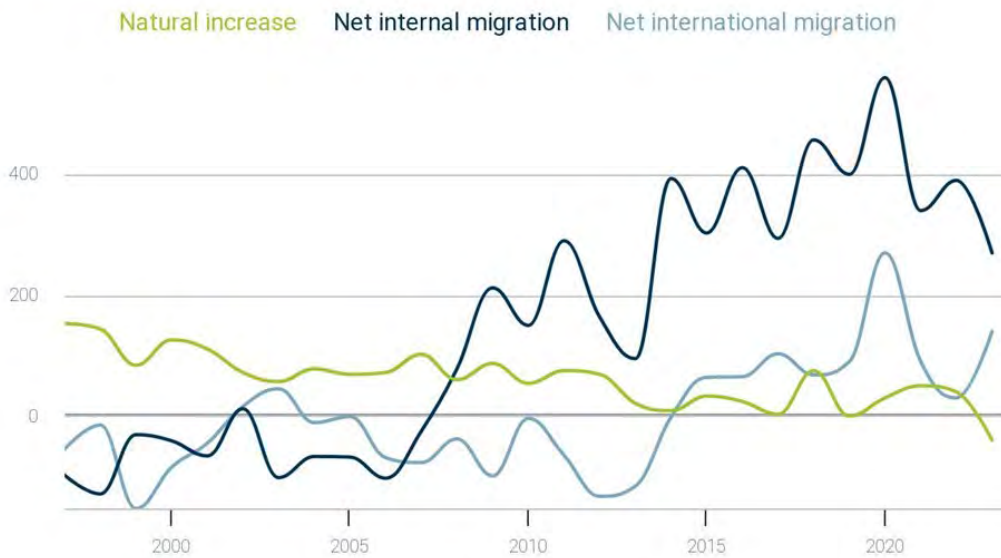
Masterton District's population increased by 370 people in the year to June 2023. This was made up of an internal net migration of 270, an international net migration of 140 and a natural increase of -40.¹¹

¹⁰ Infometrics 2023 downloaded from <https://ecoprofile.infometrics.co.nz/Masterton%20District/Population> on 14 November 2023

¹¹ Infometrics 2023 – accessed 17/11/23

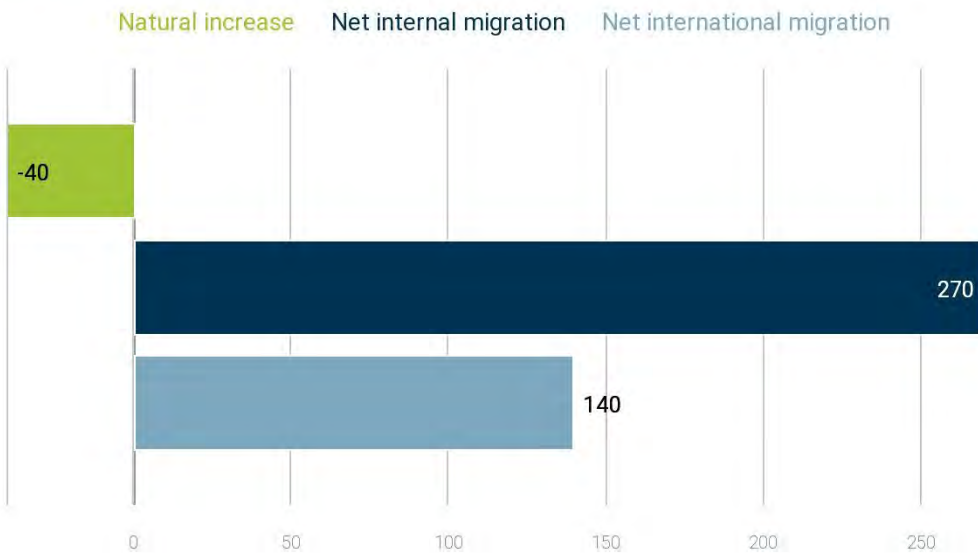
Source of population growth

Persons, June years



Source of population growth 2022 - 2023

Persons, annual average, June years

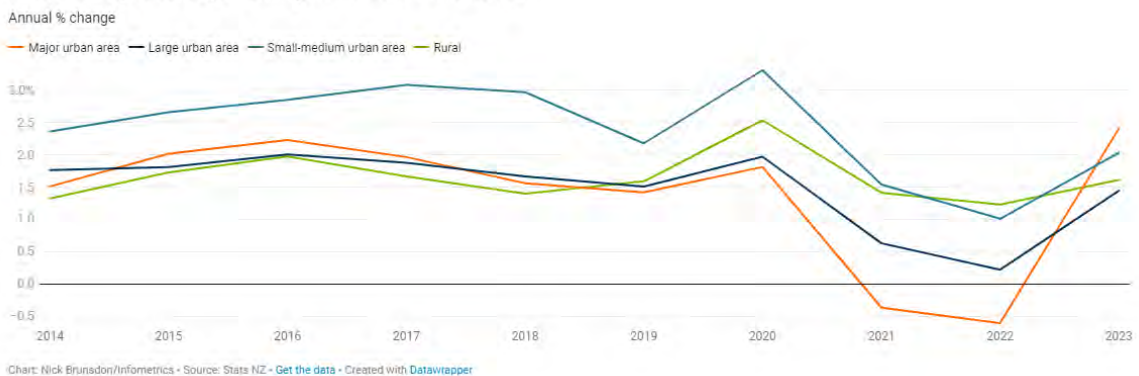


Migration:

“Large and small-medium urban areas gained from internal migration in 2021 and 2022, as people left the major urban areas, so the return of international net migrants in 2023 represented a modest boost to overall growth. Similarly, rural areas did quite well out of internal migration in 2021 and 2022, so the addition of international migration in 2023 has barely moved the growth rate.”

“Conversely, other areas are more driven by internal migration, and continue to lose New Zealand citizens who are heading off overseas, without gaining enough from the surge in non-citizen arrivals to make up the shortfall. This seems to be most acute in areas that act (at least partly) as a satellite to larger centres, with growth slowing between 2022 and 2023 in Kaipara, Central Hawke’s Bay, Masterton, Carterton and Central Otago¹².”

Chart 1. Population growth by urban and rural areas



House Affordability¹³:

Drivers for those relocating within New Zealand include the ability to work remotely and affordable living, especially affordable housing. Housing in Masterton is more affordable than many other parts of the country and compared to the NZ average. This coupled with our proximity to Wellington may make Masterton an attractive option for New Zealander’s looking to relocate.

- In September 2023, housing in Masterton District was more affordable than in the Wellington Region and compared to the New Zealand average.
- In Masterton District the average house value was 7.5 times the average household income in 2021, compared to 8.9 times the average household income for New Zealand.

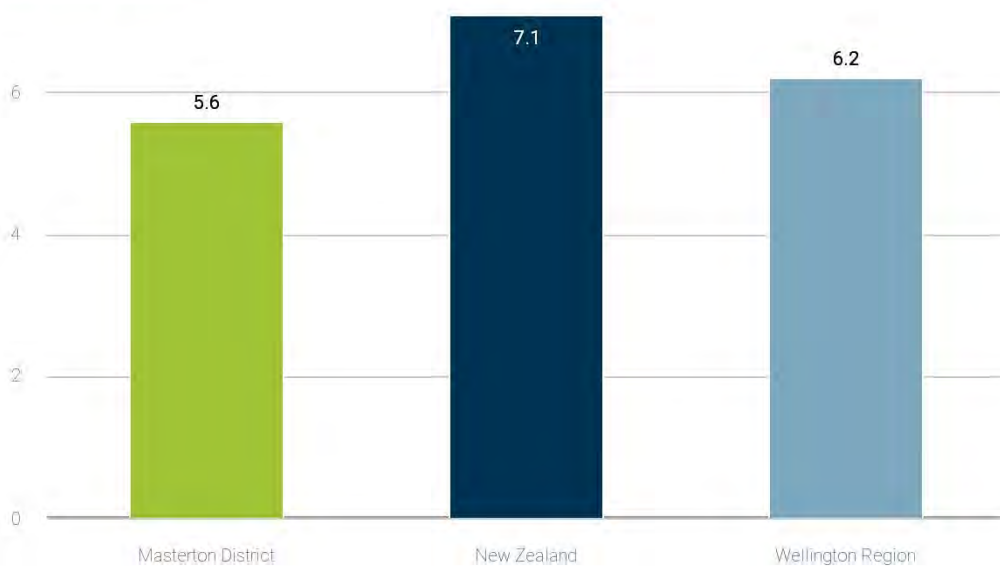
¹² Infometrics 31 October 2023 Rising Tide of Net Migration Doesn’t Lift All Boats
<https://www.infometrics.co.nz/article/2023-10-regional-population-estimates>

¹³ Infometrics - <https://gem.infometrics.co.nz/masterton-district/affordability/housing?compare=new-zealand>
- Downloaded 14/11/23

- Since 2005, the house value to income multiple in Masterton District reached a maximum (least affordable) of 7.5 in 2022 and a minimum (most affordable) of 3.3 in 2015.
- In Masterton District, 42.1% of the average household income would be needed to service a 20 year mortgage on the average house value, with a 20% deposit at average 2-year fixed interest rates in 2022. This was lower than in New Zealand (50.0%).

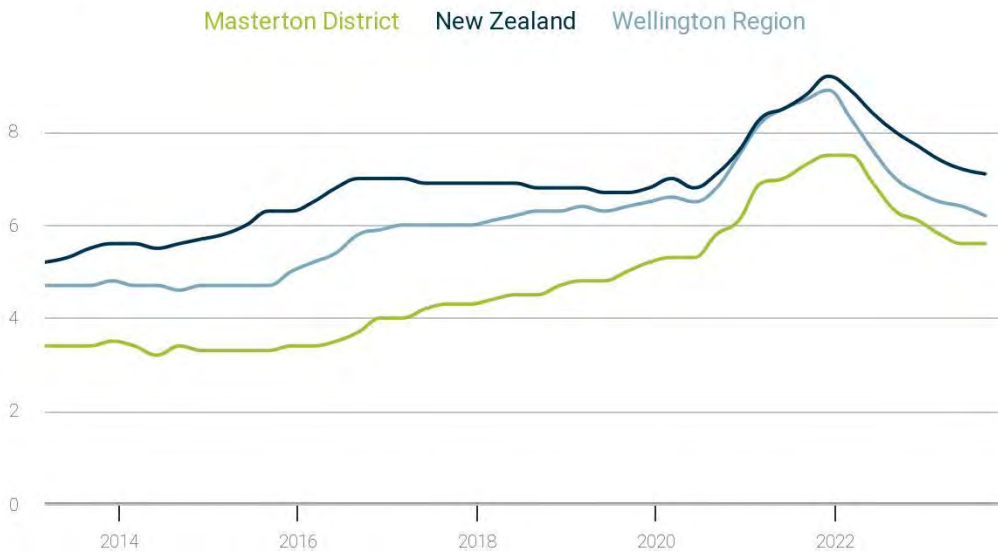
Housing affordability

September 2023



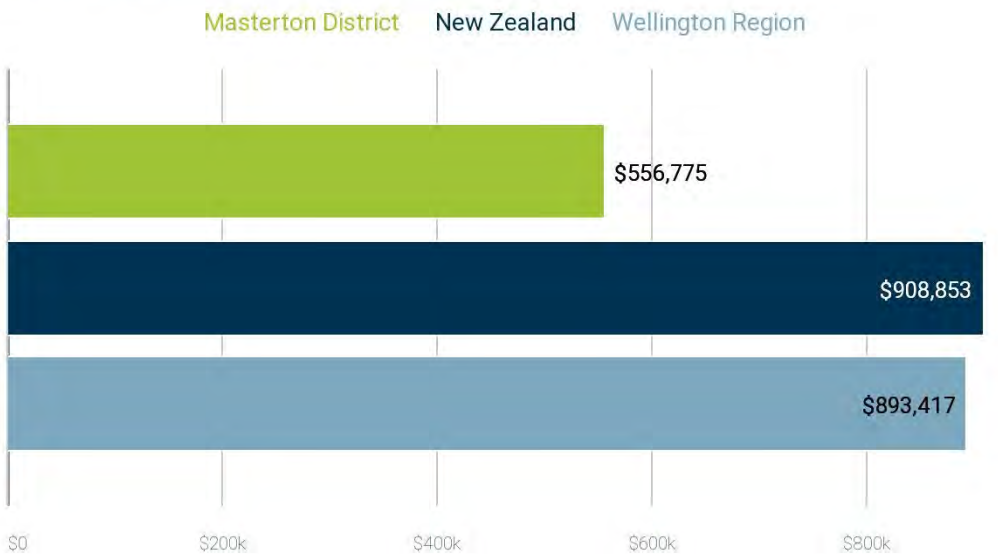
Housing affordability index

Annual level



Average current house value

Average house value in September 2023 quarter



House value growth

Annual % change



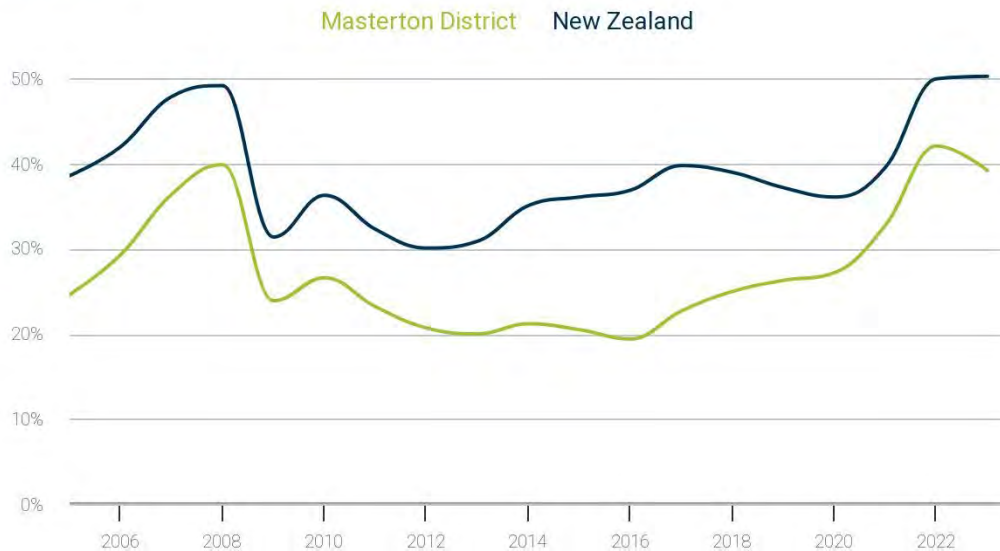
House value to income multiple

March years



Mortgage payment proportion of income

March years



Rental Affordability¹⁴:

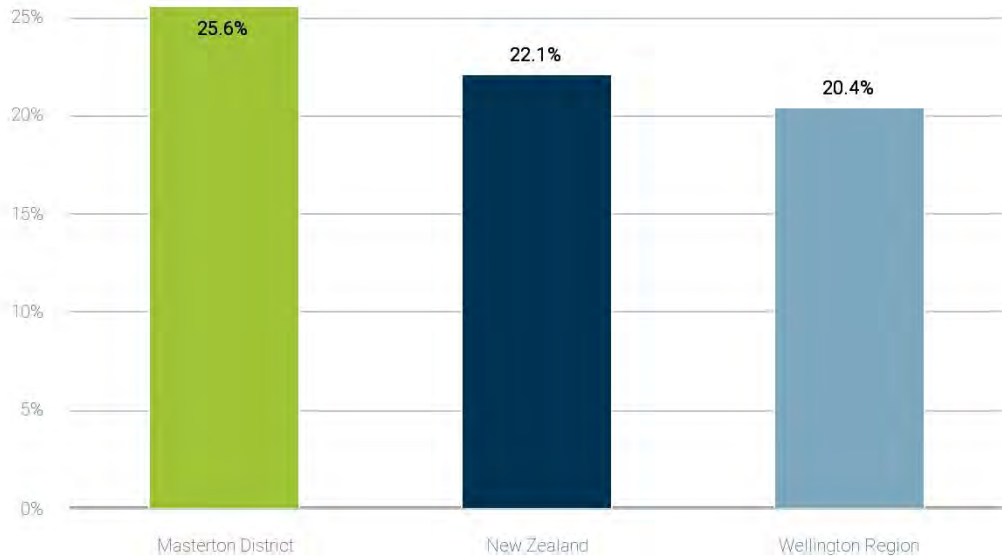
In contrast to housing affordability, renting is becoming less affordable in Masterton. Latest statistics signal renting in Masterton is more expensive than the NZ average.

- In 2023 in Masterton District the average weekly rent equates to 25.3% of the average household income compared to 21.9% for New Zealand.
- Since 2000, the rent to income proportion in Masterton District reached a maximum (least affordable) of 25.3% in 2023 and was at a minimum (most affordable) in 2002 (14.2%).
- For the twelve months to September 2023, renting in Masterton District was less affordable than in Wellington Region and compared to New Zealand. While rental affordability deteriorated in Masterton District over this period, rental affordability improved in the Wellington Region and there was no material change in rental affordability for New Zealand.

¹⁴ Infometrics - <https://gem.infometrics.co.nz/masterton-district/affordability/rental?compare=new-zealand> – downloaded 14/11/23

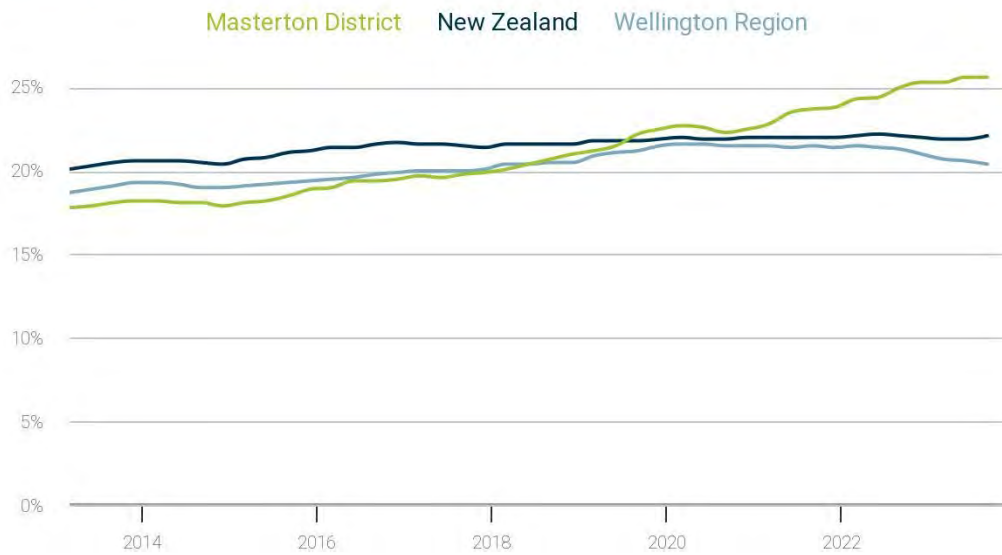
Rental affordability

September 2023



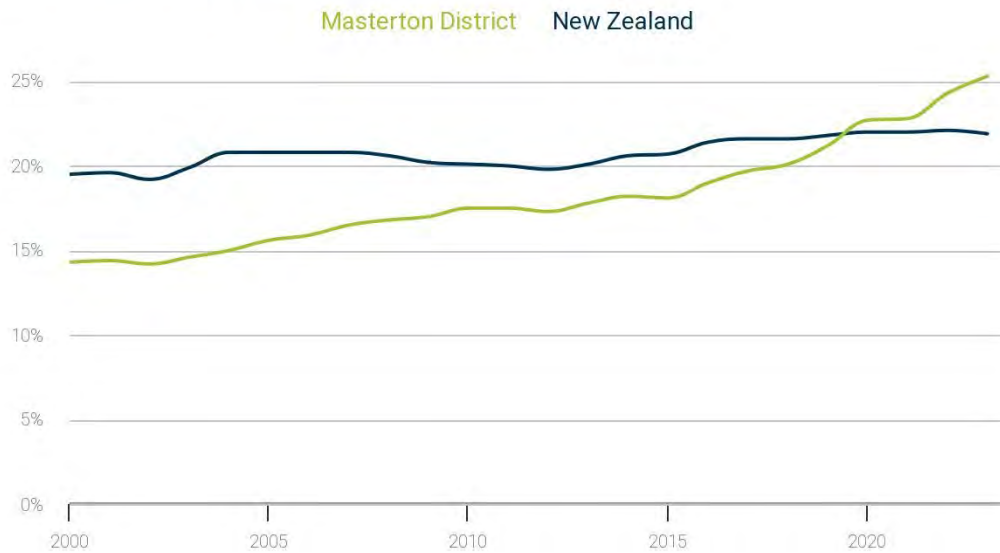
Rental affordability index

Annual ratio



Rent to income proportion

Average weekly rent as % of average household income, March years

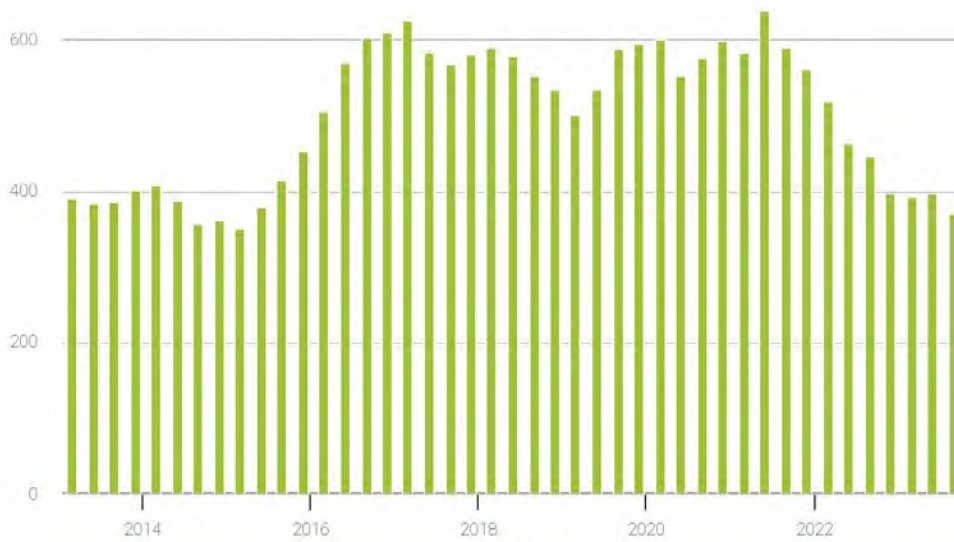


House Sales

While some house sales are people relocating within the district, house sales can also reflect people moving into the area. In the year to September 2023, house sales in Masterton District decreased compared with the previous year and were lower than the 10 year average. This is consistent with the lower population growth in the past 12 months compared to the previous 2-3 years.

