

MASTERTON DISTRICT COUNCIL

COUNCIL AGENDA

LONG TERM PLAN DELIBERATIONS MEETING

2 AND 3 JUNE 2021 9.30AM

MEMBERSHIP

Her Worship (Chairperson)

Cr G Caffell

Cr D Holmes

Cr G McClymont

Cr T Nelson

Cr C Peterson

Cr B Gare

Cr B Johnson

Cr F Mailman

Cr T Nixon

Cr S Ryan

Notice is given that a meeting of the Masterton District Council will be held at 9.30am on Wednesday 2 June and continue on Thursday 3 June at Waiata House, 27 Lincoln Rd, Masterton.

**RECOMMENDATIONS IN REPORTS ARE NOT TO BE CONSTRUED AS COUNCIL
POLICY UNTIL ADOPTED**

28 May 2021



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.

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AGENDA:

1. Karakia
2. Conflicts of Interest (Members to declare conflicts, if any)
3. Apologies
4. Late items for inclusion under Section 46A(7) of the Local Government Official Information and Meetings Act 1987
5. Items to be considered under Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987
6. **Confirmation of Minutes of the Long Term Plan Hearings held on 19 and 20 May 2021**
(098/21) Pages 101-105

DECISION

7. **2021-31 LONG TERM PLAN DELIBERATIONS – OVERVIEW** (099/21) Pages 121-134
8. **LONG TERM PLAN DELIBERATIONS – MORE HOUSING FOR SENIORS** (100/21)
Pages 135-147
9. **LONG TERM PLAN DELIBERATIONS – CIVIC FACILITY** (101/21) Pages 148-206
10. **LONG TERM PLAN DELIBERATIONS – MASTERTON REVAMP PROJECT** (102/21)
Pages 207-229
11. **LONG TERM PLAN DELIBERATIONS – FUNDING REQUEST SUBMISSIONS** (103/21)
Pages 230-244
12. **LONG TERM PLAN DELIBERATIONS – OTHER TOPICS** (104/21) Pages 245-285
13. **LONG TERM PLAN DELIBERATIONS – FEES AND CHARGES** (105/21) Pages 286-316
14. **LONG TERM PLAN DELIBERATIONS – FINANCIAL IMPACTS AND BUDGETS** (106/21)
Pages 317-341
15. **ADOPTION OF THE SIGNIFICANCE AND ENGAGEMENT POLICY** (107/21) Pages 342-356

MINUTES OF THE LONG-TERM PLAN HEARINGS HELD IN THE KIWI ROOM, WAIATA HOUSE ON WEDNESDAY 19 MAY AND THURSDAY 20 MAY 2021 AT 9.35AM

PRESENT

Mayor Lyn Patterson (Chair), Councillors G Caffell, B Gare, D Holmes, B Johnson, G McClymont, F Mailman, T Nelson, T Nixon, C Peterson and S Ryan and iwi representatives Ra Smith and Tiraumaera Te Tau (from 2.02pm on 19 May and from 10.10am on Thursday 20 May).

IN ATTENDANCE

Staff in attendance over the two hearing days: Chief Executive; Manager Finance; Manager Assets and Operations; Acting Communications and Marketing Manager; Acting Manager Community Facilities and Activities; Corporate Planner; Project Delivery and Assets Manager; Senior Advisor Projects and Compliance; Asset Management Advisor; and Governance Advisor. Four media representatives (at various times) and a number of members of the public.

KARAKIA

Her Worship led the karakia.

APOLOGIES

Moved Councillor B Gare

That the apologies for lateness received from Tiraumaera Te Tau be received.

Seconded by Councillor Johnson and CARRIED

CONFLICTS OF INTEREST

In relation to the submission from Theresa McClymont (submission 74), Councillor McClymont advised that the submitter was his wife.

In relation to the submissions from the Rangitāne Tū Mai Rā Trust (submission 401) and Rangitāne o Wairarapa (submission 411) Ra Smith advised he has Rangitāne whakapapa and in relation to the submission from Sustainable Wairarapa (submission 342), that he was a member of Sustainable Wairarapa.

Councillor Peterson declared, in relation to the submission from Sustainable Wairarapa (submission 342), that he was a member of Sustainable Wairarapa and, in relation to the submission from WaiWaste Food Rescue (submission 330), that he was a committee member of the group.

Councillor Johnson declared, in relation to the submission from the Masterton Theatre Company (submission 439) that she was a member of the group.