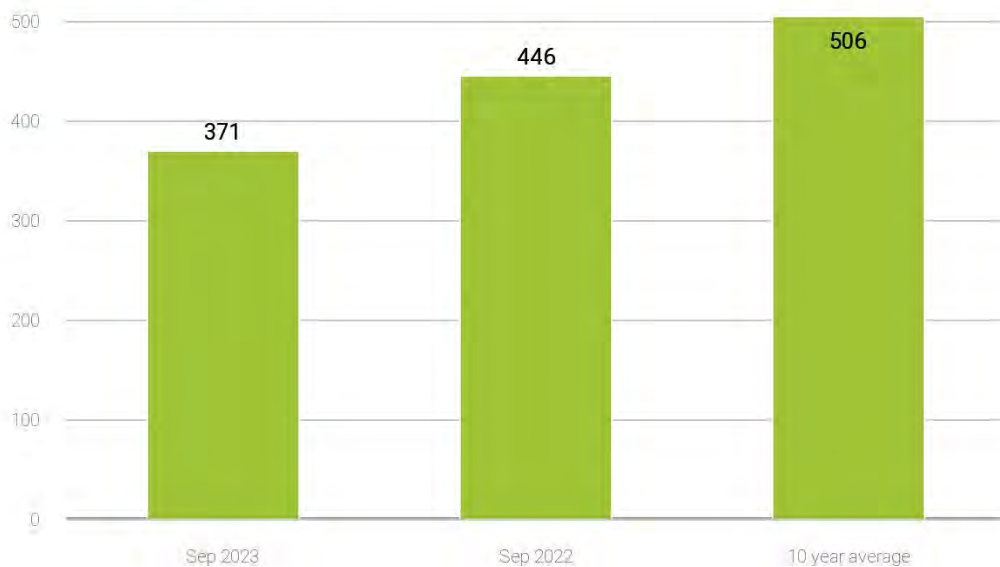
House sales

Annual number, Masterton District



House sales

Annual number, Masterton District



2. DEMOGRAPHIC CHANGE: POPULATION AGE STRUCTURE

<p>Our Assumption – The Most Likely Scenario:</p>	<p>Our population will continue to age faster than the NZ average.</p> <p>This is consistent with demographic trends and population projections for Masterton. See supporting information.</p>
<p>Best Case Scenario:</p>	<p>The population ages slower than we anticipate.</p> <p>Given Masterton’s close proximity to Wellington, relative affordability and with greater acceptance of remote working, more people of working age and young families could be attracted to or choose to stay in the district. This could slow the ageing of our population, grow our ‘working age population’ and balance affordability concerns by spreading the ‘rates load’. This could also enable Council to more easily invest in projects and initiatives that could make Masterton more attractive in future.</p>
<p>Worst Case Scenario:</p>	<p>The population ages more quickly than we anticipate.</p> <p>If more people of working age, young families and youth than we anticipate are attracted to opportunities in other districts/locations/overseas and choose to leave the district, this could see our younger population decline, accelerating the aging of our population. This could contribute to affordability challenges as the rates impact would need to be shared by those who remained in the district. A higher proportion of people of retirement age would also mean a higher proportion of people on fixed incomes. Affordability concerns could restrict Council from being able to pursue projects/investment in our community and community infrastructure.</p>
<p>Level of Uncertainty:</p>	<p>Low-Medium Uncertainty</p> <p>Globally (for western nations) and nationally it is widely accepted that the population is ageing. Masterton, like many other rural provincial towns in New Zealand, is ageing faster than the New Zealand average. Without intervention, this trend is unlikely to change. That noted, Masterton could become more attractive to younger people/families given its relative affordability, proximity to Wellington and as remote working becomes easier and more acceptable.</p>

<p>Risk:</p>	<p>There is a low risk that our population will age differently to what we expect – this could be ageing faster or slower than anticipated.</p>
<p>Implications if we get it wrong:</p>	<p>A faster ageing scenario:</p> <p>If the population ages more quickly than we anticipate, this could result in a higher proportion of people on fixed incomes and increased affordability challenges for our community.</p> <p>A slower ageing scenario:</p> <p>If the population ages more slowly than we have assumed, this could assist in mitigating affordability concerns for the community.</p>
<p>What are we doing to reduce that risk? (Mitigation)</p>	<p>We will continue to closely monitor population change in the district to understand trends and ensure we respond appropriately.</p> <p>We are currently working to ensure we balance demand and services at both ends of the demographic pyramid, providing services and opportunities that engage and contribute to the wellbeing of both our younger and our more mature populations.</p> <p>The three Wairarapa Councils have a Wairarapa Positive Ageing Strategy and a Wairarapa Rangatahi Strategy. These strategies aim to improve outcomes for, and the wellbeing of, these demographics.</p> <p>By implementing these strategies, we will be better placed to attract and maintain younger people/families, whilst also supporting active aging (whether that is through involvement in social and cultural activities, volunteering or physical activity).</p> <p>From a financial perspective, those aged 65+ are more likely to have fixed incomes and rate increases can 'hit harder' in these circumstances. With a larger proportion of people on fixed incomes in our community, rates affordability is a consideration for Council and could impact Council's ability to pursue some opportunities.</p> <p>To mitigate this, we have, and will continue to seek external funding for projects where opportunities exist; and will continue to explore future partnership opportunities with local Iwi and funders like Trust House and Trust Lands Trust.</p>

SUPPORTING INFORMATION:

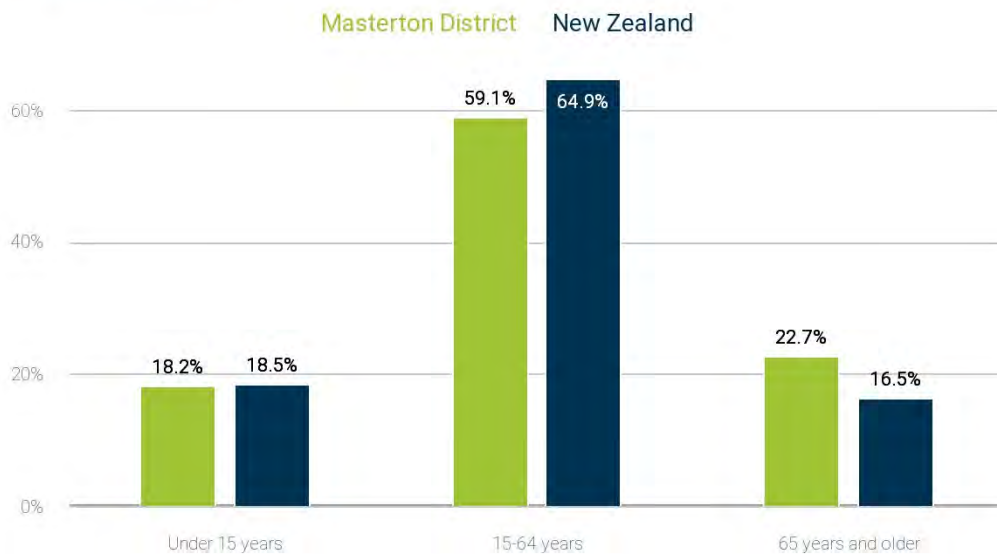
“The age composition of an area’s population has implications for the demand for services and facilities, as well as decisions regarding changes to property rates. For example, as a population ages, the demand for certain types of service and new facilities, for example schools, will decrease. Meanwhile, as a greater proportion of population retires from work, sources of incomes change and there is likely to be an increase in demand for leisure and care-based facilities¹⁵.”

Current Population Age Composition¹⁶

- The proportion of people 65 years and older was 22.7% in Masterton District. This proportion was higher than in New Zealand (16.5%).
- Overall, the dependency ratio was 69.2% in Masterton District. This proportion was higher than in New Zealand (54.0%).

Population by broad age group, 2023

% of total, as at 30 June



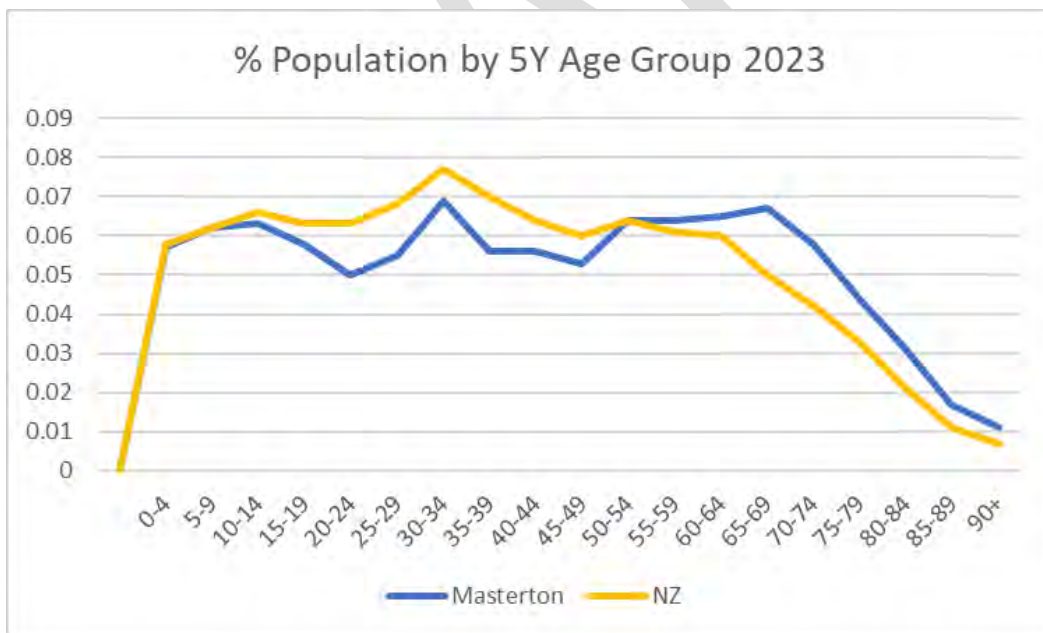
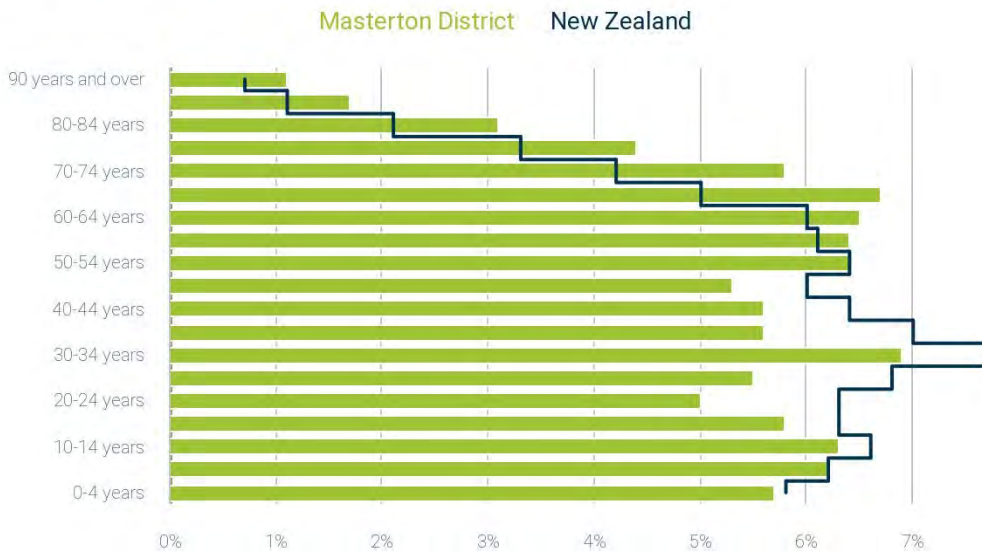
¹⁵ Infometrics 2023 – downloaded from

<https://ecoprofile.infometrics.co.nz/Masterton%20District/Population/AgeComposition> on 16/11/23

¹⁶ Infometrics 2023 – accessed 17/11/23

Population by 5-year age group, 2023

% of total, as at 30 June



Dependency Ratio¹⁷

The dependency ratio is the number of people aged under 15 and over 65 as a ratio of the rest of the population.

- The dependency ratio for Masterton is 69.2% in 2023, compared to 69% in 2019 and 61.4% in 2009.
- For NZ this is 54%, compared to 54.1% in 2019 and 50.8% in 2009.

The dependency ratio for Masterton is increasing, reflecting the aging population.

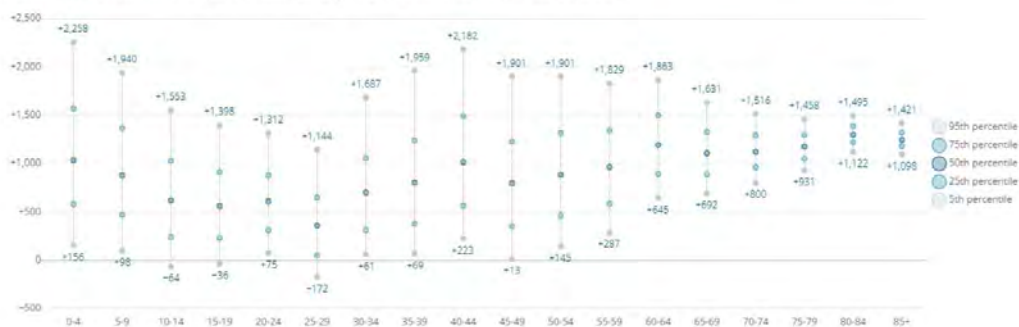
Population projections

In April 2021 Sense Partners¹⁸ stated that for the Wellington region:

- Rates of population growth are highest at ages 50 and over – a continuation of a long term trend.
- The share of the population aged over 70 is expected to rise from 10% to 15% over the next 30 years.
- Fastest rates of growth are in the 80 and over (80+) age group.
- The lowest rates of population growth are for people in their 20s – a consequence of the projected decline in immigration relative to recent highs.
- This implies there will be substantially fewer young workers and tertiary students as a share of the population.

The following table shows the Sense Partners 2023 forecast growth in age groups for Masterton district¹⁹:

The following chart shows the ranges of expected change in population totals between 2018 and 2054:



¹⁷ Infometrics 2023 – accessed 16/11/23

¹⁸ Sense Partners 2021 Demographic and dwelling forecasts for Wellington region - <https://demographics.sensepartners.nz/report-files/Demographic%20forecasts%20for%20the%20Wellington%20Region%20-%202021.pdf>

¹⁹ Sense Partners 2023 - <https://demographics.sensepartners.nz/age-structure>

Statistics NZ²⁰ project the population of all Territorial Authorities to age in the future; and by 2048 all 67 territorial authorities are projected to have fewer children under 15 years of age, primarily related to lower fertility rates.

For Masterton, Statistics NZ²¹ forecast the median age to increase from 42.2 years in 2023 to 47.7 years in 2048.

Projected population age structure and components of change											
1996–2048 (2018-base) update, medium projection											
Auckland loc	Year	Population ⁽²⁾ by age group (years), at 30 June					Components of population change, five years ended 30 June				Median age ⁽⁷⁾ (years) at 30 June
		0–14	15–39	40–64	65+	Total	Births ⁽³⁾	Deaths ⁽⁴⁾	Natural increase ⁽⁵⁾	Net migration ⁽⁶⁾	
Masterton district	1996	5,800	7,700	6,600	3,200	23,200	34.8
	2001	5,400	6,900	7,300	3,500	23,100	1,700	1,100	600	-700	37.9
	2006	4,900	6,600	7,800	3,800	23,000	1,400	1,100	300	-400	40.4
	2013	4,800	6,400	8,200	4,600	24,100	1,500	1,200	300	400	42.5
	2018	5,000	7,400	8,500	5,500	26,400	1,500	1,300	200	2,200	42.9
	2023	5,400	8,700	8,900	6,600	29,700	1,700	1,400	300	3,000	42.2
	2028	5,600	8,600	8,800	7,500	30,600	1,700	1,600	100	800	43.0
	2033	5,600	8,100	9,300	8,200	31,300	1,600	1,800	-100	800	44.1
	2038	5,400	8,000	9,500	8,700	31,700	1,500	1,900	-400	800	45.8
	2043	5,200	8,200	9,700	8,800	31,900	1,500	2,100	-600	800	47.0
2048	5,100	8,300	9,800	8,900	32,100	1,500	2,200	-600	800	47.7	

²⁰ Statistics NZ 2022 - <https://www.stats.govt.nz/information-releases/subnational-population-projections-2018base2048-update/> accessed 23/11/23

²¹ Statistics NZ - https://nzdotstat.stats.govt.nz/wbos/Index.aspx?DataSetCode=TABLECODE8616&_ga=2.2032181.544228278.1700701356-1998042352.1700701356# accessed 23/11/23

3. DEMOGRAPHIC CHANGE: POPULATION DIVERSITY

<p>Our Assumption – The Most Likely Scenario:</p>	<p style="text-align: center;">Our population will continue to become more diverse, and our Māori population will continue to grow.</p> <p>This is consistent with demographic trends and population projections for Masterton. See supporting information.</p>
<p>A More Diverse Scenario:</p>	<p style="text-align: center;">The diversity of our population occurs more quickly than we anticipate.</p> <p>Our community could benefit from opportunities that greater diversity present, provided we continue to take action to grow a more equitable and inclusive community now.</p>
<p>A Less Diverse Scenario:</p>	<p style="text-align: center;">The diversity of our population occurs at a slower rate than we anticipate.</p> <p>Planning for greater diversity and for meeting the needs of a more diverse community will make Masterton a better and more inclusive place, even if change happens slower than we anticipate or not at all. The more responsive and inclusive we can be, the stronger our community will become.</p>
<p>Level of Uncertainty:</p>	<p style="text-align: center;">Low Uncertainty</p> <p>Nationally it is accepted that the population is becoming more diverse. Our Māori population is younger and growing faster than other ethnicities. We have also seen more 'new' New Zealanders. Masterton is also a refugee resettlement location.</p>
<p>Risk:</p>	<p>Given the level of uncertainty, there is a low risk that our population will be less diverse than what we anticipate, however planning for a more diverse, welcoming and inclusive community, can only benefit Masterton and its existing residents. The greater risk is doing nothing, especially given we know there is inequity between different ethnicities within our community now.</p>
<p>Financial Implications if we get it wrong:</p>	<p>A less inclusive community is more likely to see a break down in the 'social fabric' and potential negative implications as a result, such as growing inequality which is linked to a range of negative outcomes from poor health and education outcomes, to increased crime and violence.</p> <p>While these implications may appear to be more social than financial, there are financial flow on effects. For example, lower</p>

	<p>levels of education and/or poor health may impact an individual's ability to find work. A community with higher numbers of people in low skill, low paying jobs will have greater affordability concerns, which could limit opportunities for the community as a whole. A community where everyone thrives, and diversity is celebrated, will be stronger and more resilient.</p> <p>It will also be a more attractive place to live. Attracting 'new New Zealanders' and New Zealanders returning from overseas and/or living in other parts of New Zealand now, could contribute to population growth, buffer the effect of our aging population, result in new businesses/ economic growth and ultimately help to spread the rates load.</p>
<p>What are we doing to reduce that risk? (Mitigation)</p>	<p>We will continue to closely monitor population change in the District to understand trends and respond appropriately.</p> <p>Aspirations for our district, identified as priorities in our Wellbeing Strategy, <i>He Hiringa Tangata He Hiringa Whenua</i>, include:</p> <ul style="list-style-type: none"> • Strengthening relationships with Iwi • Increasing opportunities for meaningful partnerships and collaboration with Iwi • Equitable access to opportunities • Being a community where people want to live • Having engaged communities that actively participate in our community <p>Implementing the Strategy will help to create a more inclusive community.</p> <p>For Māori as tangata whenua it is particularly important that we respect and celebrate diversity (both as an organisation and as a community) and work towards greater equity and inclusiveness.</p> <p>A standard item on every Council decision report is consideration of how the decision may impact Māori. We are currently developing a framework to support better engagement and consultation with Māori, which will assist in growing our capacity to better meet the needs of our Māori communities.</p> <p>We are also continuing to work to improve the cultural appropriateness of services (e.g. offering te reo Māori based programmes in our Library; bilingual signage; reflecting Māori culture and design in 'our place'; and correcting past errors such as correcting the spelling of Makoura Road).</p> <p>We are also welcoming new residents. Masterton is a refugee resettlement location and is also part of the "Welcoming Communities Programme", an initiative to support improved social inclusion outcomes for recent migrants.</p>

SUPPORTING INFORMATION:

Māori Population Growth (2022)²²

- Masterton District's total Māori population was 6,390 in 2022, up 2.6% from a year earlier. Total Māori population grew by 2.0% in New Zealand over the same period.
- Māori population growth in Masterton District averaged 2.9%pa over the 5 years to 2022 compared with a Māori population growth of 2.2%pa in New Zealand.
- Since 1996, Māori population growth in Masterton District reached a high of 3.7%pa in 2007 and a low of 0.2%pa in 2006.

Māori population level

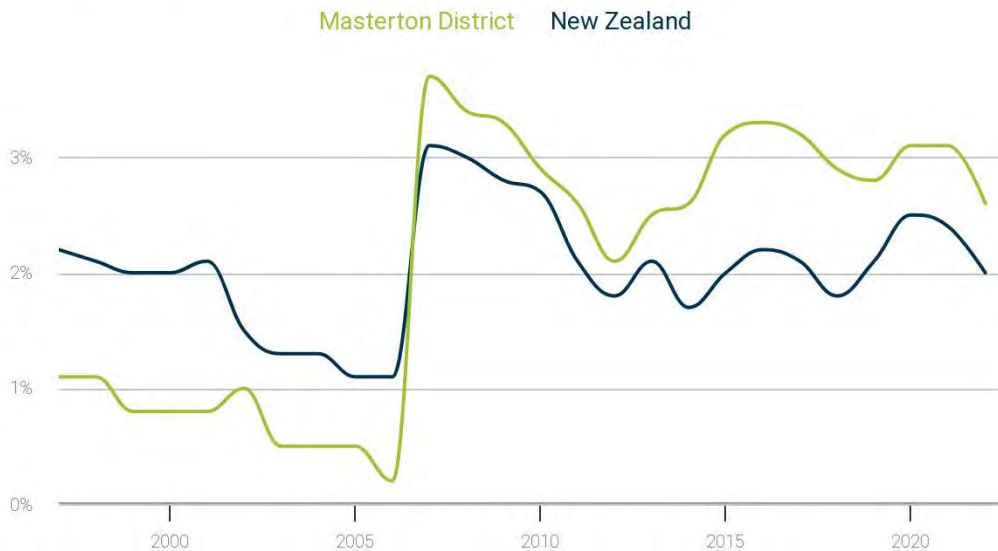
People, annual level, June years



²² Infometrics 2023 – accessed 17/11/23

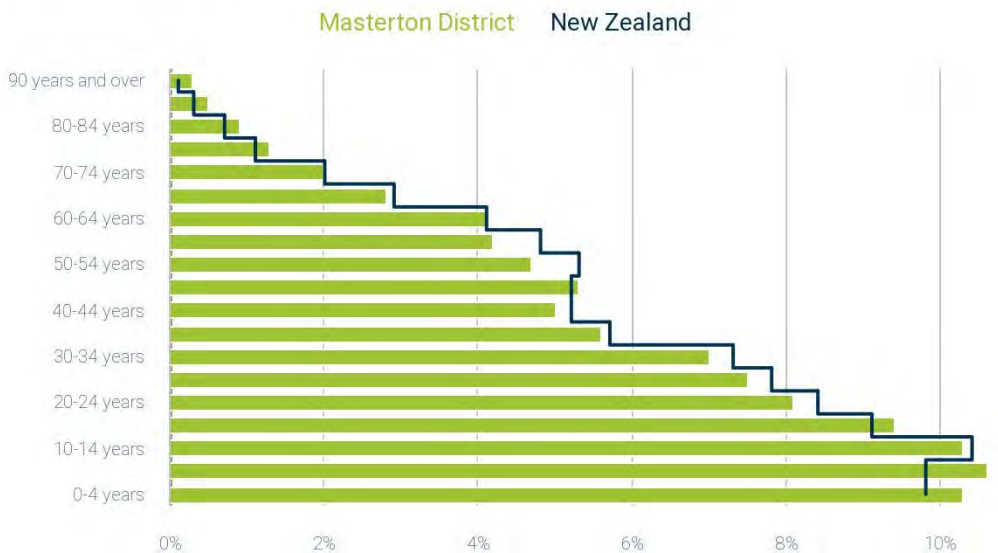
Population growth for Māori

Annual % change, June years



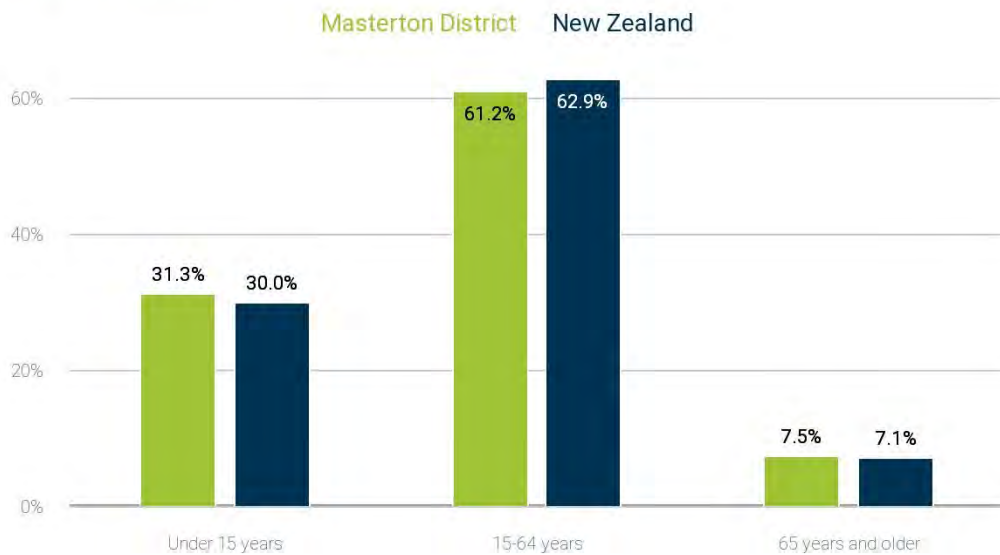
Māori population by 5-year age group, 2022

% of total, as at 30 June



Māori population by broad age group, 2022

% of total, as at 30 June



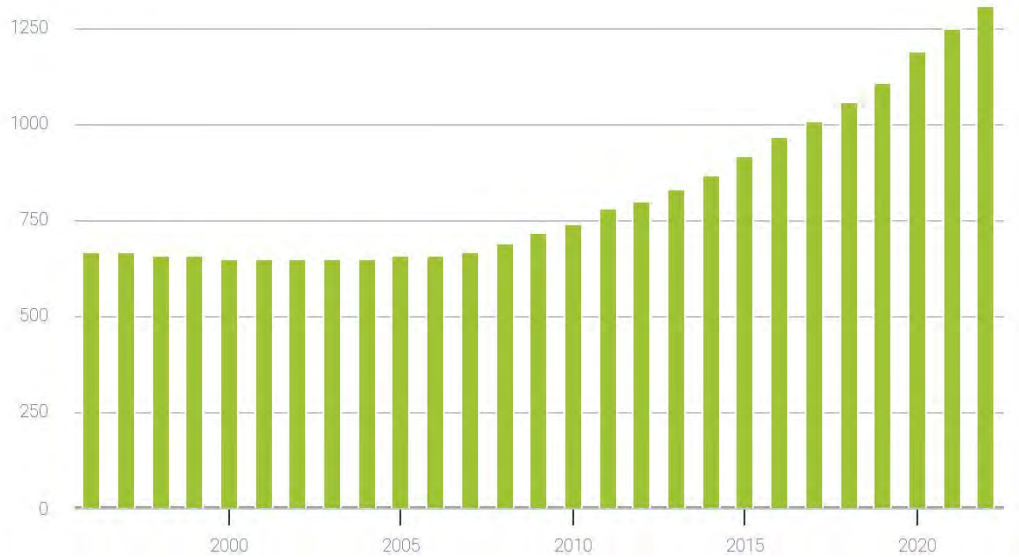
Pacific Peoples Population Growth (2022)²³

- Masterton District's total Pacific Peoples population was 1,310 in 2022, up 4.8% from a year earlier. Total Pacific Peoples population grew by 2.2% in New Zealand over the same period.
- Pacific Peoples population growth in Masterton District averaged 5.3%pa over the 5 years to 2022 compared with Pacific Peoples population growth of 3.0% pa in New Zealand.
- Since 1996, Pacific Peoples population growth in Masterton District reached a high of 7.2%pa in 2020 and a low of -1.5%pa in 2000.

²³ Infometrics 2023 – accessed 17/11/23

Pacific Peoples population level

People, annual level, June years

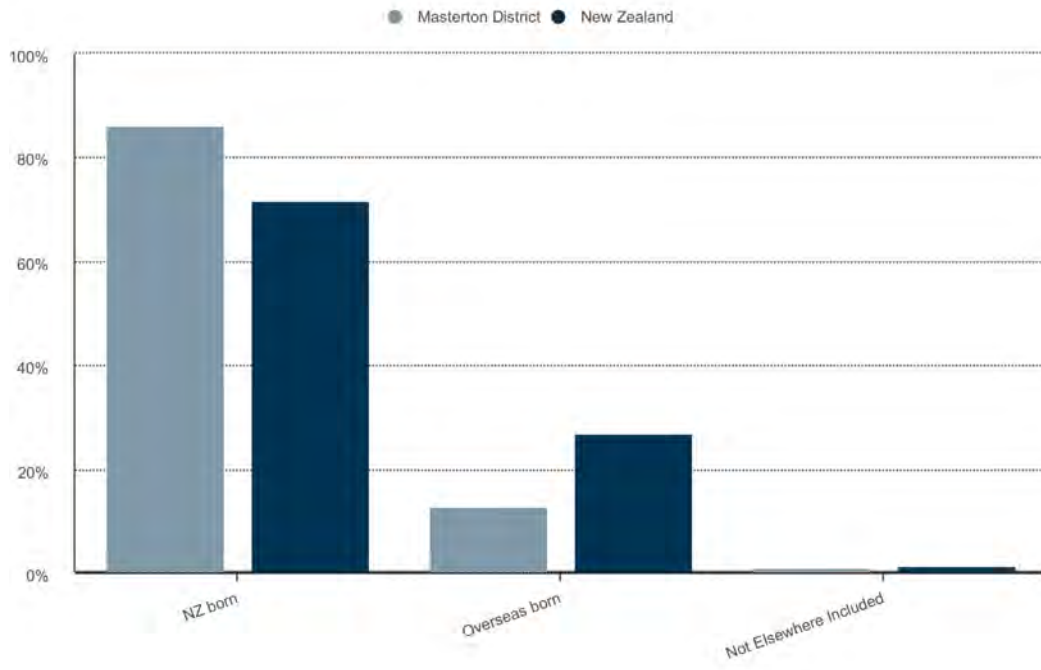


Population growth for Pacific Peoples

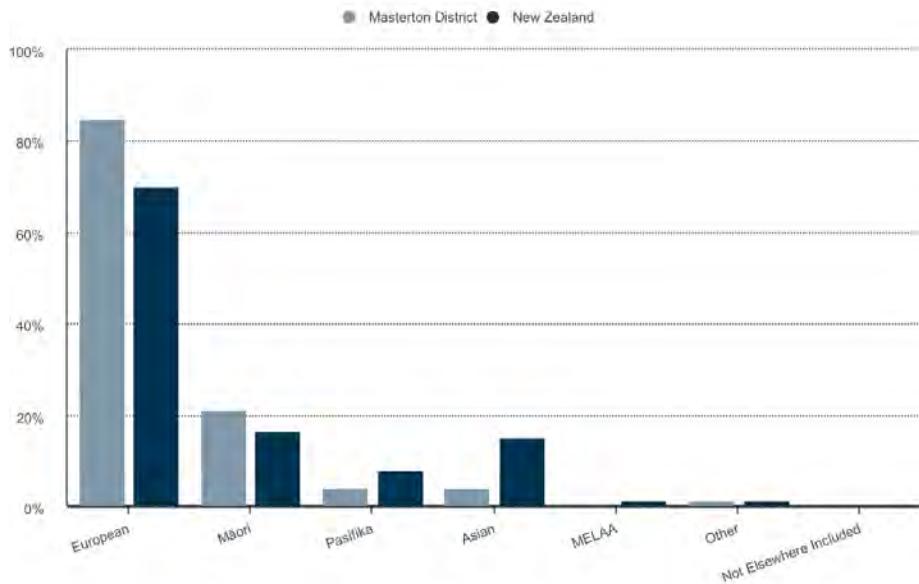
Annual % change, June years



Population Diversity 2018²⁴



Population by Birthplace 2018²⁵



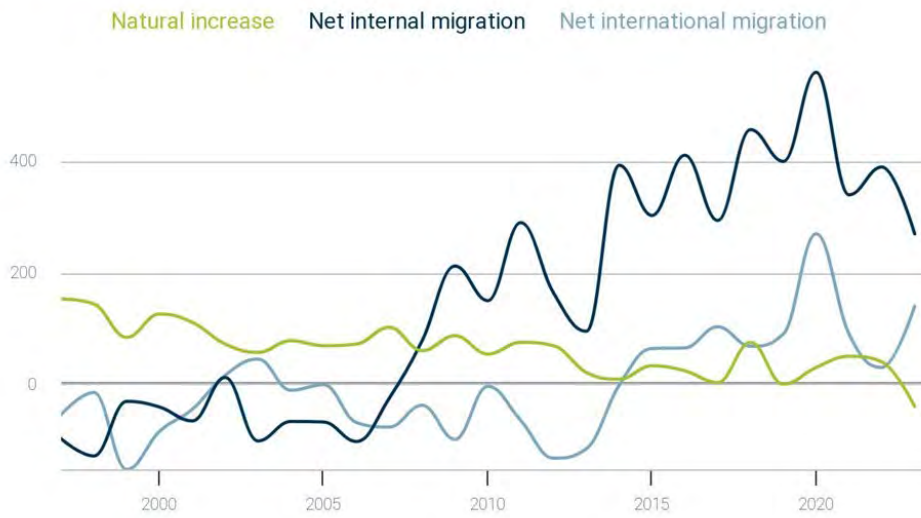
²⁴ Infometrics – accessed 17/11/23

²⁵ Infometrics – accessed 17/11/23

Migration

Source of population growth

Persons, June years



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4. HOUSEHOLD GROWTH

<p>Our Assumption – The Most Likely Scenario:</p>	<p>Average 1.6% growth per annum to 2054 (50th percentile) with higher growth of approximately 1.95% expected in Y1-10, and lower average growth in later years.</p> <p>This is based on Sense Partners growth projections (50th percentile).</p> <p>Sense Partners projections (2023) forecast growth of 6,550 between 2022-2054, from an estimated 12,352 households in 2022 to 18,902 households in 2054. This equates to an increase of 53% over the 32 year period, or average growth of 1.66%. From a 2023 baseline, growth is forecast to increase from 12,605 to 18,902, an increase of 6,297 (49.96% or an average of 1.61% per annum).</p> <p>For the 10 years of this LTP (2024-34), the number of households is expected to grow by 2,501 from an estimated 12,863 households in 2024 to 15,364 in 2034. This equates to growth of 19.44% for the 10 year period, or average growth of 1.94%.</p> <p>The 50th percentile is considered the most likely scenario based on current data and most recent trends, noting a high level of uncertainty surrounding migration and in the current economic environment.</p> <p>Household growth is higher than population growth as households are also projected to get smaller with fewer people living in each house.</p>
<p>High Growth Scenario:</p>	<p>Average 2.2% growth per annum to 2054 (75th percentile) Average 3.1% growth per annum (95th percentile)</p> <p>2.2% is based on Sense Partners median-higher growth projections (75th percentile) for 2022-2054.</p> <p>3.1% is based on Sense Partners high growth projections (95th percentile) for 2022-2054.</p>
<p>Low Growth Scenario:</p>	<p>Average 0.6% growth per annum to 2054 (5th percentile) Average 1.1% growth per annum (25th percentile)</p> <p>0.6% is based on Sense Partners low growth projections (5th percentile) for 2022-2054.</p> <p>1.1% is based on Sense Partners low-median growth projections (25th percentile) for 2022-2054.</p>
<p>Level of Uncertainty:</p>	<p style="text-align: center;">High Uncertainty</p> <p>Housing growth forecasts include some reliance on population growth and economic forecasts. There is always some uncertainty,</p>

	and at the current time, with economic conditions and uncertainty surrounding migration, this is amplified.
Risk:	Given the level of uncertainty, there is a moderate-high risk that household growth will be higher or lower than we have forecast.
Implications if we get it wrong:	<p>A higher growth scenario: Masterton has capacity for growth within its key infrastructure and services. Our 2021 Asset Management Plans indicated we could accommodate housing growth up to 1.8% per annum over the ten years from 2021-31 without significant impacts. We will reassess this as we develop the spatial plan scheduled for Year 1 of the 2024-34 LTP.</p> <p>If there was a significant and sustained rise in population beyond 1.8% per annum, that could have adverse effects on our ability to deliver some services to existing service levels – e.g. if demand was higher than the capacity of the service or asset. This could result in reduced levels of service or, worst case scenario, asset failures and/or a need to rapidly and heavily invest in assets to accommodate the growth. This in turn could result in much higher than planned debt or significant increases in rates (or both).</p> <p>If we were to experience higher household growth than we have planned for, Council services that could be most affected are:</p> <ul style="list-style-type: none"> • Water Supply – given consent conditions, demand for water can exceed our capacity to supply over hot, dry summer periods. Rapid growth could add to this. To help mitigate water demand Council are introducing water meters. We also have provision for a water storage reservoir at Kaituna in Year X of the 2024-34 LTP. • Community Services e.g. our regulatory functions like Planning and Building Control could see increased demand for consent processing and inspections. <p>A lower growth scenario: If there was significantly less growth than anticipated, this would ultimately impact our rating base and may affect our ability to set rates at a level that is affordable for our community. This could result in higher than planned rates increases to maintain infrastructural assets (such as roads, water, and wastewater) and/or assets with greater capacity than required.</p>
What are we doing to reduce that risk? (Mitigation)	<p>We need to balance the risk of over-investing to expand infrastructure for housing development if that is not going to be required against the alternative risk of not being adequately prepared for, and able to manage, growth.</p> <p>Where growth requires additional infrastructure (e.g. subdivisions), Council can currently require financial contributions for this work.</p>

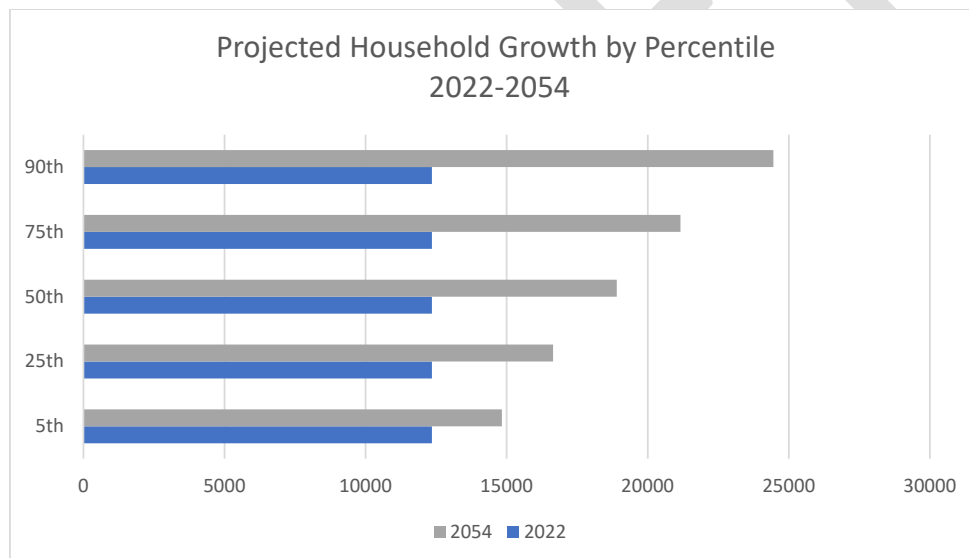
	<p>Costs over this amount could result in additional Council expenditure, which would likely be loan funded.</p> <p>Council will continue to closely monitor population growth, economic conditions, and resource and building consents being processed in the District. By monitoring trends we can adjust and respond accordingly if we do need to revise our plans and approach.</p>
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SUPPORTING INFORMATION:

Growth Projections

Sense Partner Median (Forecasting to 2054)²⁶

At the 50th Percentile, Sense Partners forecast growth of 6,550 households by 2054, from 12,352 in 2022 to 18,902 in 2054. This equates to a 53% increase in households, or an average of 1.66% growth per annum.