The meeting adjourned at 9.45am and reconvened at 10.00am

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The following members were present when the meeting reconvened: Mayor Lyn Patterson (Chair), Councillors G Caffell, B Gare, D Holmes, B Johnson, G McClymont, F Mailman, T Nelson, T Nixon, C Peterson and S Ryan and iwi representative Ra Smith

The Council heard from the following submitters:

Sub #	Name
410	Summerset Group Limited - Aaron Smail (by Zoom)
81	National Coordinator Fluoride Free - Mary Byrne
277	Fab Lab Masterton Trust - John Hart and Kirsten Browne
240	Pasifika o Wairarapa Council - Luther Toloa
266	Riversdale Beach Surf Life Saving Club - Dave Rose and Charlie Caldwell
217	Age Concern Wairarapa - Nik Rilko
202	Masterton Foodbank – Jenna Matchett and Steve Sale
80	Graham Dick
277	Wairarapa Water Ltd - Robyn Wells and Bob Francis

Councillor McClymont left the meeting

74	Teresa McClymont
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Councillor McClymont returned to the meeting

156	Scott Thompson
285	Hewitt Harrison
299	Richard Jackson
376	David Howden
208	Brent Goodwin

The meeting adjourned at 12.30 and reconvened at 1.30pm

The following members were present when the meeting reconvened: Mayor Lyn Patterson (Chair), Councillors G Caffell, B Gare, D Holmes, B Johnson, G McClymont, F Mailman, T Nelson, T Nixon, C Peterson and S Ryan

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330	Waiwaste Food Rescue - Elise Sadler
Ra Smith joined the meeting at 1.35pm	
44	Wendy Kempself
Tiraumaera Te Tau joined the meeting at 2.02pm	
108	Wairarapa Community Centre Trust – Beverley Jack and Pip Hannon
401	Rangitāne Tū Mai Rā Trust - Jo Hayes
60	Toby Mills
318	Chris Horrocks
332	Wings over Wairarapa - Jenny Gasson & Bob Francis
394	Andrea Wyeth
436	Jeff Cherry
377	Gillian Haste
335	Marama Tuuta
386	Cliff Bouton
<u>The meeting adjourned at 3.28 and reconvened at 3.50pm</u> All members were present when the meeting reconvened	
367	Gavin and Linda Tankersley

The meeting adjourned at 3.57pm and reconvened at 9.34 am on Thursday 20 May

The following members were present when the meeting reconvened: Mayor Lyn Patterson (Chair), Councillors G Caffell, B Gare, D Holmes, B Johnson, F Mailman, T Nelson, T Nixon, C Peterson and S Ryan and iwi representative Ra Smith.

Councillor McClymont joined the meeting at 9.37am.

The Council heard from the following submitters:

Sub #	Name
334	Nuku Ora - Phil Gibbons (by Zoom)

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348	Riversdale Ratepayers Association - John Christie and Marguerite Vierstraete-Williams
Tiraumaera Te Tau joined the meeting at 10.10am	
403	Federated Farmers – William Beetham
343	Margaret Baylis
347	Peta Campbell
418	Ian and Diane Grant
384	Yvette Grace, Tina Te Tau, Makuini Kerehi
342	Sustainable Wairarapa – Duncan Moore
427	Te Awhina Community Hub – Donna Gray, Makuini Kerehi, Jim Birchall
333	Life Flight Trust – Lyndal Bremer
274	Chris Gollins
323	Enviroschools – Karyn Burgess and Jill Stewart
310	Mike Butterick (by Zoom)
F&C 17	Cheryl Cavanagh
373	Wellington Free Ambulance – Ruth Locker
413	CCS Disability – Mathew Wills
411	Rangitāne o Wairarapa – Amber Craig
439	Masterton Theatre Company - Christine Connor and Robin Dunlop
422	Digital Seniors - Sarah Wright and Cathy Hardinge

Moved Mayor L Patterson

That Council:

- i. **Receives the submissions on the 2021-31 Long Term Plan, noting 346 were received and of those 48 requested to be heard by Council.**
- ii. **Receives the submissions on Fees and Charges Statement of Proposal, noting 29 were received and of those one requested to be heard by Council.**

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- iii. **Receives the submissions on the Significance and Engagement Policy Statement of Proposal, noting 13 were received and there were no requests to be heard by Council.**

Seconded Councillor S Ryan and CARRIED

The meeting closed at 12.54pm

Confirmed at the Meeting of the
Council held on 2 June 2021

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To:	Her Worship the Mayor and Councillors
From:	Senior Leadership Team
Endorsed by:	Kathryn Ross, Chief Executive
Date:	2 and 3 June 2021
Subject:	Long Term Plan 2021-31 Deliberations – Overview
DECISION	
Recommendation: That Council receives Report 099/21 '2021-31 Long Term Plan Deliberations – Overview'	

PURPOSE

The purpose of this report is to provide Council with an overview of the Long Term Plan process and a summary of consultation undertaken.