²⁶ Sense Partners Website – accessed 25/10/23

Year	percentile	total	TOTAL GROWTH		
			Growth	% Growth	%Growth PA
2022	percentile_5th	12352			
2054	percentile_5th	14833	2481	20.09	0.63
2022	percentile_25th	12352			
2054	percentile_25th	16644	4292	34.75	1.09
2022	percentile_50th	12352			
2054	percentile_50th	18902	6550	53.03	1.66
2022	percentile_75th	12352			
2054	percentile_75th	21158	8806	71.29	2.23
2022	percentile_95th	12352			
2054	percentile_95th	24454	12102	97.98	3.06

Year	percentile	one_parent	two_parent	multi_family	couple	multi_person	alone	total	TOTAL GROWTH		
									Growth	% Growth	%Growth PA
2022	percentile_5th	1443	2756	291	3763	377	3722	12352			
2054	percentile_5th	1473	2684	324	4729	383	5240	14833	2481	20.09	0.63
2022	percentile_25th	1443	2756	291	3763	377	3722	12352			
2054	percentile_25th	1704	3163	368	5234	439	5736	16644	4292	34.75	1.09
2022	percentile_50th	1443	2756	291	3763	377	3722	12352			
2054	percentile_50th	2014	3809	425	5838	519	6297	18902	6550	53.03	1.66
2022	percentile_75th	1443	2756	291	3763	377	3722	12352			
2054	percentile_75th	2325	4450	482	6447	590	6864	21158	8806	71.29	2.23
2022	percentile_95th	1443	2756	291	3763	377	3722	12352			
2054	percentile_95th	2791	5445	565	7289	702	7662	24454	12102	97.98	3.06

Past Growth Trends

Annual growth in the rating base since 2016 is included below:

The number of rateable properties is included in the Annual Report each year, noting this figure is broader than just residential properties. Between 30 June 2016 and 30 June 2023, the number of rateable properties increased from 12,220 to 13,411 an increase of 9.75%, which equates to average annual growth of 1.39%.

Year Ending:	Rateable Units	Growth
30 June 2016	12,220	
30 June 2017	12,325	+105
30 June 2018	12,373	+48
30 June 2019	12,500	+127
30 June 2020	12,702	+202
30 June 2021	13,007	+305
30 June 2022	13,179	+172
30 June 2023	13,411	+232

Over the past three years (2021-2023), growth in the rating base has averaged 1.63% overall, and 1.72% in the urban area. There has been an upward trend over the 3 years with a peak in 2023 of 1.84% overall growth and 2.2% growth in the urban area.

During the year ended:				Predicted ²⁷ :
Masterton District	30 Jun 21	30 Jun 22	30 Jun 23	30 Jun 24 (predicted)
Growth in Rating Base	1.16%	1.79%	2.05%	1.40%
Growth in Rateable Properties	1.42%	1.63%	1.84%	1.20%
During the year ended:				
Masterton - Urban	30-Jun-21	30-Jun-22	30-Jun-23	
Growth in Rating Base	1.16%	1.98%	2.48%	
Growth in Rateable Properties	1.40%	1.56%	2.21%	
During the year ended:				
Masterton - Rural	30-Jun-21	30-Jun-22	30-Jun-23	
Growth in Rating Base	1.19%	1.22%	0.74%	
Growth in Rateable Properties	1.90%	1.50%	0.90%	

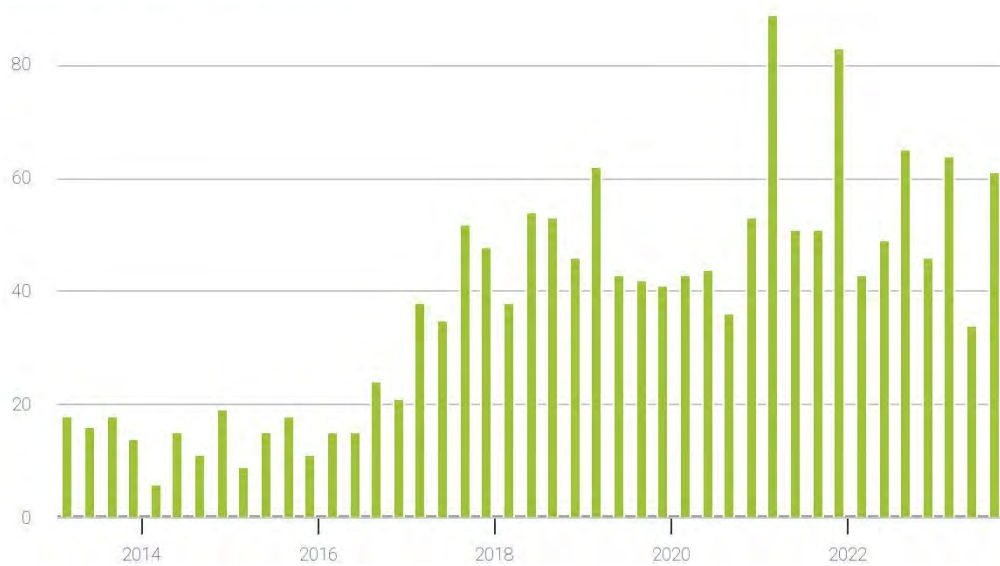
²⁷ Provided by Finance Manager 17/11/23



Building Consents²⁸:

Residential consents

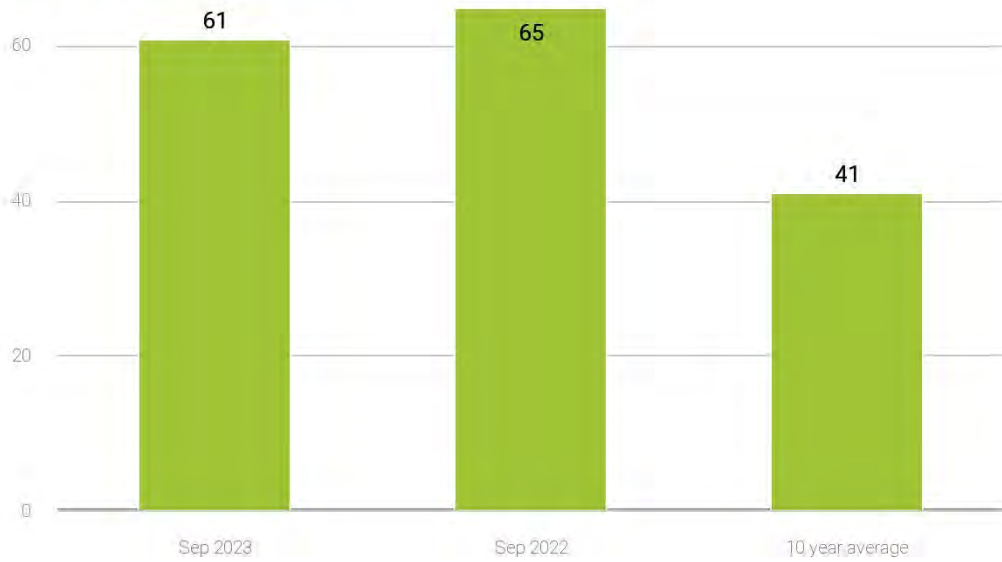
Quarterly number, Masterton District



²⁸ Infometrics – accessed 17/11/23

Number of new dwelling consents

Quarterly number, Masterton District



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5. THE ECONOMY

<p>Our Assumption – The Most Likely Scenario:</p>	<p style="text-align: center;">Economic Slowdown Continues</p> <p>“ Although the Masterton economy grew at a moderate pace of 2.3% p.a. over the year to September 2023 according to provisional estimates from Infometrics growth has slowed considerably in recent quarters, growing by just 0.5% in the September quarter. The period of strong growth experienced by Masterton during the pandemic and post-pandemic period has ended. The economy is facing strong headwinds and most indicators we monitor have deteriorated²⁹, ”.</p> <p>We have based our planning on the assumption that our economy will continue to slow in the short to medium term.</p> <p>The BERL Cost adjusters 2023 final update, released in October, reflects this picture. At that time, the Reserve Bank of New Zealand (RBNZ) indicated that interest rates would remain elevated for some time given inflation is still far from being within the target range of one to three percent. Any growth over the next few quarters is expected to be small and will largely be driven by high migration and spending by the government on the rebuild from the flooding in the upper North Island.</p> <p><Note – Very recently some banks have announced interest rate drops. We will continue to monitor and revise the assumptions prior to adoption if justified to reflect any changes.></p>
<p>Best Case Scenario:</p>	<p style="text-align: center;">Our Economy Grows/Recovers Faster</p> <p>Masterton’s location near Wellington, and relative affordability of housing, has attracted new residents - and has the potential to continue to do so. These factors have the potential to positively impact our economy.</p>
<p>Worse Case Scenario:</p>	<p style="text-align: center;">Our Economy Contracts/Recovers Slower</p> <p>Inflationary pressures continue to linger, increasing the cost of living which is impacting people right across the community. The impact of high interest rates is beginning to be felt more keenly as households roll off previously low interest rates.</p> <p>As the economy contracts, it is expected that unemployment will increase. The Government’s commitment to reduce the size of the public service may also have a noticeable impact on the</p>

²⁹ Infometrics Quarterly Economic Monitor - <https://gem.infometrics.co.nz/masterton-district> Accessed 23/11/23

	<p>community, as many of our resident’s commute to Wellington for work.</p> <p>These factors have the potential to negatively impact our economy.</p>
Level of Uncertainty:	<p style="text-align: center;">High Uncertainty</p> <p>“The global outlook is highly uncertain and will depend on the effectiveness of central banks’ monetary policy tightening and the absence of further negative shocks³⁰”.</p>
Risk:	<p>Given the level of uncertainty, there is a high risk that our economic situation will vary from what we have assumed.</p>
Implications of Risk:	<p>A growth scenario: If our economy grows more than we have assumed, that would be a positive outcome reducing stress on our community and improving affordability. A growth economy could attract business and jobs creating more opportunities for our community.</p> <p>Under an unexpected growth scenario risks for Council include:</p> <ul style="list-style-type: none"> ▪ Infrastructure Strain: Unexpected economic growth may place a strain on infrastructure including utilities, public services, and transport. Infrastructure issues can hinder productivity and negatively impact quality of life. ▪ Skills Gap and Workforce Shortages: Unexpected economic growth can lead to workforce shortages and a mismatch between skills and workforce needs. ▪ Environmental Impacts: Rapid or unexpected growth can strain natural resources and lead to increased pollution and environmental degradation if sustainability measures are not in place or robust. ▪ Social Inequality: Unplanned growth can exacerbate income inequality and social disparities, particularly if growth is not felt evenly across the community. <p>A contracting scenario: If the economy continues to contract, this will increase the stress in our community and amplify affordability considerations for Council. If high levels of inflation (or other economic shocks) continue to impact the community in the short to medium term, options such as reducing levels of service or deferring projects may need to be considered.</p> <p>Under a contracting scenario risks for Council include:</p>

³⁰ Budget Policy Statement 2023 - <https://www.budget.govt.nz/budget/2023/bps/economic-fiscal-forecasts.htm#:~:text=GDP%20is%20expected%20to%20decline,to%20which%20we%20compare%20ourselves>

	<ul style="list-style-type: none"> ▪ Reduced consumer and business confidence: A deep contraction could erode business and consumer confidence. ▪ Financial Instability: Deeper contractions can strain financial systems, with more people likely to struggle to repay debt and meet other payment obligations. ▪ Social Unrest and Inequality: Economic contractions can exacerbate social tensions and inequalities. Deeper downturns can widen income disparities and result in social unrest or political instability if certain segments of the population feel disproportionately affected or marginalised.
<p>What are we doing to reduce that risk? (Mitigation)</p>	<p>We will continue to closely monitor economic change in the district to understand trends and respond appropriately.</p> <p>The three Wairarapa Councils are committed to working together, where possible, to develop and implement plans and strategies.</p> <p>It is important to note that the effects of high inflation and rising interest rates have not been evenly distributed in our community. Some industries and individuals have been impacted more than others. Ensuring that those who have been affected most are also considered is an important part of our planning.</p> <p>We are also working to balance affordability for our community now against investment in projects that could stimulate jobs and investment that is required for the future. If we don't invest now, we may not be adequately prepared for, and able to manage, future challenges such as climate change, water resilience and affordability issues.</p>

SUPPORTING INFORMATION:

Economic Projections

BERL Cost adjusters 2023 final update³¹

The BERL Cost adjusters 2023 final update (October 2023) reported the following:

GDP

Looking ahead to the rest of 2023, BERL anticipates minimal GDP growth with possible contractions. BERL project a modest 1.2% increase for June 2024 and a 1.1% rise for June 2025. The Reserve Bank of New Zealand (RBNZ) expects sluggish GDP growth until early 2024, mentioning declining spending growth in their latest statement.

BERL note that cyclone and flood recovery efforts in the upper North Island will stimulate economic activity over the next quarters, but the impact will be gradual.

³¹ BERL Cost adjusters, October 2023

Net migration will bolster the economy overall, yet per capita performance might not mirror this growth. New migrants will drive demand for housing, rentals, and services while expanding the labour force for increased production.

However, declining demand coupled with high interest rates is dampening all sectors of the economy. Retail sales, housing demand, and business activity are decreasing. Low export prices and weak economic conditions in key trade partners, especially China, will further reduce demand for our exports.

Labour market

The RBNZ foresees the unemployment rate climbing to 4.4% by year-end and peaking at 5.5% in 2025. BERL's projection indicates a peak of five percent in June 2025, followed by a gradual decline. This decrease will stem from heightened labour supply due to migration, coupled with reduced demand from organizations amid declining economic activity.

Infometrics Economic Monitor³²

Infometrics Quarterly Economic Monitor (September 2023) reported the following:

Masterton's economy, which grew by 2.3% annually up to September 2023, has seen a significant slowdown lately, marking just a 0.5% growth in the last quarter. The strong growth experienced during and after the pandemic has ceased, as the economy faces substantial challenges, evident in deteriorating indicators.

Consumer spending in Masterton grew by only 1.6% annually, significantly trailing the inflation rate of 5.6%. This indicates a notable decrease in household consumption compared to the previous year.

Population growth in Masterton slowed to 1.4% annually up to June 2023, dropping below the national growth rate for the first time since 2017. The economy's slowdown is impacting the labour market, with employment growth declining to 1.9% annually, well below the national average of 3%. Jobseeker Support recipients have increased, hitting 936 in the September 2023 quarter, up from a post-COVID low in June 2022.

Despite a drop in house values to an average of \$557,000 in September 2023 from a peak of nearly \$700,000 in March 2022, residential consents remain relatively steady. However, non-residential consents have sharply decreased to around 65% of the 10-year average level in the year to September 2023.

At the national level for the September 2023 quarter Infometrics reported:

New Zealand's economy expanded in the September 2023 quarter, but its pace slowed due to various economic pressures. Despite sustained job and population growth contributing to this expansion, high inflation and increased interest rates have tempered the economy's strength.

³² Infometrics Quarterly Economic Monitor September 2023 – accessed 17/11/23

Infometrics' estimates suggest a 0.5% activity increase in the September quarter, resulting in 1.7% annual average growth. However, despite higher spending in dollar terms, it's restrained by excessive inflation, affecting spending as interest rates climb. Job growth remains strong, supported by migration boosting demand.

Yet, challenges persist, including declining construction plans, pressure on the primary sector, rising unemployment, and fewer job advertisements. These factors are expected to dampen economic momentum, indicating a more subdued economic outlook ahead.

Budget Policy Statement 2023³³

"The Reserve Bank's efforts to reduce demand and return inflation to its target range mean that many households will face increasing mortgage rates in the coming months, with an associated decline in consumer spending and investment. The Treasury forecasts that wages are set to rise faster than inflation every year across the forecast period, providing further support for households."

"The significant tightening of monetary policy is coming at a time when global growth in 2023 is likely to be the lowest since the early 1990s, outside of the COVID-19 pandemic and Global Financial Crisis. The global outlook is highly uncertain and will depend on the effectiveness of central banks' monetary policy tightening and the absence of further negative shocks."

Table 3 - Summary of the Treasury's Half Year Update economic forecasts

Year ending 30 June	2022 Actual	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
Real GDP growth (annual average % change)	1.0	3.5	-0.3	2.1	3.3	3.0
Real GDP per capita (annual average % change)	0.7	3.2	-1.0	1.1	2.2	1.8
Unemployment rate (June quarter)	3.3	3.8	5.5	5.2	4.6	4.3
Consumers Price Index (annual % change)	7.3	6.4	3.5	2.5	2.0	2.0
Wage growth (annual % change)	6.4	6.8	6.1	4.7	4.0	3.8
Current account (annual, % of GDP)	-7.8	-7.6	-5.6	-4.8	-4.6	-4.6

³³ Budget Policy Statement 2023 - <https://www.budget.govt.nz/budget/2023/bps/economic-fiscal-forecasts.htm#:~:text=GDP%20is%20expected%20to%20decline,to%20which%20we%20compare%20ourselves>

Pre-election Economic and Fiscal Update 2023³⁴

"New Zealand's economic slowdown is unfolding broadly in line with the *Budget Economic and Fiscal Update 2023 (Budget Update)*. High interest rates are driving a sustained period of soft economic growth that is necessary to reduce inflationary pressure."

"The *Pre-election Economic and Fiscal Update 2023 (Pre-election Update)* shows a similar economic outlook to the *Budget Update*, but with slightly higher activity reflecting stronger migration-led population growth. Persistent domestic inflation suggests that interest rates will remain high for some time yet to contain inflation. The resulting period of soft activity growth then continues to drive further slowing in the labour market, with the unemployment rate forecast to peak at 5.4% in early 2025."

"Slow economic growth is forecast to continue over the next eighteen months as high inflation necessitates high interest rates. Domestic inflationary pressure has remained persistent, and with ongoing domestic demand pressure, interest rates are expected to remain at their current level over the next year in order to reduce inflation. High interest rates are expected to constrain economic growth to a quarterly average of 0.4% over the next year, and the unemployment rate is expected to rise to 5.4% while wage growth eases from a relatively high 6.9% in June 2023 to 3.7% in June 2027."

"Households and businesses are expected to remain under pressure. Subdued house price growth and easing labour market conditions will dampen households' wealth and incomes, constraining growth in household consumption. For businesses, rising costs and subdued domestic demand will weigh on investment, offset partially by the North Island weather event rebuild. Meanwhile, the outlook for real government consumption, a measure of goods and services provided by the government, remains much flatter than has been previously experienced."

"The export sector also faces headwinds. The global growth outlook remains subdued as interest rates remain high in many countries to counter inflation. This in turn weighs on export demand and prices, contributing to a slower narrowing of the current account deficit, which returns to 4.3% of GDP in December 2026, close to the historic average."

ANZ Research³⁵

The battle between economic tailwinds and headwinds continues to play out. A turning housing market, surging net migration, and expansionary fiscal policy are landing some

³⁴ Pre-election Economic and Fiscal Update 2023 - <https://www.treasury.govt.nz/publications/efu/pre-election-economic-and-fiscal-update-2023>

³⁵ ANZ Quarterly Economic Outlook: Ups and Downs November 2023 - <file:///C:/Users/taniam/Downloads/ANZ-QEO-20231107.pdf>

hefty blows against contractionary monetary conditions, softer global demand, and heightened geopolitical tensions and global market volatility. There are clear winners and losers in the resulting patchy outlook. Overall business sentiment is well off the floor, but remains generally low. Until the RBNZ has CPI inflation back in the bag, it's hard to see economic conditions turning 'rosy' any time soon.

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Masterton District Quarterly Economic Infographic **SEPTEMBER 2023**

COMPARISON	RANK AMONG 66 TERRITORIAL AUTHORITIES	ANALYSES
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ECONOMIC ACTIVITY

Masterton	New Zealand	Low	Best/High
2.3% ▲	1.7% ▲	Gross domestic product: annual ave. change	
1.6% ▲	7.4% ▲	Consumer spending: annual ave. change	

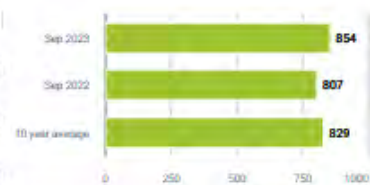
GDP growth



LABOUR MARKET

Masterton	New Zealand	Low	Best/High
1.9% ▲	3.0% ▲	Employment (place of residence): annual ave. change	
5.8% ▲	-1.9% ▼	Jobseeker Support recipients: annual ave. change	
2.4%	3.5%	Unemployment rate: annual average	

Number of Jobseeker Support recipients



TOURISM

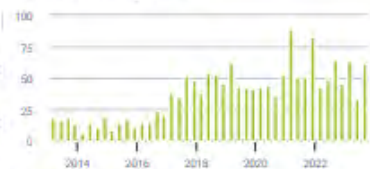
Masterton	New Zealand	Low	Best/High
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Guest nights

BUILDING AND PROPERTY

Masterton	New Zealand	Low	Best/High
14.6% ▼	-20.4% ▼	Residential consents: annual ave. change	
-68.0% ▼	3.9% ▲	Non-residential consents: annual ave. change	
17.2% ▼	-5.9% ▼	House values: annual ave. change	
16.8% ▼	-13.7% ▼	House sales: annual ave. change	

Residential building consents



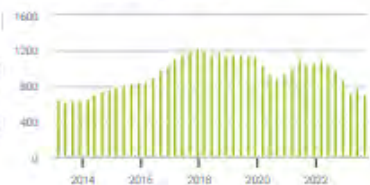
Average house value

\$556,775	\$908,853
Masterton	New Zealand

VEHICLES

Masterton	New Zealand	Low	Best/High
27.7% ▼	-8.0% ▼	Car registrations: annual ave. change	
30.4% ▼	-16.0% ▼	Commercial vehicle registrations: annual ave. change	

Non-commercial car registrations

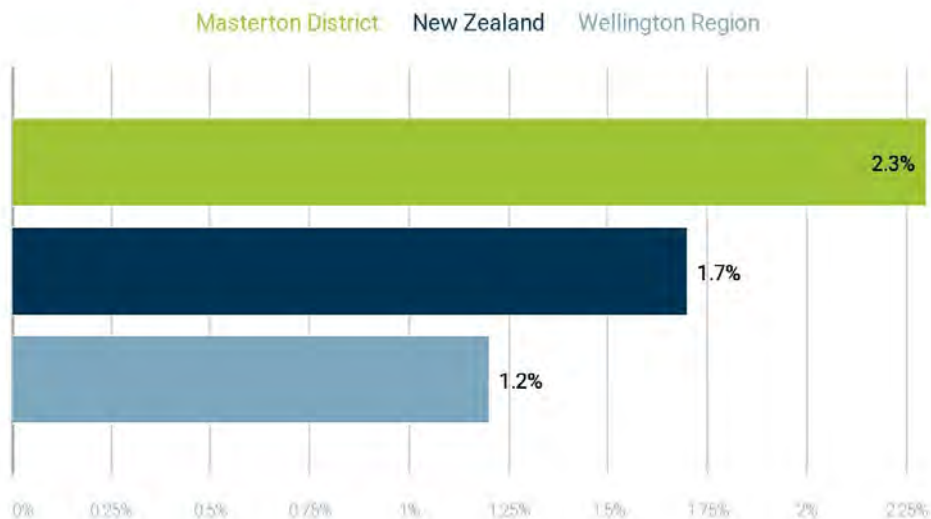


Economic Indicators³⁶

Economic indicators for the September 2023 quarter showed:

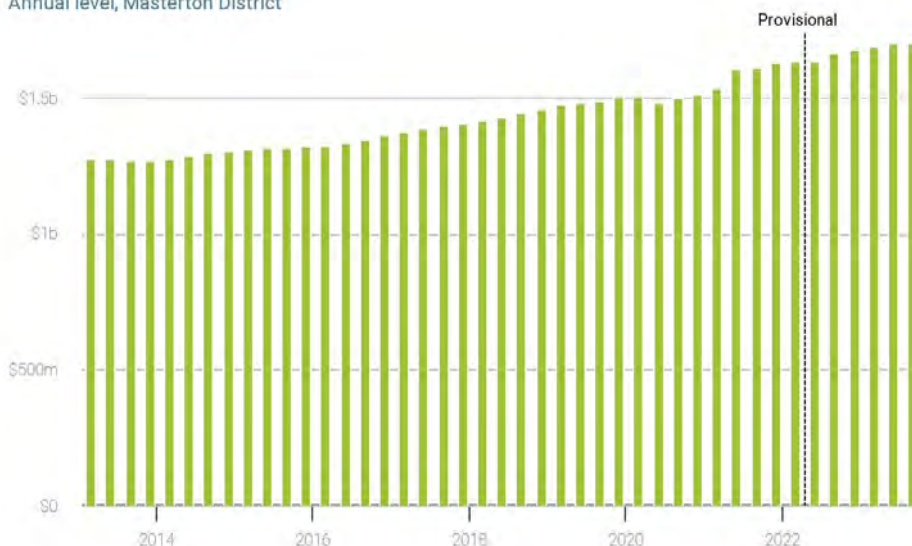
Gross domestic product growth (provisional)

Annual average % change September 2022 - September 2023



Gross domestic product

Annual level, Masterton District



³⁶ Infometrics Quarterly Economic Monitor September 2023 – accessed 17/11/23

Gross domestic product growth

Annual average % change

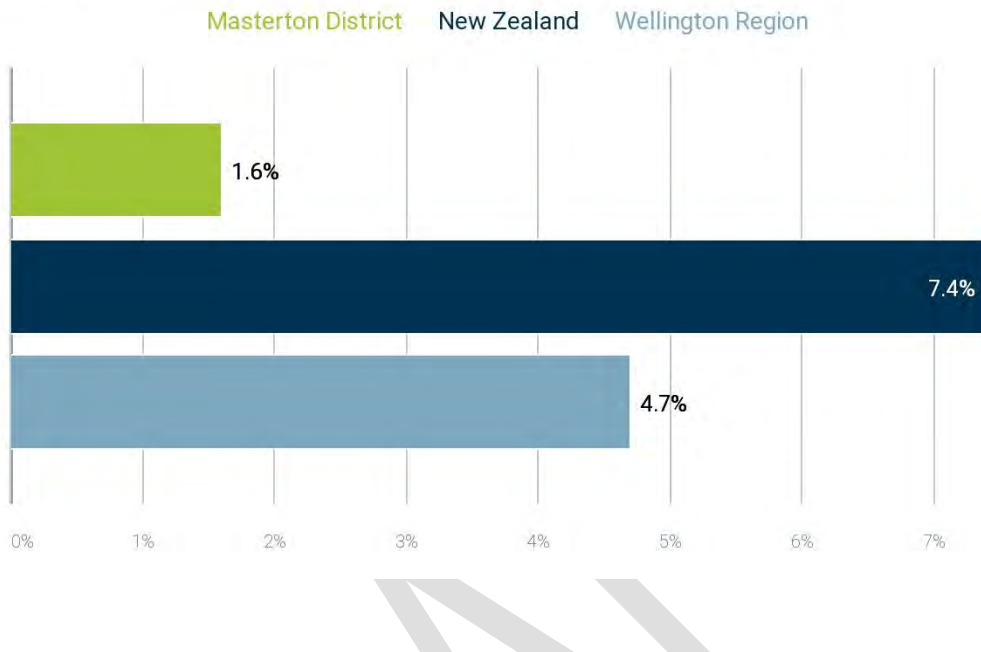


Consumer Spending:

Nationally, "annual spending growth eased to 7.4%pa after three previous quarters of double-digit growth. Recently softening employment growth indicates that wage growth is set to decelerate, which will bring down the ceiling on potential spending. With inflation remaining high and mortgage rates still rising, household budgets will remain under considerable pressure into 2024".

Growth in consumer spending

Annual average % change September 2022 - September 2023



Consumer spending

Annual level, Masterton District



Consumer spending

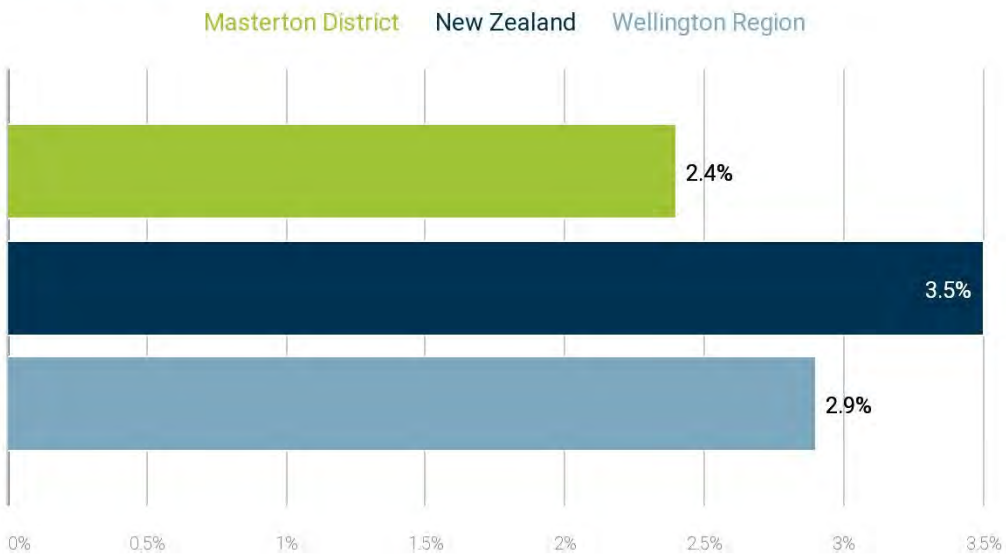
Annual average % change



Unemployment Rate:

Unemployment rate

Annual average rate to September 2023



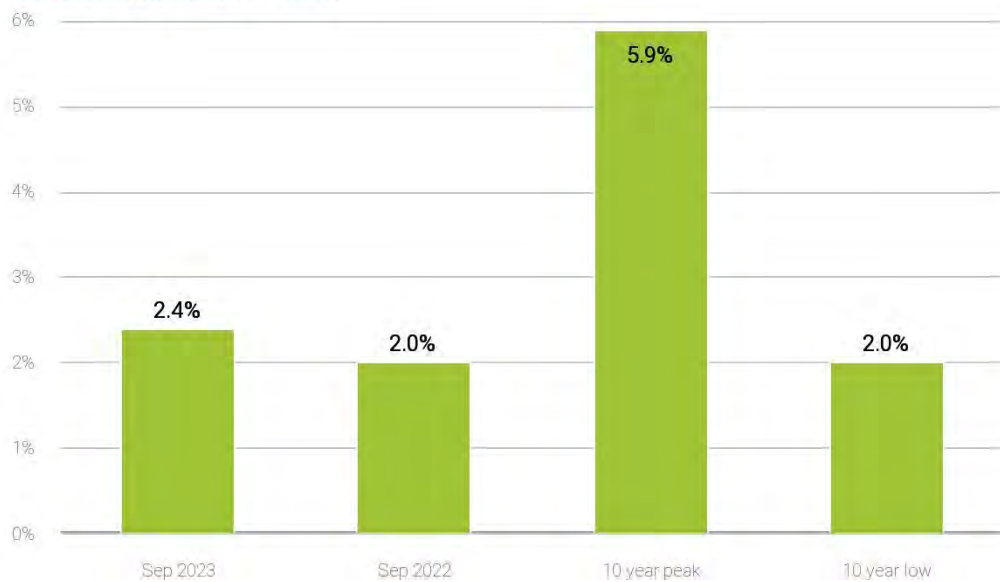
Unemployment rate

Annual average rate



Unemployment rate

Annual average, Masterton District



Tourism:

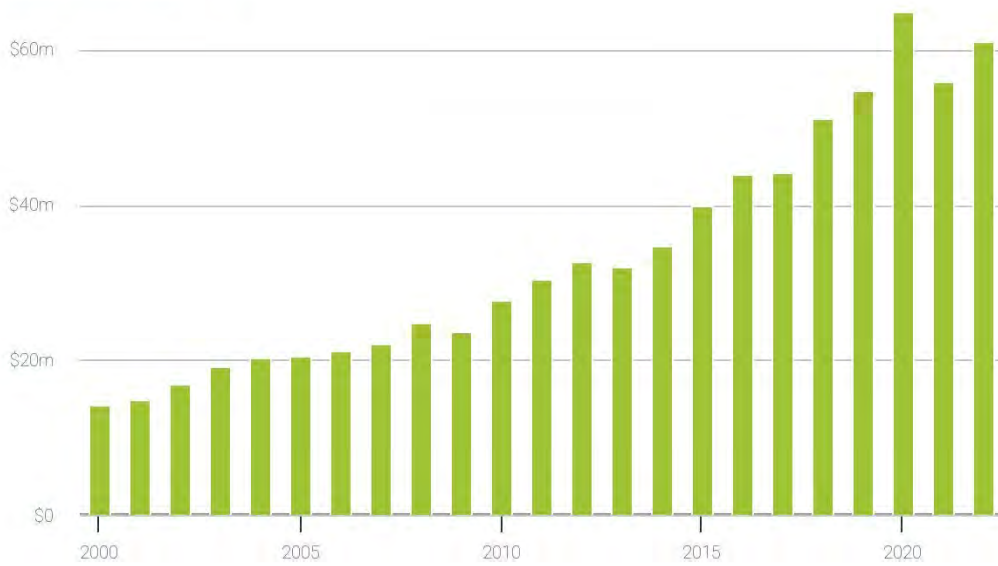
Tourism GDP growth

Annual % change, March years



Tourism GDP

March years, 2022 prices



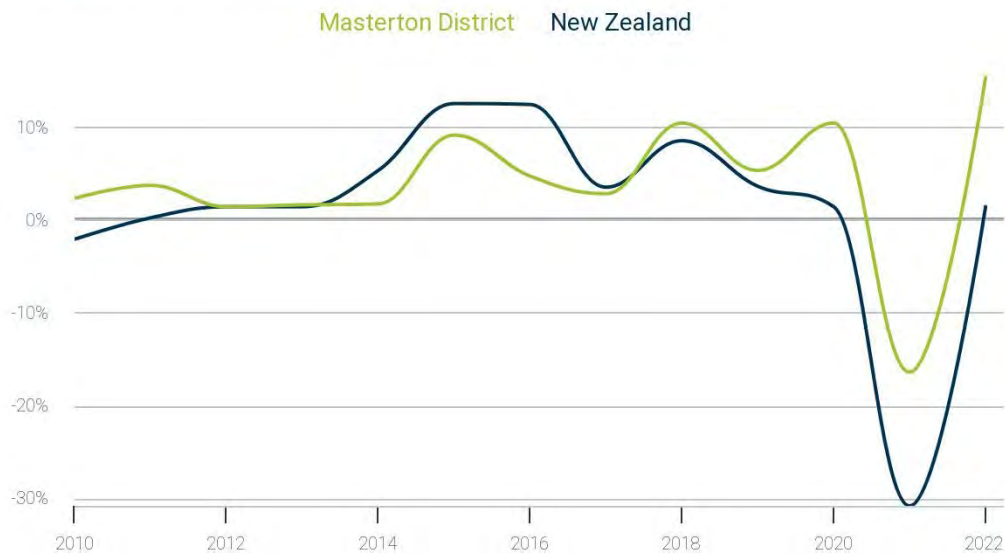
Tourism sector GDP proportion of total GDP

% of total, March years



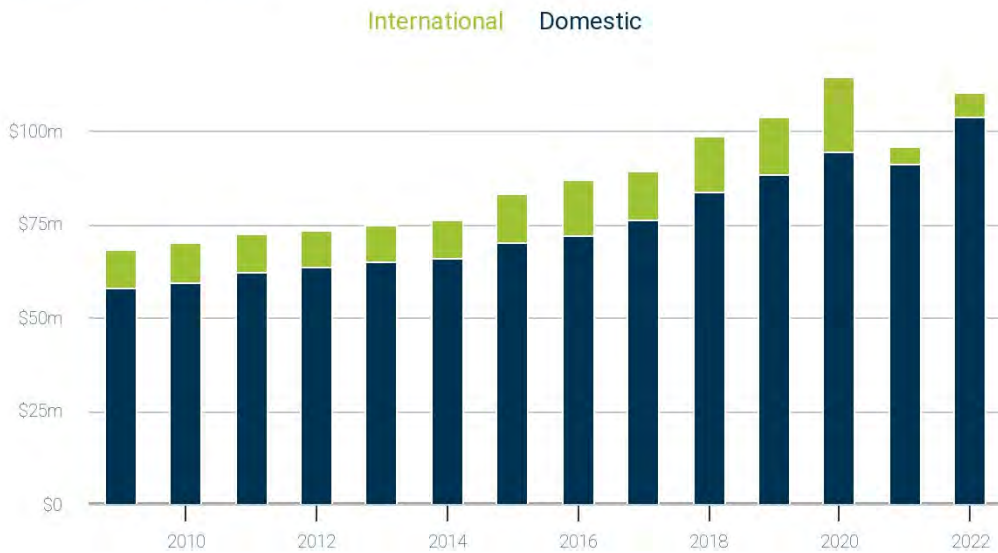
Total tourism expenditure growth

Annual % change, March years



Composition of tourism expenditure

March years, current prices

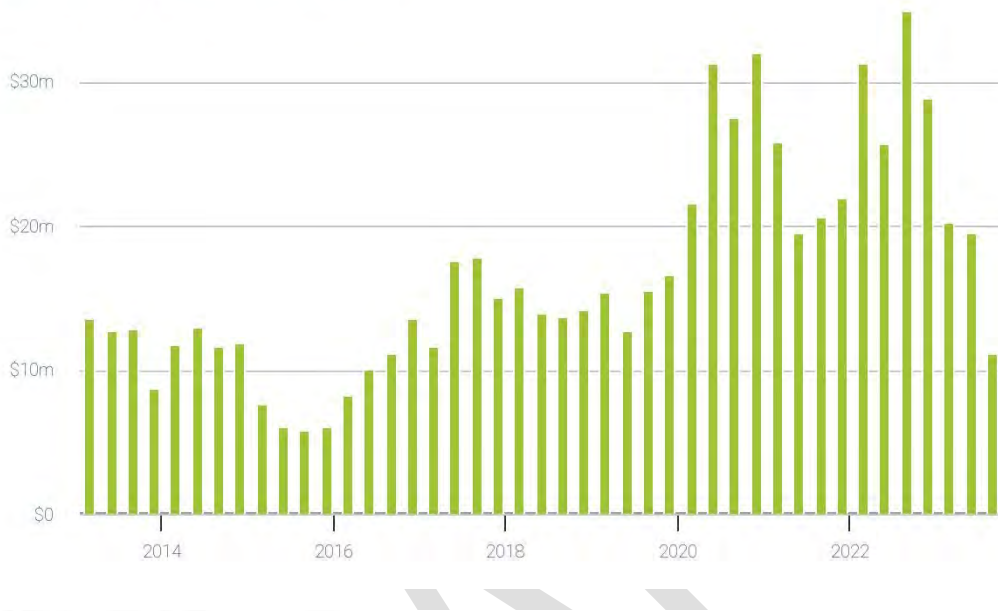


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Non Residential building consents:

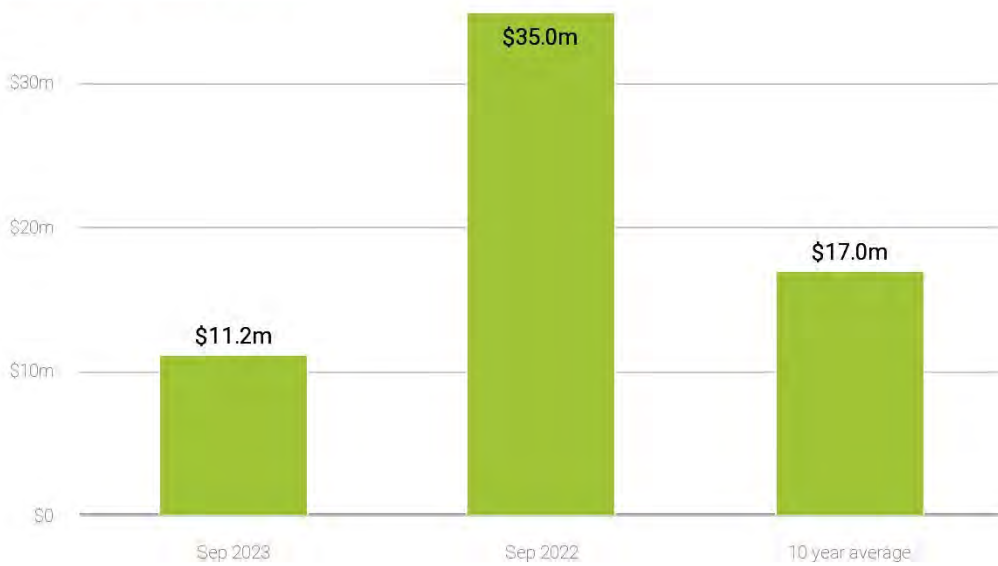
Non-residential consents, Masterton District

Annual running total, Masterton District



Non-residential consents

Annual value, Masterton District



House Value Growth:

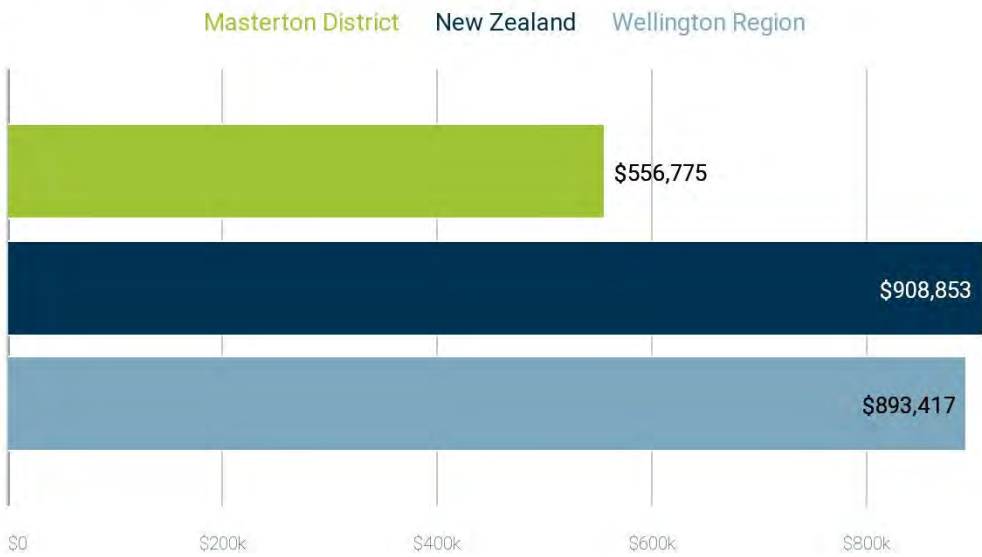
House value growth

Annual % change



Average current house value

Average house value in September 2023 quarter



House Sales

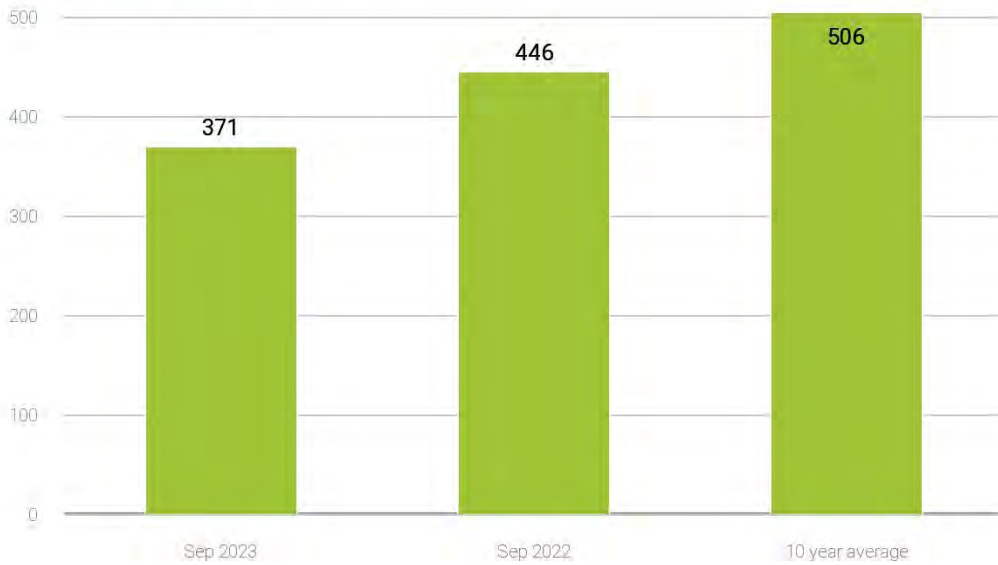
House sales

Annual number, Masterton District



House sales

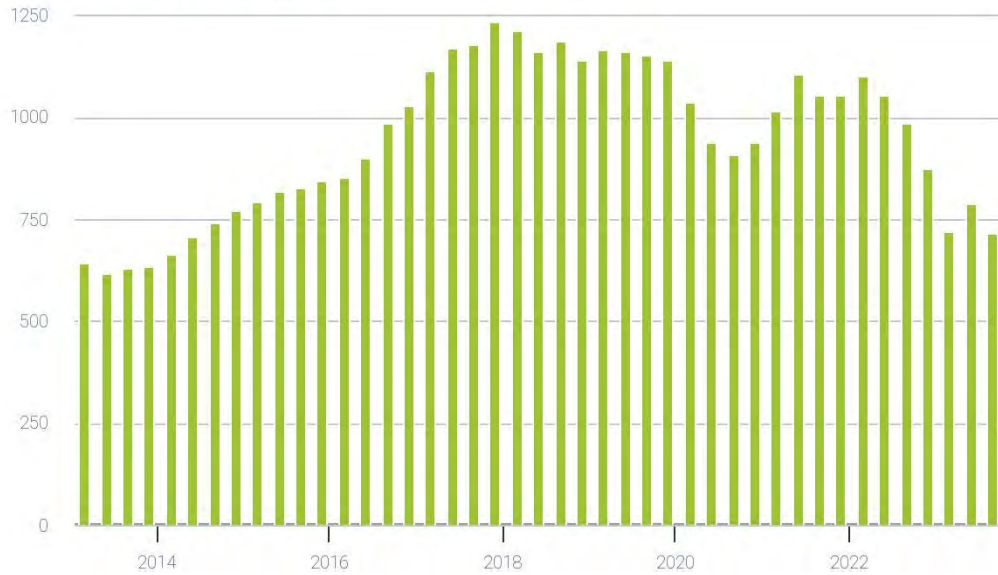
Annual number, Masterton District



Car Registrations

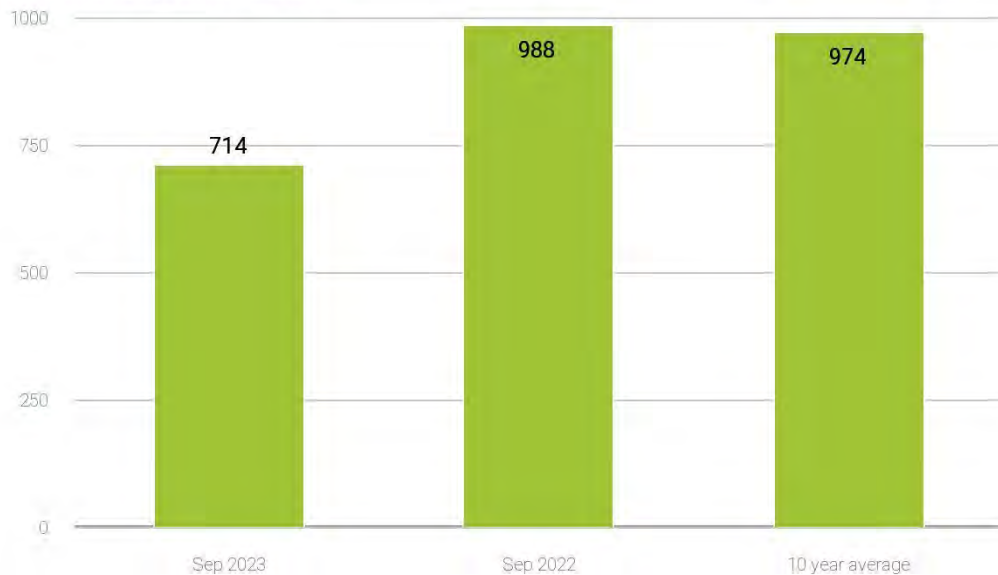
Car registrations

Annual number, Masterton District



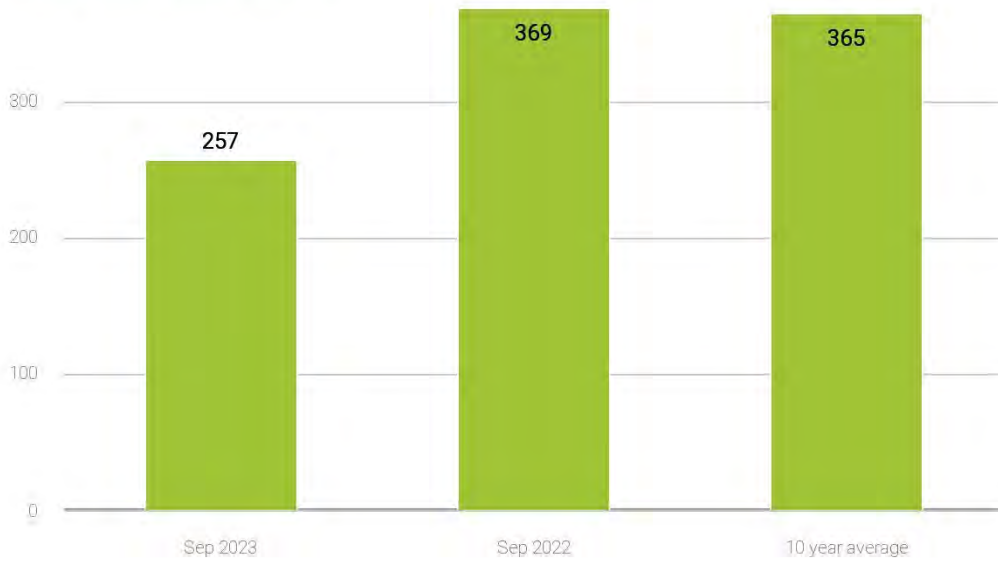
Car registrations

Annual number, Masterton District



Commercial vehicle registrations

Annual number, Masterton District



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PART 2 – Climate Change Assumptions for 2024–2034

<p>Climate Change</p>	<p>The greenhouse gases we produce from most of our everyday activities are changing the climate and our environment.</p> <p>There is substantial scientific evidence that our climate has been and is continuing to change. Human-induced climate change, including more frequent and intense extreme events, has caused widespread adverse impacts beyond natural climate variability. The rise in weather and climate extremes has led to some irreversible impacts as natural and human systems are pushed beyond their ability to adapt.¹</p> <p>2022 was Aotearoa New Zealand’s warmest year on record, surpassing the record set just the year before. The nationwide average temperature for 2022 was 13.76°C (1.15°C above the 1981-2010 annual average, and +0.20°C above 2021). The top-four warmest years on record have now all occurred since 2016. It was also the warmest year on record in terms of maximum temperatures (+1.08°C above average) and minimum temperatures (+1.22°C above average).</p> <p>Data from NIWA’s seven-station series that began in 1909 also shows that no months in 2022 were below average (more than 0.50°C below than the monthly average), and ten out of twelve months were above average (+0.51°C to +1.20°C above the monthly average) or well above average (>1.20°C above the monthly average).²</p>
<p>Greenhouse gas emissions</p>	<p>In the year ended June 2021, total gross emissions of greenhouse gas emissions in Masterton District were 785,873 tCO₂e (tonnes of carbon dioxide equivalent).³</p> <p>Agriculture is by far the largest emitting sector, representing 81% of total gross emissions. Most of this (62 of the 81%) came from enteric fermentation (methane released from the digestive process of sheep, cattle, and other ruminant animals). Other agricultural sources of emissions were unmanaged manure from grazing animals on pasture (9 of the 81%) and leaching and deposition from manure, urine, and fertiliser (6 of the 81%).</p> <p>Transport is the second largest emitting sector, representing 12% of total gross emissions. Almost all of this was from on-road petrol and diesel use (9 of the 12%) and off-road petrol and diesel use (1 of the 12%). Diesel for rail travel accounted for less than 0.1%.</p> <p>Other emissions were from stationary energy (4%) and waste (2%).</p>

¹ IPCC, 2022: Summary for Policymakers. In: Climate Change 2022: Impacts, Adaptation, and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge, UK and New York, NY, USA

² See <https://niwa.co.nz/climate/summaries/annual-climate-summary-2022>

³ AECOMM, 2023: Masterton District Emissions Inventory 2021/22. For Greater Wellington Regional Council.

	Gross emissions decreased by 6% from 2018/19 levels, despite a population increase of 8%. It is likely that most of the decrease is explained by the impact of COVID-19 lockdowns.
Scenarios	<p>The National Institute of Water and Atmospheric Research (NIWA) Climate Change Report is predicting that the Wairarapa Region is likely to warm significantly in the lifetime of the current generation. It is predicted that annual hot days (>25°C) may increase from 24 days currently to up to 80 days by 2090. For more see http://www.gw.govt.nz/assets/Climate-change-2/FINAL-WellNCC-projectionsimpacts.pdf</p> <p>We are using the NIWA modelled regional climate change projections (known as the Whaitua tables). The scenarios are expressed as a range, from lower emissions to higher emissions for a number of climate related parameters. https://www.gw.govt.nz/assets/Uploads/WhaituaClimateChangeprojectionsMarch2020.pdf</p> <p>All of the Wellington Region councils agreed to use these projections as the basis for the LTP 2024-2034 climate change assumptions.</p> <p>NOTE: It is not possible to reduce the mid-century warming, due to the amount of carbon dioxide already accumulated in the atmosphere. The projections for mid-century are already 'locked in'.</p>
'Scenarios at Glance'– expressed as a range lower to high emissions⁴ (for detail see the Whaitua tables)	
	<p>For average annual temperatures projected lower range 0.7 °C warmer above present by 2040 and 1.2 °C warmer by 2090; and for higher range 1.0 °C warmer by 2040 and 3.0 °C warmer by 2090 above present.</p> <p>By 2040, up to 30 more hot days per year (>25°C) and by 2090 up to 80 more hot days for inland Wairarapa.</p> <p>About a third of the warming predicted for mid-century has already happened in our region.</p> <p>From <i>Our Atmosphere and Climate 2020</i> report https://www.mfe.govt.nz/sites/default/files/media/Environmental%20reporting/our-atmosphere-and-climate-2020-report.pdf</p>

⁴ Low - RCP4.5 mid-range scenarios where greenhouse gas concentrations stabilise by 2100.

High - RCP8.5 is a high concentration scenario where the GHG emissions continuing very high. In the light of new technologies and improvements it still remains a valid way to test the sensitivity of the climate variables.

	<p style="text-align: center;">Masterton warm days, 1972–2019</p> <p>Data source: NIWA National Climate Database from 30 climate stations. https://www.stats.govt.nz/indicators/frost-and-warm-days</p>
	<p>Rainfall will vary locally within the Wairarapa region. The largest changes will be for particular seasons rather than annually. Heavy/extreme rainfall is likely to increase especially for the end of century.</p> <p>The increased temperatures will have greater impact on the evapotranspiration. The predicted changes in temperature will make a significant difference to the hydrological systems and water availability meaning that it will get a lot drier even if the average rainfall doesn't change significantly.</p>
	<p>Up to 15 fewer frost days (below 0°C) by 2040; and up to 40 fewer frost days in inland Wairarapa by 2090.</p>
	<p>Change in the intensity of the wind: up to 3% increase by 2040 and up to 4% by 2090.</p> <p>Change in annual number of windy days: up to 4 days by 2040, and up to 12 days by 2090.</p>
	<p>Sea level rise: projected lower to higher range is 0.12 to 0.24 metres above present by 2040 and 0.12 to 1.75 metres by 2090.</p>
<p>Level of uncertainty</p>	<p>The level of uncertainty is low especially for the projections for mid-century. About a third of the warming predicted for mid-century has already happened in our region.</p> <p>The biggest uncertainty is the rate of future global GHG emissions, which are influenced by the human factor e.g. social, economic and environmental policies and development.</p> <p>The big unknown is the scale and pace of human actions. How much and how fast we change our behaviour will have an impact on the end of the century predictions, as well as whether policies, developments, and</p>

	changing behaviour stabilize the climatic changes that are already in motion.
Risks	<p>The greatest risk relates more to our readiness and willingness to respond, and to respond at a rate and to an extent that will reduce GHG emissions.</p> <p>Climate Change has the potential to increase the frequency and intensity of natural hazard events that already occur. Adaptation can help reduce our vulnerability and increase our resilience to natural hazards.</p> <p>Our efforts to mitigate the economic impacts of the COVID-19 pandemic provide us with an opportunity to base our recovery on a low carbon economy and to take consideration of equity and intergenerational impacts.</p>
Financial and other implications	<p>If we continue BAU – i.e. no action or action to reduce GHG emissions is too late – the warming trends already observed will continue. This will have far-reaching impacts on fresh water, biodiversity, productivity, and our resilience against increasing climatic changes and weather extremes:</p> <ul style="list-style-type: none"> • Vulnerable infrastructure, supply chains, and lifelines • Coastal inundation • Saltwater intrusion to fresh water aquifers • Increase in human heat stress and impact on wellbeing • Stress on terrestrial and aquatic ecosystems and associated impacts on health and economy • Risk to water supply catchments • Water shortages becoming a norm • Energy, food, and other cost increases • Decrease in water quality impacts on biodiversity, recreation, and drinking water • Reduced soil fertility • Changes to timing of seasonal activities e.g. flowering, breeding • Increase in pests and diseases e.g. wasps, fruit flies • High stress on native species, extinction of some species • Ocean acidification, decline in fish population • Impacts on insurance and financial system. <p>By thinking how each decision we make increases or decreases GHG emissions and contributes to the overall GHG emissions, and by acting now we are playing our part in meeting Aotearoa’s carbon zero 2050 target. The following are the tools and methodologies that we are either progressing or considering:</p> <ul style="list-style-type: none"> • Reducing carbon emissions • Embedding carbon emission considerations in our BAU • Energy efficiency and innovative approaches • Climate change adaptive planning framework • Water resilience • Work with other regional TAs and the regional council on getting the best and latest science and information • Engage with our community on adaptation.

	<p><i>Carbon price:</i> The Emissions Trading Scheme is the central government’s main mechanism to reduce greenhouse gas emissions. Under the Scheme new NZUs (emissions units) are auctioned by the Government and there is a secondary market. Major emitters (except notably agriculture) must purchase NZUs to cover their current or future emissions. It is currently planned that agriculture will join the ETS in 2025.</p> <p>The current price for NZUs is about \$70 per tonne (November 2023). The Climate Change Commission released data in 2021 indicating prices need to be over \$138 per tonne by 2030 and over \$250 per tonne by 2050 to encourage the required reduction in emissions to meet the Paris Accord obligations.</p> <p>A doubling of the carbon price within the term of this Plan and a quadrupling by 2050 will have cost implications for goods and services purchased by the Council, and could drive significant changes in the behaviour of our community and in their demands for Council services.</p> <p>For example in the Roothing activity, fossil fuels are a significant cost factor for roads and footpaths, and higher fuel prices could result in a switch by many households to more active modes of transport and an increase in demand to accommodate walking and cycling, and for more devolved services.</p> <p><i>Financial Implications:</i> If climate change results in changes that are more significant, or which continue to occur sooner than currently predicted, then this could place strain on some of Council’s core infrastructure e.g. water supplies and our stormwater system. If infrastructure needs to be upgraded sooner than planned, then this may result in unbudgeted expenditure which could result in an increase in borrowing, the use of Council reserves or an increase in rates.</p> <p>The cost of doing nothing, or responding too late, will be greater, presenting risks for Council assets and service delivery, our economy and our community.</p>
<p>What are we doing to reduce that risk?</p>	<ul style="list-style-type: none"> • Our Asset Management Plans and Infrastructure Strategy have considered the impacts of these assumptions on our infrastructure over the next 30 years. They consider the scenarios and they projections as a range, as expressed in the Waitua tables. • Regional Climate Change Risk Assessment • Regional Emissions Reduction Plan • Regional Food System Strategy • Participating in the National Climate Change Network • Developing an organisational carbon footprint • Focusing on energy efficiency • Increasing our EV fleet • Promoting waste minimisation • Implementing a corporate carbon emissions reduction plan • Implementing a community-focused climate action plan for Masterton District

PART 2A – Whaitua Tables

	Scenarios	Ruamāhanga Whaitua		Wairarapa Coast Whaitua		Impacts
		2040	2090	2040	2090	
Temperature and seasonality	Average annual temperature ⁵ will rise above present	+0.7°C to 1°C above present	+1.2°C to +3°C above present	+0.5°C to 1°C above present	+1°C to +3°C above present	<ul style="list-style-type: none"> Increased human heat stress and mental health issues, rurally and in urban centres Increased temperatures in urban centres due to human activities, large areas of concrete, buildings and vehicles Increased risks of pests (such as wasps, rodents and fruit flies) and diseases (including risks to human health) and biodiversity losses Reduced workplace productivity Increased air pollution and seasonal allergies Higher demand for drinking water at times when water is likely to be scarcer Stress on ecosystems and associated impacts on health and economy Range and habitat of native plants and animals will change- extinction of some species Higher temperatures may allow for different crops to be grown. Timing of seasonal activities such as flowering, breeding and migration will change.
	More very hot days (above 25°C) per year	Between 0 and 30 days increase	Between 0 and 80 days increase	Between 5 and 30 days increase	Between 15 and 60 days increase	
	Fewer frost nights (below 0°C) per year	Between 0 and 15 days reduction	Between 0 and 40 days reduction	Between 0 and 5 days reduction	Between 0 and 15 days reduction	
	Seasonal change in temperature	Maximum warming in autumn and summer for both whaitua. Least in winter for Ruamāhanga and least in spring for Wairarapa coast.				
Wind	Change in the intensity of wind during windy days (>99th percentile of daily mean)	0% to 3% increase	1% to 4% increase	0% to 3% increase	1% to 4% increase	<ul style="list-style-type: none"> More frequent damage to trees, buildings and power lines Will increase fire risk during hot, dry periods
	Change in annual number of windy days Extreme wind events are likely to increase	0 to 4 days increase	0 to 12 days increase	0 to 6 days increase	0 to 10 days increase	
Rainfall patterns and intensity	Average annual rainfall	5% decrease to 5% increase	0% to 10% decrease	5% decrease to 5% increase	10% decrease to 5% increase	<ul style="list-style-type: none"> Increased prevalence of drought delivering urban and rural water shortages, and increased pressure on water infrastructure, including water storage Saltwater intrusion on groundwater

⁵ Uncertainty range: lower range for significant emissions reduction (Paris agreement targets met), and upper range for high emissions.