CONTEXT

Long Term Plan Process

Every three years Council must prepare and adopt a Long Term Plan that must be adopted by 30 June. In the two years between Council prepares an Annual Plan.

The purpose of the Long Term Plan is to:

- Describe the council's activities and the community outcomes it aims to achieve.
- Provide integrated decision-making and coordination of the resources, as set out in section 93 (6)(c) of the Act.
- Provide a long-term focus.
- Show accountability to the community.
- Provide an opportunity for participation by the public in council decision-making processes.

Significance and Materiality

Levels of significance are assessed under Council's Significance and Engagement Policy in relation to the consultation document content for the Long Term Plan. Decisions that are assessed as significant must be included in the Consultation Document with proposed and alternative options.

Any changes Council might wish to make to the proposals in the consultation document and supporting information that were adopted by Council for consultation in March, may also need to be assessed for significance and materiality.

As noted, significance is assessed in relation to our policy. 'Material' is defined by the Local Government Act (Section 95A(5)): *a difference, variation, or departure is material if it could, itself or*

in conjunction with other differences, influence the decisions or assessments of those reading or responding to the consultation document.

If that threshold is reached and what is proposed departs from the original consultation document in ways that have not been signalled to the public, and the community has had no opportunity to comment on them, further consultation may be required.

DISCUSSION and OPTIONS

In this section we provide an overview of the consultation process.

Consultation Topics

The 2021-31 Long Term Plan Consultation Document and supporting information was adopted by Council on 31 March 2021.

The options for consultation related to three key decisions:

- Funding the Civic Facility
- Revamping Masterton
- More Housing for Seniors

Separate Statements of Proposal were adopted at the same meeting for:

- Proposed Fees and Charges
- Proposed Significance and Engagement Policy

A summary of community feedback and recommendations relating to each of these five key topics are included as separate reports in this agenda.

While the key decisions were assessed as significant and included in the Consultation Document, feedback on the Long Term Plan was not limited to these topics.

- An additional question also focused on what people thought of how we would pay for the plan.
- There was also provision for respondents to comment on any other matter or issue in an open comments section.

Additional reports cover submissions on other topics; requests for funding and the overall rates impact.

Consultation Process

The formal consultation period launched on Thursday 1 April 2021 and was scheduled to close at 4pm on Monday 3 May 2021. This was extended with the portal remaining open until 10am on Friday 7 May 2021. Submissions received after this date, up until Thursday 13 May 2021, were included.

The primary objective of communications and marketing activity during the consultation period was to raise awareness of the consultation process and promote the opportunity to step up and 'have a say'.

The Consultation Document was posted on our website with hard copies available via our Queen Street Customer Service Centre, the Library and at face to face events. Hard copies and fliers were also available at the Castlepoint and Riversdale Beach Stores.

During the consultation period there were:

- 25 'face to face' engagement activities attended or hosted by elected members and staff. These included 'pop-ups' in public spaces and attendance at scheduled meetings. See Attachment 1 for a list of all 'face to face' engagement activity.
- Over 100 hours of staff time was invested in 'face to face' engagement activities.
- 12 social media posts and events, including an advertisement which generated 225 clicks to the consultation homepage.
 - This included sharing short videos on each of the three key topics, a GIF/pop up on the Stuff.co.nz website, and a media release on fee increases that informed an article posted by Wairarapa Times Age.
 - The Long Term Plan webpage has been visited 2,198 times since the beginning of April.
- 2,500 fliers and 600 hard copy Consultation Documents were printed for distribution.
- There were weekly double page adverts advertisements in the Wairarapa Times Age and Midweek during the month of consultation; and a single page reminder on the final weekend.
- Radio adverts aired on Mediaworks and NZME stations.

The total spent on promotion is estimated at \$15,000.