	Amount of rain falling during heavy rainfall days (> 99th per- centile of daily rainfall)⁶	0% to 10% increase	0% to 20% increase	0% to 15% increase	0% to 30% increase	<ul style="list-style-type: none"> Decreased water quality and increased levels of toxic algae which impacts biodiversity, recreation and drinking water sources Increased flooding, slips and landslides affecting land, houses, roads and other assets, public transport and rural productivity Flood protection infrastructure Levels of Service reduced overtime Impacted rural community due to reduced agricultural production Reduced soil fertility Regional parks negatively affected by both drought and flooding Higher stress on indigenous ecosystems, plants and animals, especially with drought Several fold increase in urban and rural wildfire risk – a particular concern for water supply catchments which may be rendered unusable for up to a year following a major wildfire
	Extreme rainfall magnitude: 6–12-hour duration, 100-year Average Recurrence Interval (normally used as reference for flooding design, referring to very extreme, infrequent rainfall events) ⁷	8% to 12% increase	14% to 36% increase	6% to 12% increase	12% to 36% increase	
	Change in rivers mean annual flood discharge (MAF) Measures flood potential in the catchments	Between 20% de- crease and 40% increase depending on catchment	Between 20% de- crease and 60% in- crease de- pending on catchment	Between 20% de- crease and 20% in- crease de- pending on catchment	Between 20% de- crease and 60% in- crease de- pending on catchment	
	Change in rivers mean annual low flow discharge (MAL) Measures water shortage in the catchments	Decrease up to 60%	Decrease up to 80%	Decrease up to 60%	Decrease up to 80%	
	Change in annual growing degree days base 10 Measures potential for crop and pasture growth	Increase be- tween 0 and 300 GDD units	Increase be- tween 200 and 1000 GDD units	Increase between 0 and 300 GDD units	Increase be- tween 200 and 900 GDD units	
	Change in annual potential evapotranspiration deficit (mm) Measures drought intensity	Increase be- tween 20 and 120 mm	Increase be- tween 0 and 180 mm	Increase between 40 and 120 mm	Increase be- tween 40 and 160 mm	
	Changes in number of days of very high and extreme forest fire danger⁸	100% to 150% in- crease	100% to 150% in- crease	100% to 150% in- crease	100% to 150% in- crease	
Sea level rise and coastal hazards	Sea level rise⁹	0.12 to 0.24 metres above pre- sent	0.68 to 1.75 metres above pre- sent	0.12 to 0.24 metres above present	0.68 to 1.75 metres above pre- sent	<ul style="list-style-type: none"> Increased coastal inundation with some areas to become permanently inundated Saltwater incursion into freshwater habitats Difficulty in obtaining insurance due to sea level rise and increasing frequency of flood events for community, business and central and local government
	More frequent storm surge (temporary raising of sea level during storms) more frequent and intense coastal flooding and coastal erosion					

⁶ There is a large uncertainty in the range of changes due to model differences and emission scenarios. Changes against emission scenarios are not necessarily linear. Greater likelihood of increases in autumn, winter and spring

⁷ Although the uncertainty in average rainfall range is high, extreme rainfall increases are more certain due to the increased amount of water vapour that the atmosphere can hold as it gets warmer (about 8% increase in saturation vapour per degree of warming).

⁸ These figures are given by IPCC model averages. Individual models can show much higher increases of up to 700%

⁹ The projected sea level rise for 2090 is based on IPCC AR5 plus an estimated additional contribution from Antarctica, based on papers published in Nature in 2018. Note the difference between pre- sent and pre-industrial, as we have already had about 26cm of sea level rise so far.

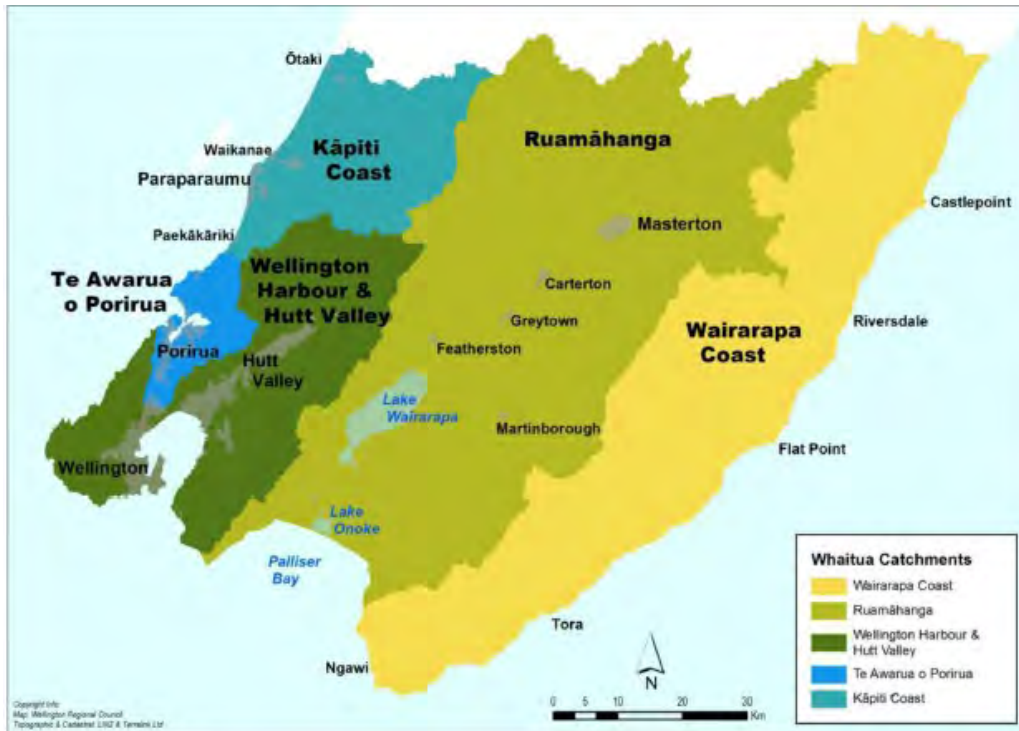
More regular storm events in the fragile coastal environment may also mean faster and more significant coastal retreat. See the link below for climate change, sea level rise and storm surge maps for the Region:

<https://mapping1.gw.govt.nz/gw/ClimateChange/>

	Saltwater intrusion into coastal groundwater, and further upstream in rivers					
Oceanic changes	Acidification of the ocean General temperature rises of sea water. Marine heatwaves					<ul style="list-style-type: none"> • Altered marine ecosystems, particularly affecting hard shelled species • Extinction of some species • Changes to the range of species, location and abundance of fish and sea birds around NZ • Impacts on aquaculture and fishing industries • Reduced recreational benefits

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Wellington Region Whaitua



<http://www.gw.govt.nz/assets/Climate-change/GWRC-NIWA-climate-extremes-FINAL3.pdf>

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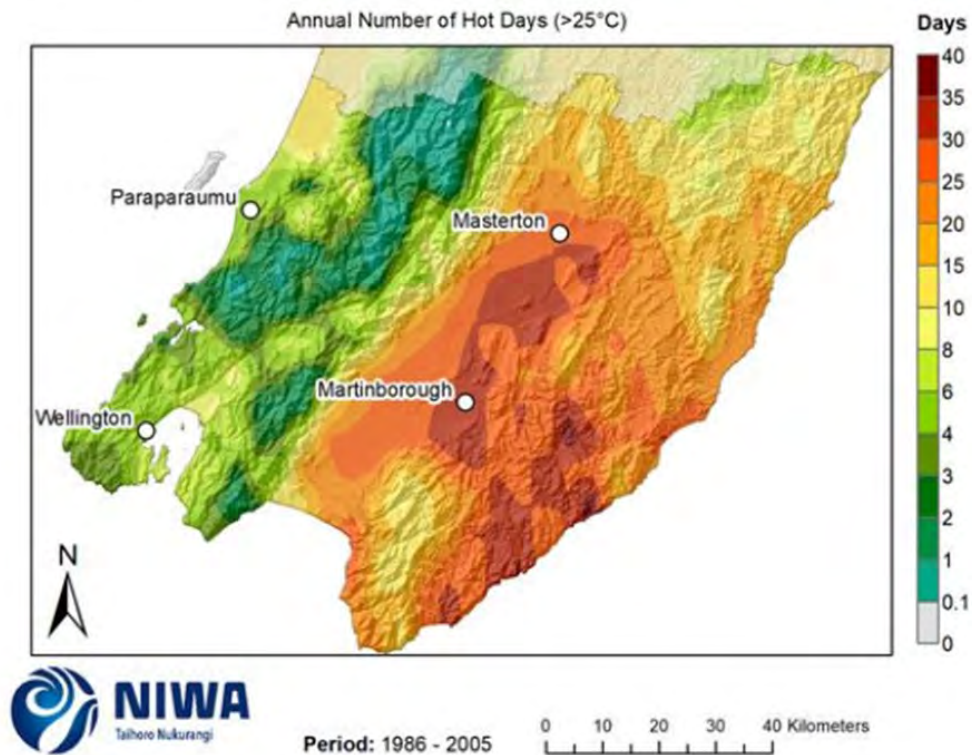


Figure 3-7: Modelled annual number of hot days (maximum temperature > 25°C), average over 1986-2005. Results are based on dynamical downscaled projections using NIWA's Regional Climate Model. Resolution of projection is 5km x 5km.

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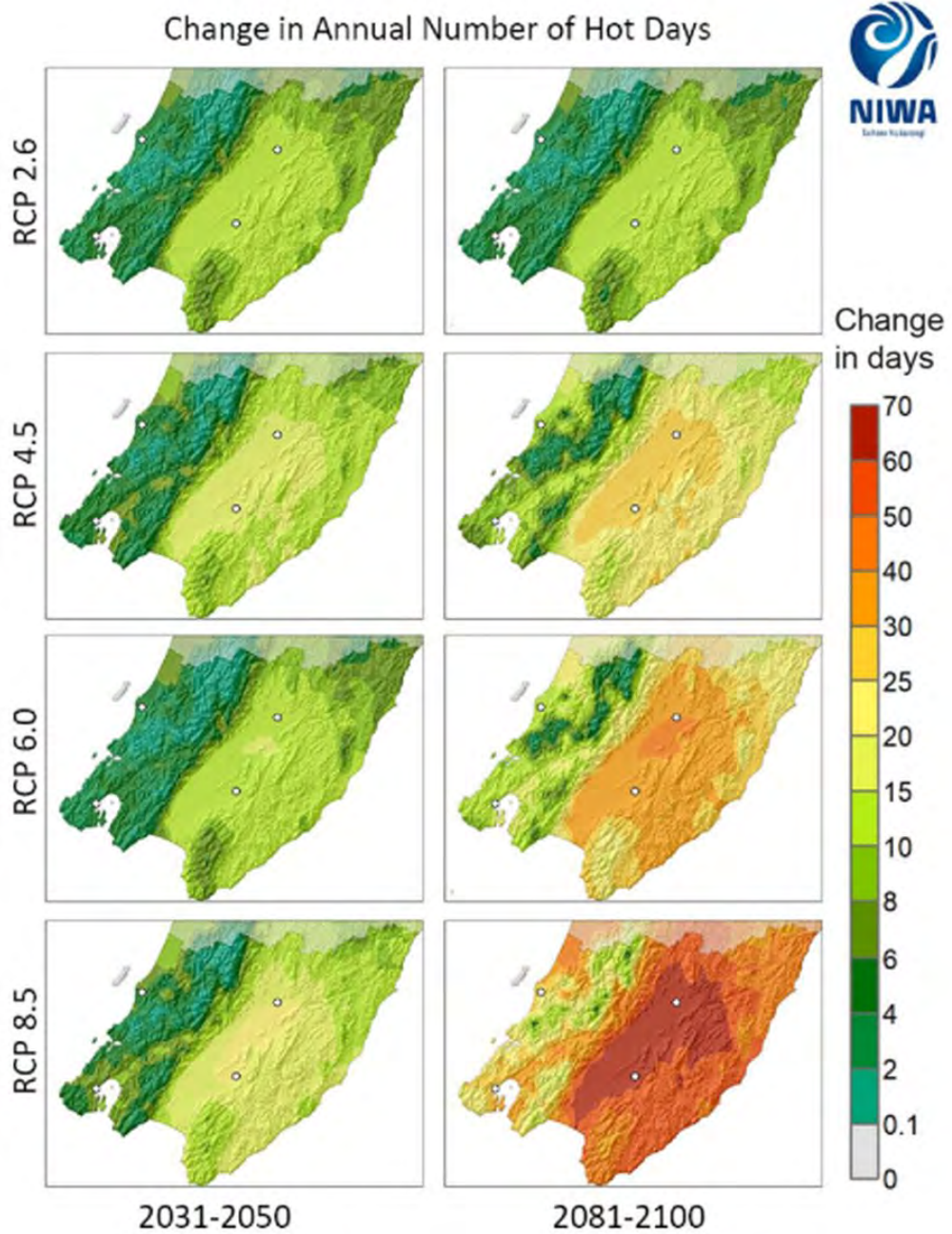


Figure 3-8: Projected annual hot day changes (max temperature > 25°C) at 2040 and 2090. Relative to 1986-2005 average, for four IPCC scenarios, based on the average of six global climate models. Results are based on dynamical downscaled projections using NIWA's Regional Climate Model. Resolution of projection is 5km x 5km.

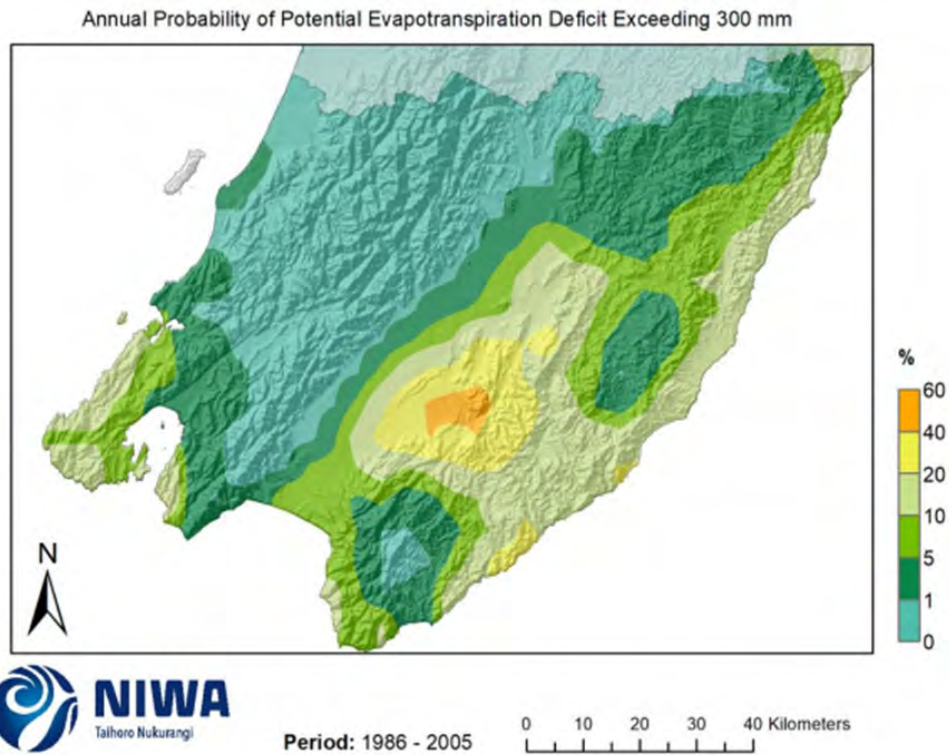


Figure 5-8: Modelled probability of Potential Evapotranspiration Deficit exceeding 300 mm in any year, average over 1986-2005. Results are based on dynamical downscaled projections using NIWA's Regional Climate Model. Resolution of projection is 5km x 5km.

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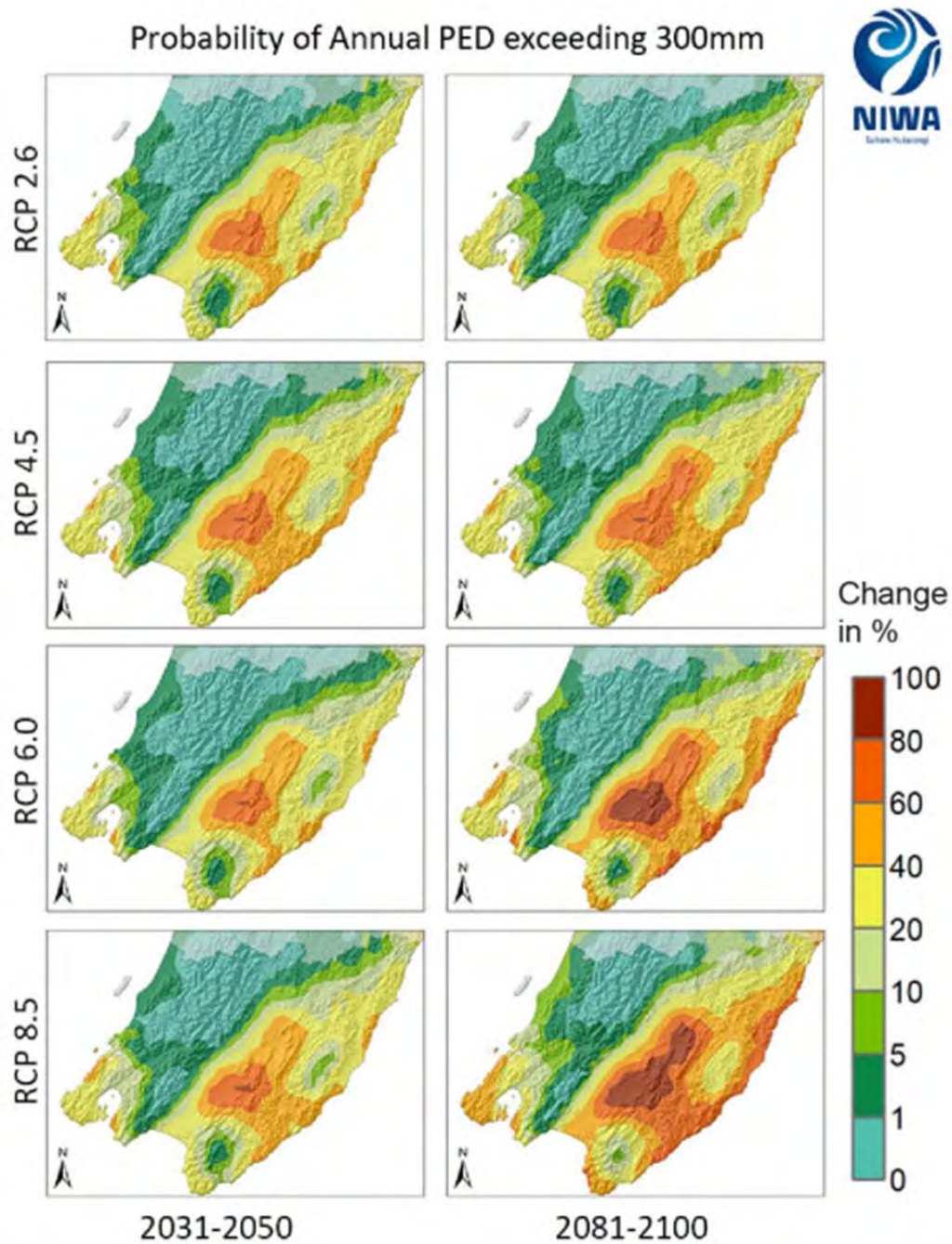


Figure 5-9: Projected probability of annual Potential Evapotranspiration Deficit exceeding 300 mm by 2040 and 2090. Relative to 1986-2005 average, for four IPCC scenarios, based on the average of six global climate models. Results are based on dynamical downscaled projections using NIWA's Regional Climate Model. Resolution of projection is 5km x 5km.