A total of 346 submissions were received from the community on the Long Term Plan. These were received:

- Via the online submission tool: 115
- Via email: 140
- As hard copies (as either the hard copy submission form or another hard copy format): 91

Of the 346 submissions received, 48 requested to be heard by Council and participated in the Hearings held on 19 and 20 May 2021.

A full set of submissions received was provided to elected members in advance of the hearing and were made available publicly on the Council website.

In addition to Long Term Plan submissions:

- 29 submissions were received on Proposed Fees and Charges, and of those one requested to be heard by Council.
- 13 submissions were received on the Significance and Engagement Policy Statement of

Proposal, with no requests to be heard by Council.

Fees and Charges and the Significance and Engagement Policy are discussed in separate reports included in the deliberations agenda.

Submission Software

Council installed new submission software in January 2021. The software requires submitters to register to make an online submission. Once registered, submitters have their own portal where they can log in and access all previous submissions that they have made to Council. This can be useful when submitters want to refer back to past submissions or draw on those for other submissions. The software also captures all contact details, so submitters don't have to re-submit those each time they make a submission. Submitters can also save a draft submission and go back to it at a later point in time. From a Council perspective, the software offers Council efficiencies with processing of submissions and data analysis, saving time and money.

Some criticism has been received in relation to the new system on social media and in comments received verbally and via submissions. Key criticisms included:

- The need to register to make a submission.
- The two step process involved in submitting – i.e. the need to hit 'complete comment' and then 'submit'.
- That it was not easy to use the software on devices such as smartphones.
- The fact that follow up reminder letters were sent to some people who had already submitted.
- There were also some comments that the complexity of the system may be off-putting for some.

This feedback will be considered as part of the review of the consultation process, and we will explore opportunities to enhance the user experience for future consultation.

Like all new systems, the new software is a change and can take some time to become familiar. Council took a range of actions in an attempt to mitigate concerns, reduce any barriers to submitting and to encourage people to have their say. Actions included:

- Accepting submissions as hard copy, email and letter as well as via the online system.
- Offering to accept submissions over the telephone, though none were received in that way.
- Offering weekly sessions at the Library to assist people to use the system, though there were no attendees.
- Sending reminder emails to people that had registered reminding them of the opportunity to submit and of the need to hit submit.
- Extending the closing date for the online portal from Monday 3 May at 4pm to Friday 7 May at 10am.
- Accepting all submissions received up until Thursday 13 May when the Hearings agenda was finalised.

- Staff also followed up with submitters that they were aware were having problems submitting.

It should also be reiterated that submissions are only one form of feedback. As noted, elected members and staff also attended 25 face to face engagement activities, and engaged in a range of social media activity. Feedback from those sessions/mechanisms is equally valid and should be considered alongside feedback via submissions.

While it is the quality of feedback received rather than the quantity of submissions that is important, submission numbers were similar to the number received on the 2018-28 Long Term Plan and in response to consultation on the 2020/21 Annual Plan.

- Submissions on 2021-31 LTP: 346
- Submissions on 2020/21 Annual Plan: 332
- Submissions on 2018-28 LTP: 339

Qualitative Feedback Via Submissions

Qualitative feedback was received via submissions included:

399 additional comments on the three 'big decision' proposals that were included in the Consultation document and 'paying for our plan':

- 117 submitters provided additional comment on Funding the Civic Facility
- 103 on the Masterton Revamp
- 102 in relation to Housing for Seniors, and
- 77 commented on paying for our plan.
- This feedback has been discussed in the respective reports for each of these decisions, and in the Rating Impact report.

263 submitters made comments on other topics in the open feedback section of the submission form, or via email or letter. This included requests for funding and a number of submissions in support of a funding application from Riversdale Beach Surf Lifesaving Club.

- This feedback has been discussed in the Funding Requests and Other Topics reports that are included in this agenda.

The hearing provided an opportunity for submitters to discuss their submission with Council. In general, those who were heard reiterated the views expressed in submissions. Some expanded on their comments and/or provided context for their submission.

Qualitative Feedback Via Other Engagement

Feedback was also received through other mechanisms including face to face engagement activity and social media.

In relation to the three 'big decisions' key themes at face to face sessions included:

1. **Civic Facility** – Views on the civic facility were mixed, but there were slightly more records of 'generally positive' than 'generally negative'. Key questions and concerns related to the potential location of the facility and transparency around that. Other feedback raised during at least three face to face sessions included the need for adequate parking regardless of location, whether the library should be included (mixed views), comments that proposed plans for the theatre were too small and questions regarding what is happening to the existing Town Hall building.
2. **Masterton Revamp** – Parking was most frequently commented on, followed by consideration of business e.g. will the revamp attract retailers, will it keep businesses in the town centre and how online shopping might impact.
3. **Senior Housing** – The importance of housing in general was the most common theme, including concern for younger generations and their ability to access to housing. Views were generally positive toward increasing senior housing stock but mixed with regard to whether this should be Council's role.

Outside of the three 'big decisions' key themes were:

1. **Water/Water Resilience** – Water and water resilience discussion was recorded at 15 of the 25 face to face sessions. The strongest theme within water conversations related to water storage – support for mandatory domestic water storage and/or comments on the community dam/Council plans for water storage plans.
2. **Affordability** – Concerns regarding rate increases and affordability, and related comments regarding fixed and/or low incomes in Masterton, were recorded at approximately one third of the face to face sessions.
3. **Accessibility** – Advocacy for improved accessibility was recorded at approximately one quarter of face to face sessions. This ranged from comments regarding mobility parking and footpath improvements, to accessibility within Council facilities (including new projects) and advocacy for an accessibility survey.

An underlying theme across many topics raised was growth and planning for growth. A number of water and water resilience comments relate to growth, planning for growth and ensuring adequate infrastructure for water and in general. Comments regarding growth were also made in relation to housing needs. Observations of increased traffic were noted, and there was advocacy for consideration of future transport options (e.g. more public transport, infrastructure to support cycling and electric vehicles). There was also advocacy for changes to the Wairarapa Combined

District Plan to enable/support or respond to growth, such as requiring domestic water storage and reviewing rural zoning. Comments also referenced growth in tourism and freedom camping.

Other comments generally reflected those made by submitters.

Those who attended/participated in face to face sessions were generally positive about the opportunity to 'have a say' and appreciated Council attendance, even where their views differed.

Proposed dog fee increases was the strongest theme in social media feedback. There was also comment on the submission process, in particular the new software, as discussed in this report.

This qualitative data provides valuable insights regarding the views of our community and should be considered alongside and with equal weighting to feedback received via submissions.

Stakeholder/Partner Views

Themes that emerged through submissions and via the hearings from organisations included:

1. **Water/Water Resilience and Climate Change** – Water resilience was recognised as a challenge that needs to be addressed, despite some mixed views regarding how that should be achieved in relation to water storage. The benefits of water for community and industry were discussed. Concern was also raised regarding the potential impacts on rivers and water ways. Many comments relating to water resilience overlap with climate change, with these two issues being cited as key challenges for our community. Rangitāne Tū Mai Rā Trust and Rangitāne o Wairarapa highlighted water and climate change as priorities.
2. **Affordability:** Affordability for our community was raised as a concern by community groups, with strong sub themes around housing affordability and food poverty. The flow on effects of increasing costs include reduced access to housing (noting house prices are increasing faster than wages), food poverty (with comment that there has been an observed increase in working people accessing services), increased stress/anxiety resulting from increasing pressures (with subsequent health and social consequences); and cost/affordability barriers to life enhancers, such as sport. It was also noted by some that demand for services had increased, but the availability of funding to continue offering services had decreased. Many of the outcomes associated with a lack of affordability, such as not being able to access good housing, are recognised as 'social determinants of health' in that they can have long lasting and compounding impacts on the health and wellbeing of individuals and whānau.
3. **Equity:** There was also a strong theme of equity and action required to reduce inequity and inequality by reducing or removing barriers (physical, social, financial) to enable participation. It was also noted that impacts of challenges are not equally distributed, with some members of our community being 'harder hit' by COVID-19 and increasing costs of living than others, including Māori, Pasifika, those on fixed incomes and people with disabilities. Rangitāne Tū Mai Rā Trust noted "we are still to feel the 'bounce back' as a whānau/hapū".

Challenges like climate change, poverty and inequality are complex problems that are often described as ‘wicked issues’ because there is no easy fix, and no one organisation acting on its own can make a difference. These issues require social and systemic change that can only be progressed through multi-pronged, collaborative approaches.