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PART 3 – DRAFT: 2021-31 LTP Financial and Other Assumptions Summary

Item	Assumption	Level of Uncertainty	Risk	Implications of Risk	Considerations/Commentary
FUNDING SOURCES					
Growth in Rating Base	<p>This is growth per annum in revenue from rateable properties as a result of additional numbers and value added from building activity. Higher growth is expected in year 1 and 2 with a consistent 1% per annum growth expected after that. Year 1 = 1.4%, Year 2 = 1.2%</p> <p>The number of households and value of properties in the Masterton District will continue to grow. Dwellings and household sizes will be smaller – meaning household growth will be higher than population growth. The growth in numbers and values will be largely in the Masterton urban area.</p>	<p>Moderate-High</p> <p>Housing growth forecasts include some reliance on population growth and economic forecasts. There is always some degree of uncertainty, and at the current time, with economic conditions and uncertainty surrounding migration, this is amplified.</p>	<p>Given the high level of uncertainty, there is a moderate-high risk that household growth will be higher or lower than we have forecast.</p>	<p>Higher Growth:</p> <p>Rates would be spread over a larger number of properties, increasing affordability for our community.</p> <p>Lower Growth:</p> <p>If growth is significantly less than we have forecast, Council’s ability to increase rates as much as needed will be less.</p> <p>Rates would be spread over fewer properties, decreasing affordability for our community.</p>	<p>Sense Partners projections (2023) forecast growth of 6,550 between 2022-2054, from an estimated 12,352 households in 2022 to 18,902 households in 2054. This equates to an increase of 53% over the 32 year period, or average growth of 1.66%. From a 2023 baseline, growth is forecast to increase from 12,605 to 18,902, an increase of 6,297 (49.96% or an average of 1.61% per annum).</p> <p>Infometrics (February 2024) are expecting the building industry to continue to slow in 2024, which could slow growth in our rating base.</p> <p>While Masterton experienced strong growth post COVID-19, particularly given relative housing affordability and changes in the way people (i.e. remote working being more acceptable), this growth has slowed from a 3% peak in 2020, to 1.6% in September 2023 (Stats NZ)</p>

<p>Interest Earned</p>	<p>On Invested Funds: 2024/25: 4.5% per annum From 2025/26: 4.0% per annum</p> <p>On Internal Investment Loans: 2024/25: 4.25 per annum From 2025/26: 4.0% per annum</p>	<p>Medium</p> <p>Interest rates have been increasing since 2021.</p> <p>While most commentators are expecting interest rates to begin to fall in Q4 2024, there is a degree of uncertainty due to domestic inflation remaining high.</p>	<p>That interest rates will be lower than we have assumed.</p>	<p>Lower Interest Rates:</p> <p>Lower interest rates on investment funds would result in reduced income for Council.</p> <p>In Year 1 of this Plan, an interest rate that is 1% less than we have assumed for invested funds would equate to \$180k less income.</p> <p>In Year 1 of this Plan, an interest rate that is 1% less than we have assumed for internal investments/loans would equate to \$78k less internal income.</p> <p>Higher Interest Rates:</p> <p>In current circumstances, the likelihood of higher interest rates is considered low. However, if this was the case, our income would increase.</p>	<p>Economic conditions have increased interest rates for Council funds that are invested.</p> <p>There remains a high level of uncertainty regarding the RBNZ's approach to the OCR for the remained for 2024, with many commentators not picking rates to be cut until late in the year.</p> <p>Given that, interest rates are not expected to fall significantly in the short to medium term.</p> <p>This will mean more income than Council received from interest than is typically expected, especially in Years 1-2 of the Long Term Plan.</p>
<p>User Fees and Charges</p>	<p>User charges defined in the Revenue and Financing Policy will be achievable and will increase at the rate of inflation over the 10 years of the LTP.</p> <p>Fee income such as Building Consent fees and Transfer Station</p>	<p>Medium-High</p> <p>Inflation and current economic conditions increase the level of uncertainty.</p>	<p>That we do not receive the level of income that we have planned for.</p> <p>That our income has not been set at a level that adequately takes account of all cost drivers other than inflation (e.g.</p>	<p>If user fees and charges are less than we have assumed the result would be lower than forecast income.</p> <p>If fees revenue was 1% lower than we have assumed, this would equate to \$77k in reduced income.</p>	<p>Our fee projections have taken into consideration the potential impact of the COVID-19 related economic recession and our recovery from that.</p> <p>If the economy is further impacted, or the recession is greater or more prolonged than we have assumed, this may negatively impact our fee projections.</p>

	Charges are subject to market influences, but our income is assumed to be stable.	Continued high levels of inflation, or rising interest rates, influence our community's ability to afford current fees and charges.	increased costs of delivering the service) or other factors that could negatively impact fee income (e.g. economic recession).	<p>If fees and charges are more than we have assumed, this would result in more income than we have forecast.</p> <p>If fees and charges do not increase at the rate of inflation, income would be less than we have assumed. Not inflating fees and charges would equate to approximately \$77k in Year 1.</p>	<p>If the effects of the recession are less than we anticipate, or our recovery is faster, this could positively influence our fee projections.</p> <p>Economic recession as a result of COVID-19 or other factors could impact income from user charges across a number of activities.</p> <p>Changes in legislation could also impact our ability to collect fees. For example, if a change meant we were restricted on how we set fees for an activity (e.g. liquor licensing).</p> <p>Increasing fees and charges beyond the rate of inflation could occur if there were cost drivers other than inflation.</p> <p>Council will be reviewing the Revenue and Finance Policy, and undertaking a Rating Review, in Year 1 of the LTP to ensure that public private benefit, and the use of financial tools such as fees and charges, remain appropriate.</p>
Financial Contributions	Revenue generated from financial contributions will reduce to levels less than the last three years. This is due to a slowing of the local development activity	Medium-High Current levels of inflation and economic conditions increases uncertainty around factors	That financial contributions are less than we have assumed.	If financial contributions are less, Council may have to fund the difference, at least in the short term, for some development projects. This could increase the rates required.	<p>Our projections have taken into consideration the potential impact of the current economic challenges facing the country and our recovery from that.</p> <p>Any economic recession could reduce revenue generated from</p>

	<p>that has been in evidence in 2024.</p> <p>The Proposed Wairarapa Combined District Plan is currently under consideration so no assumption about increased revenue being generated as a result of changes made in the plan, has been made.</p>	<p>that influence financial contributions, such as our local economy; household and population growth.</p>		<p>Revenue of \$2.0m is anticipated from financial contributions each year of the LTP beyond year three. Some proportion of this is at risk if development is less than anticipated. Year 1 reflects a reduction from current levels, while years 2 and 3 anticipate additional contributions from large proposed developments.</p> <p>If development activity exceeds our expectations, contributions could be more than we have assumed. This would increase Council reserves and Council's ability to invest in new assets.</p>	<p>development contributions if development slows or stalls.</p> <p>If the economy is further impacted, or there is a prolonged recession, and development slows or stalls, this may negatively impact our financial contribution projections.</p> <p>If the effects of the recession are less than we anticipate, or our recovery is faster, and there is more development, this could positively influence financial contribution projections.</p>
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<p>NZTA Rooding Subsidy and Rooding Subsidy Income Levels</p>	<p>1. NZTA will continue to provide a share of the funding for all defined maintenance, construction and minor safety work for roads and footpaths. Their share is known as the Funding Assistance Rate (FAR) and has been advised as follows: 56% from 2024-27 Beyond that time frame we have assumed there will be no change.</p> <p>2. Business cases for work that have been put forward to NZTA will be accepted for funding subsidy, and we will receive NZTA funding at the level we have assumed.</p> <p>Completion of cyclone recovery projects has been allowed in year 1 with the subsidy rate of 76% assumed.</p>	<p>Medium COVID-19 increases uncertainty of the current advised FAR commitment. Should the economy be further impacted or our recovery slower, NZTA may review its funding criteria and/or level of funding commitment.</p>	<p>That NZTA’s funding rate, beyond the current 3 year programme will be less than we anticipated.</p> <p>That our business cases are not accepted.</p> <p>That NZTA funding criteria changes and the cases we have put forward and assumed funding for will no longer meet their criteria.</p> <p>That we will not be able to complete the full work programme (e.g. if there was another lock down period), which would reduce the level of funding we receive from NZTA.</p> <p>Mataikona road resilience work has been allowed across the ten years of the LTP but the business case has not yet been accepted by NZTA.</p>	<p>If the NZTA subsidy is less than we have assumed the result would be lower than forecast income.</p> <p>Every 1% drop in NZTA funding equates to \$160k in reduced income.</p> <p>This could mean we would need an additional rates contribution to complete the programmed work.</p> <p>If the Mataikona Road work programme is not funded the Council will need to reassess whether to progress the work.</p>	<p>The revenue generated is dependent on work progressed and/or carried forward.</p> <p>If we are unable to complete the work that we have programmed, the income from this subsidy will be less than projected.</p> <p>The subsidy rate is reviewed every three years. It was reviewed in 2023 and is next due for review in 2026</p> <p>The programme will be kept under review with Council decisions sought on changes to the programme should the subsidy level change.</p>
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Item	Assumption	Level of Uncertainty	Risk	Implications of Risk	Considerations/Commentary
BORROWING					
Interest Paid on Borrowing	Interest paid on existing debt will average 4.8% from 2024/25. This is based on the current cost of debt the Council is paying and incorporates the mix of fixed and floating rate debt instruments. Interest paid on all new debt borrowed from 2024/25 will be 5%.	Medium - High Interest rates have been increasing since 2021. While most commentators are expecting interest rates to begin to fall in Q4 2024, there is a degree of uncertainty due to domestic inflation remaining high.	That interest rates will be higher than we have assumed.	Higher interest rates: Higher rates would result in increased borrowing costs for Council. In Year 1 of this Plan, an interest rate that is 1% more than we have assumed for borrowing would equate to increased cost of \$560k. Lower Interest Rates: In current circumstances, there is a possibility that interest rates will fall faster than expected. If this was the case, the cost of borrowing would also decrease.	Interest rate hedging is used to fix interest rates for varying terms to reduce the impact of interest rate movements on Council borrowing. Economic conditions have seen interest rates on borrowing increase. As at February 2024 Infometrics projection is that the RBNZ will cut the official cash rate from August 2024. It is expected that cuts will be gradual. Given that, we expect interest rates on new borrowing, or borrowing coming up for renewal, to remain at current levels for the foreseeable future. The borrowing costs for projects has these higher rates built in. If rates do come down, the projects will become more affordable.

<p>Repayment Periods</p>	<p>We will pay off all new debt within a 25 year timeframe.</p>	<p>Low</p>	<p>Repayment periods are shorter or longer than assumed.</p> <p>Council decides to depart from the assumed debt level.</p> <p>Council allows more exceptions to the 25 year timeframe for repayment of debt.</p>	<p>Any of these scenarios would impact the rates requirement.</p> <p>If repayment periods were significantly shorter this could result in higher repayments, negatively impacting rates required. It would also mean debt would be repaid more quickly than anticipated. The current generation could pay more than their share for the loan funded asset, reducing the cost for future generations.</p> <p>A longer repayment period could mean debt would be spread over a longer period, reducing payments and positively influencing cashflow in the shorter term, but it would also take longer to repay debt. The current generation could pay less than their share for the loan funded asset, moving this cost to future generations.</p> <p>Changing the duration of repayment periods could also potentially impact on Council debt ratios.</p>	<p>The Council's Financial Strategy sets a constraint the debt level and requires debt to be repaid and charged to the activity that has benefitted from the application of the debt funding.</p>
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<p>NZ Local Government Funding Authority</p>	<p>MDC will continue to be a shareholder and borrower from New Zealand Local Government Funding Authority (LGFA) which will continue to provide debt funding at competitive interest rate margins.</p>	<p>Medium Inflation and current economic conditions increase the level of uncertainty compared to previous LTPs.</p>	<p>That MDC is called upon to be a guarantor - as an LGFA shareholder, MDC is obliged to be a guarantor in the event of default of one of the other shareholders. That NZLGA is impacted by the current economic climate and unable to offer loan funding, or at rates that are more competitive than the general market.</p>	<p>The proportion each guarantor Council is required to pay is relative to shareholding. In the very unlikely event that the guarantee was called on, for every \$100K that might be defaulted, MDC would be required to pay \$440. If the LGFA was no longer to participate in the debt markets, MDC would need to explore alternative borrowing options. Market interest rates are expected to remain low for at least the first three years of the LTP, but alternative lenders are unlikely to be able to offer comparable interest rates to the LGFA, resulting in increased costs.</p>	<p>In the current economic climate, the risk of the Council's guarantor status being called on might increase, however given the LGFA has numerous financial controls in place, this risk is considered low.</p>
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Item	Assumption	Level of Uncertainty	Risk	Implications of Risk	Considerations/Commentary
INFLATION					
Inflation Rates	<p>Inflation will be applied in line with Business and Economic Research Limited (BERL) rates across the ten years of the Plan, except where we have alternative information that better informs decisions regarding inflation.</p> <p>TO INSERT: table in an attachment that includes BERL rates for Year 1-10.</p>	<p>Medium-High</p> <p>Changing economic conditions increase the level of uncertainty compared to previous LTPs.</p>	<p>That inflation is significantly higher or lower than expected.</p> <p>Most of the Council's operating costs are influenced by cost escalation, either through contracts or employment agreements.</p>	<p>Higher inflation than used in the model would result in increased costs.</p> <p>Lower inflation would result in reduced costs.</p> <p>Either could have a flow on effect for rates, fees and/or charges (i.e. increase or decrease) or for work programmes (e.g. if costs were higher, to maintain affordability, we may need to deliver less).</p>	<p>We will continue to monitor the economy and respond accordingly.</p>

Item	Assumption	Level of Uncertainty	Risk	Implications of Risk	Considerations/Commentary
CONTRACTS					
Operational Contracts	There will be no significant variations in terms of price (other than inflation) for operation and maintenance contracts.	Medium Inflation and current economic conditions increase the level of uncertainty compared to previous LTPs.	That there are significant variations in contract costs.	Increased costs would result in increased expenditure for Council. This could have a flow on effect for rates and/or fees and charges.	Economic recession could affect contractors. This could lead to requests for additional support and/or the need to secure new providers.
Capital Project Costs	Costs of major capital projects will not vary significantly from estimated costs that have been budgeted for.	Medium Inflation and current economic conditions increase the level of uncertainty compared to previous LTPs.	That the cost of major capital projects is more than we have budgeted for. Delays occur in delivering the capital programme and community expectations are not met.	Increased costs would result in increased expenditure for Council. This could have a flow on effect for rates and/or fees and charges.	Economic recession could impact supply and demand. This could see some reductions if contractors are looking for work. This could also see some increases in the cost of materials if they become less available. Slippage in the delivery programme may increase costs, therefore regular reporting to Council and Committees will occur and risk management plans will be developed for major projects and programmes of work. Adequate contingency will be built into projects and programmes of work. We will apply cost adjustors, including inflation adjustors, to

					<p>projects and programmes in outer years of this plan.</p> <p>The proposed capital programme for the life of this plan is larger than three years ago. The larger capital programme reflects some new projects, some having funding assistance from the government, along with the routine subsidy funding for the roading programme. The programme includes several large capital projects eg the library and town hall which require less capacity to deliver on once tenders are secured. However the infrastructure renewal programme will be dependent contractor availability.</p> <p>The Council has been steadily improving its performance at delivering on the capital programme over the last three years and has the project management capacity to deliver on the proposed programme. Contractor availability and longer timeframes than anticipated for gaining the appropriate consents may however delay the programme. Completing the programme over a longer timeframe will add some inflationary cost to the projects. Good planning and clever procurement will minimise this risk.</p>
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Item	Assumption	Level of Uncertainty	Risk	Implications of Risk	Considerations/Commentary
SIGNIFICANT ASSETS					
Asset Valuations	<p>Infrastructural assets are scheduled to be revalued 30 June 2026. Independent valuers are used to provide the valuations. The value escalations will reflect increases in the replacement and depreciated replacement costs of the Council's assets.</p> <p>Land and buildings assets will be revalued as at 30 June 2024 and every 3 years after that.</p>	<p>Medium-High</p> <p>Inflation and current economic conditions increase the level of uncertainty compared to previous LTPs.</p>	<p>That actual asset revaluations are significantly different to what is forecast.</p>	<p>If valuations are more or less than has been allowed, depreciation costs in subsequent years will vary from the values that have been allowed in the LTP.</p>	<p>Economic recession could impact valuations.</p>
Investment Properties	<p>The value of investment properties will remain static given our small investment portfolio.</p>	<p>Medium</p> <p>The timing of sales, and the value of our investment properties at time of sale, is uncertain.</p> <p>Results of our Property Stocktake and Strategy work are not known at this point.</p>	<p>That the value of investment properties decreases or increases.</p>	<p>A decrease in asset value could result in reduced income for Council when the property is sold.</p> <p>An increase in asset value could result in increased income for Council when the property is sold.</p> <p>Income from the sale of investment properties is not relied on for the Council's operational funding.</p>	<p>Economic recession could impact the valuation of investment properties.</p> <p>Revaluation changes have not been allowed for.</p>

Item	Assumption	Level of Uncertainty	Risk	Implications of Risk	Considerations/Commentary
LEGISLATIVE					
MDC as an Entity	Amalgamation will not happen during life of the Plan.	Medium	That reorganisation occurs and results in alternative operating structures, or amalgamation is reconsidered.	<p>If amalgamation did occur within the life of this LTP there would a range of associated costs, for example transition costs.</p> <p>There is also the potential for efficiency gains and higher levels of service to be achieved. Boundary reviews and changes would also require a review of this LTP with associated community consultation.</p>	<p>Shared services across the three Wairarapa Councils, for example solid waste contracts and the Wairarapa Combined District Plan, are likely to continue.</p> <p>Council activities that are shared services would be easier to transition into a bigger organisation if amalgamation did occur.</p> <p>Amalgamation could have economies of scale for the three Councils and could result in enhanced Levels of Service in some activity areas.</p> <p>Risk and mitigation plans will be kept under review.</p>
Resource Consents	There will be changes to the condition of existing and renewed resource consents during the ten years of this LTP.	Low	That consent conditions will not change, or that change will be more or less restrictive than we anticipate.	<p>If change is less restrictive than we have assumed, some planned projects or changes may not be required, or not required as soon as we have scheduled. If change is more restrictive than we have assumed, this may require further investment from Council, or impact on our ability to continue to provide the service or activity.</p>	<p>We are planning for change to the Henley Lake water intake consent and our Water Supply consent during the life of this LTP.</p> <p>We are actively participating in changes to the Natural Resources Plan.</p>

<p>Water Reforms</p>	<p>1. MDC will continue to provide three waters services and maintain associated assets for our community.</p> <p>2. There will be probable second order impacts of three waters reform.</p>	<p>High</p>	<p>Another entity becomes the provider of the three water services and Council ceases delivery of these services.</p> <p>Second order impacts could include things like: private and/or community water supplies failing to meet their regulatory obligations; or advocacy for amalgamation of remaining functions.</p>	<p>Services would continue to be provided to the community via another entity.</p> <p>There are financial and operational implications for the Council relating to the size and scale of the business. The three waters make up close to 30% of the Council's operating budgets, so their loss will result in the organisation reassessing its delivery capabilities and support structures in all other activity areas.</p> <p>Second order impacts could include:</p> <p>Council could be required to take over management of private and/or community water supplies that can't meet their regulatory obligations.</p> <p>Amalgamation of Councils remaining functions with other Wairarapa Councils could be considered.</p>	<p>Three waters provision is currently being considered by central government. We expect to know more about the future of three waters services by the end of 2024.</p> <p>Council will assess second order impacts as part of its analysis of the proposal when that is received.</p>
<p>Resource Management Act Reform SUBJECT TO AGREEMENT</p>	<p>Through the review of the Wairarapa Combined District Plan (WCDP), we will adapt the district plan to</p>	<p>Low</p>	<p>The RMA reforms being pursued by the government suspends or slows the District Plan review.</p>	<p>If the review is suspended or takes longer, then the issues causing frustrations within the planning environment will continue.</p>	<p>Further RMA reforms are being considered by the new government. The Randerson Report recommends the replacement of the Resource Management Act 1991 with two</p>

<p>WITH CDC/ SWDC</p>	<p>reflect RMA reforms.</p>			<p>We may need to suspend our contract for service for review support and there will be some savings; or we may need to extend this contract, adding to costs.</p> <p>The Council could change tack and undertake a Plan Change for urgent matters while the reforms are progressed through to enactment. If the plan change was pursued the costs of the plan change would be covered by the existing District Plan review budget.</p>	<p>separate pieces of legislation; a Natural and Built Environments Act and a Strategic Planning Act. Those reforms have not found favour with the new government, but there remains a need for legislation to address issues related to climate change adaptation and the managed retreat from areas threatened with inundation.</p> <p>The Wairarapa Combined District Plan review process is well advanced and should progress to operative in 2025.</p>
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Item	Assumption	Level of Uncertainty	Risk	Implications of Risk	Considerations/Commentary
LEVELS OF SERVICE					
Levels of Service	LOS will be maintained or improved for most activities in line with this LTP. Some changes are proposed for consultation.	Medium-High Inflation and current economic conditions increase the level of uncertainty compared to previous LTPs.	That there will be a change to LOS during this LTP that is outside the scope of the Plan.	An increase in level of service for any activity could require additional funding from our community. A reduced level of service could reduce costs for our community. Specific implications of any LOS change would depend on the service that changes.	Increases in LOS are planned for the Civic Centre, Library, Town Centre and Animal Shelter (to meet increased regulatory requirements). There may be pressure to reduce some LOS to reduce costs/ rates impacts. There could also be demand for other changes to LOS (e.g. increase operating hours of some facilities/ services or greater focus on/investment in economic development to support recovery).

Item	Assumption	Level of Uncertainty	Risk	Implications of Risk	Considerations/Commentary
HUMAN RESOURCES					
Human Resources	MDC will be able to attract and retain appropriately skilled staff to deliver the planned work programme.	Medium	That MDC will not be able to attract appropriately skilled staff to deliver the planned work programme.	Planned work programmes and or service levels could be impacted, and/or external contractors would be needed to progress work. Contractor costs could impact the overall cost of programme delivery.	We have experienced challenges recruiting in some areas, engineering and planning in particular where there is a national shortage of experienced and suitably qualified staff. A future pandemic may impact on staff capacity to deliver the work programme.

Item	Assumption	Level of Uncertainty	Risk	Implications of Risk	Considerations/Commentary
NATURAL ENVIRONMENT					
Natural Disasters	No natural disaster will occur that causes widespread or significant damage to Masterton's infrastructure.	Medium-High	That a significant natural disaster will occur.	<p>This could disrupt the community with the level of disruption dependent on the event and consequences of that-</p> <p>Council could need to borrow substantially as a result of an event – e.g. if assets were lost.</p> <p>The flow on effects from a serious event could mean Council is not able to raise rates and may need to borrow more.</p>	<p>Council carries insurance on most assets with the intention of mitigating the financial impact of natural disasters.</p> <p>The Council has a Flood Damage Reserve to contribute towards our share of remedial work on roads and bridges in the event of storm or other damage from natural disasters. The fund has been drawn on heavily in the last two years and will be replenished from funding allowed in the LTP.</p> <p>Work is currently underway as part GWRC's flood protection programme which could see the Council contributing to Waipoua River flood protection works. There is funding allocated in this in the LTP.</p> <p>Council is also developing a Stormwater Strategy that will assist in prioritising work that will contribute to a reduction in flooding risk for our community.</p>

Item	Assumption	Level of Uncertainty	Risk	Implications of Risk	Considerations/Commentary
INFRASTRUCTURE					
Water Resilience	<p>Council will invest in increased water storage, increasing the capacity of its own raw water reservoir and treated water capacity.</p> <p>The prospect of a community water storage scheme is not factored into the LTP.</p>	Low	That Council revokes its decision to invest in greater water storage.	Water conservation and availability will become a bigger challenge for our community.	<p>The budget includes provision of \$7 million in Years 2 - 4 for building of raw water storage reservoirs and a new treated water reservoir in years 5 and 6.</p> <p>Council has signalled an intention to support (by way of loan) a scheme to provide process water in the Waingawa industrial area.</p>

8 REPORTS FOR INFORMATION

Nil

9 PUBLIC EXCLUDED

Nil