In that context, a strong theme from Council partners/stakeholders was the need, and willingness/desire, to work together, collaborate, build or extend partnerships and relationships, and work together to share resources and knowledge to, in the words of Rangitāne Tū Mai Rā Trust at the hearings, “make headway together”.

These challenges generally align with Council’s community outcomes and with Council’s key strategies, including *He Hiringa Tangata*, *He Hiringa Whenua* (Council’s wellbeing strategy), Wairarapa Economic Development Strategy (WEDS), the Wairarapa Water Resilience Strategy and Council’s Climate Change action plans.

Specific request from organisations have been discussed in the Funding Requests, Rates Impact and Other Topics reports.

Quantitative Feedback Via Submissions

Not all 346 submitters responded to all questions. The number of responses for each topic is indicated below.

Funding the Civic Facility: 191 responses. Of those:

- 53.93% (103) ticked neither option; 38.22% (73) supported Council's preferred option; and 7.85% (15) the alternative option.
- Of those who indicated neither option, 91 people indicated at least one reason (noting people can select more than one reason). The most frequent reasons given by those 91 people were:
 1. I don't think it is a priority (44 submitters);
 2. The library is adequate now (35)
 3. There are other venues we can use for performances/gatherings (34)
 4. Other reasons (27)
 5. Support the project but now is not the right time (8)
 6. We should only proceed if we can access more than \$4 million external funding (5)

Masterton Revamp: 185 responses. Of those:

- 42.16% (78) ticked neither option; 32.97% (61) support Council's preferred option; and 24.86% (46) support the alternative option.
- Of those who indicated neither option 75 people indicated at least one reason (noting people can select more than one reason). The most frequent reasons were:
 1. I don't think it is a priority (30)
 2. The town entrances are adequate now (28)
 3. The town centre is adequate now (26)
 4. Other (17)
 5. Support but should be scaled back more than the alternative option (9)
 6. Support but now is not the right time (7)
 7. Only proceed if we get more external funding (6)

Housing for Seniors: 185 responses. Of those:

- 43.24% (80) support Council's alternative option; 34.59% (64) the preferred option and 22.16% (41) ticked neither option.
- Of those who indicated neither option, 40 people indicated at least one reason (noting people can select more than one reason). The most frequent reasons were:
 1. Don't think it is Council's role to build public housing (13)
 2. = Support the project but think council should build more than 25 houses (10)
= Don't support – don't think this is a priority (10)
 3. Other (8)
 4. Only support if we can access external funding (6)
 5. Sell the land (4)

Paying for our Plan: 175 responses. Of those:

- Agree/Strongly Agree: 46.28% (81) with break down 33.71% (59) agree and 12.57% (22) strongly agree.
- Disagree/Strongly Disagree: 35.43% (62) with break down 14.86% (26) disagree and a further 20.57% (36) strongly disagree.
- Neither agree nor disagree: 16.57% (29)
- Don't Know: 1.7% (3)

Submitter Demographics

As noted, a total of 346 Long Term Plan submissions were received. The majority of submitters indicated that they were making their submission as an individual. Thirty- two submissions received were identified as being on behalf of an organisation.

One hundred submitters responded to the question about whether they had made a submission to Council before. Of those:

- 61.4% responded No
- 38.6% responded Yes

These results are comparable with responses to last year's Annual Plan process where 65.6% indicated that they were first time submitters.

155 submitters indicated their ethnicity. Of those:

- 82.6% identified as NZ European (128)
- 5.8% identified as Māori (9)
- 1.3% identified as Pasifika (2)
- 10.3% identified as Other (16)

The proportion of submitters identifying as NZ European was slightly fewer than the 2018 LTP (85%). The proportion identifying as Māori was also down at 5.8% compared to 8% then. There were increases in people identifying as Pasifika (from zero) and other, up from 6% last LTP to 10.3%.

As in past years, the response rate for NZ European approximately aligns with 2018 Census data for Masterton (84.7%) but other ethnic groups are under-represented. Māori make up 21.3% of our population; Pasifika 4% and Asian 3.9%.

158 submitters indicated their age. Of those:

- 8.2% were under 20 (13)
- 8.9% were 20-34 (14)
- 19% were 35-49 (30)
- 28.5% were 50-64 (45)
- 35.4% were 65+ (56)

The proportion of submitters under the age of 20 increased compared to the 2018 LTP when no submitters indicated they were aged under 20. Combined with those aged under 35, there has been an increase from 6% to 17.1% of submitters.

Consistent with the last LTP there were increasing numbers of submitters as ages increased, with the majority of submitters indicating that they are aged 65+. However the number of submitters aged 65+ is less than the 2018 LTP (46% in 2018). Response rates for those aged 36-50 and 50-64 are comparable with the 2018 LTP.

The 35-49 age group is similar to Census data for that age group (17.2% of our population vs 19% of respondents) but as in previous years, under 35s are under-represented and those aged 50+ are over-represented.

156 submitters indicated their gender. Of those:

- 50.6% identified as female
- 49.4% identified as male

Fewer people responded to questions regarding their demographic information this year. Last LTP 241 indicated their ethnicity.

Deliberations

The hearings and deliberations have been separated, as they were for the 2020/21 Annual Plan, to allow Council officers time to provide advice on the content of the submissions (including any matters only raised at the hearings). Deliberations require elected members to take account of not only all submissions and other feedback received during the consultation process, but officer advice as well. This includes what has changed in the two months since consultation started.

Plan does not bind Council

Following deliberations, the final Long Term Plan will come to Council for adoption on 30 June 2021. The final plan as adopted will provide a formal and public statement of Council's intentions in relation to the matters covered by the Plan and will set the rates to be taken for the 2021/22 year.

The Local Government Act provides that a resolution to adopt a long-term plan or an annual plan does not constitute a decision to act on any specific matter included within the plan so Council can deviate from the plan during the year for good reason if something unforeseen does arise.

Changes to the plan following adoption may be more likely for the 2021-31 Long Term Plan than previous Long Term Plans given there is still a level of uncertainty related to COVID-19 and given the three waters reform, the community dam project and the Revenue and Finance Policy Review. Depending on the outcomes and timing of decisions on these matters, a Long Term Plan amendment could be required.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

Section 93 of the Local Government Act (LGA) requires use of the Special Consultation Procedure as specified in Section 83 of the Act for Long Term Plan. Section 82 also applies. This includes preparing and adopting a consultation document, or statement of proposal, and encouraging people to present their views.

Provisions for projects within a long term plan or annual plan do not constitute a commitment. The Local Government Act provides that a resolution to adopt a long-term plan or an annual plan does not constitute a decision to act on any specific matter included within the plan so Council can deviate from the plan during the year for good reason if something unforeseen does arise.

Significance, Engagement and Consultation

Consultation using the Special Consultative Procedure was undertaken to inform the 2021-31 Long Term Plan, Fees and Charges and Significance and Engagement Policy.

Financial Considerations

Detailed financial implications related to the budget changes that could flow from Council's deliberations are contained in the accompanying report.

Treaty Considerations/Implications for Māori

No implications specific to Māori have been identified for this decision. Implications for Māori in relation to the key proposals and other submission topics are discussed in accompanying reports.

Of the 2021-31 Long Term Plan submitters who indicated their ethnicity, 5.8% identified as Māori.

Communications/Engagement Plan

Council decisions on the proposals included in the Long Term Plan consultation document, and reasons for those decisions, will be communicated to submitters and our community.

Environmental/Climate Change Impact and Considerations

No environmental/climate change considerations have been identified for this decision. Environmental implications in relation to the key proposals and other submission topics are discussed in accompanying reports.

Attachment 1: Face to Face Engagement Activity

DATE	LOCATION
Sunday 4 April	Riversdale Beach Market
Thursday 8 April	Queen Street – Paperplus Alleyway
Sunday 11 April	Sunday Carboot Sale (Farriers Carpark)
Sunday 11 April	Lansdowne Residents Association (Lakeview School)
Monday 12 April	Lansdowne Retirement Park (Flat Residents)
Tuesday 13 April	JNL (staff cafeteria)
Tuesday 13 April	Girl Guides (Baptist Church)
Tuesday 13 April	Open House - Council's Queen St Office
Thursday 15 April	Rotary of Masterton (Community Centre)
Thursday 15 April	Riversdale Camp (Student Leaders)
Thursday 15 April	Ranfurly Club
Friday 16 April	Hansells Staffroom
Saturday 17 April	Farmers Market, Solway Showgrounds
Monday 19 April	The Gathering Session at the Library
Tuesday 20 April	Lansdowne Park Residents Session
Thursday 22 April	Queen Street - Paperplus alleyway
Friday 23 April	The Knitters Session at the Library
Friday 23 April	Powershop Office
Saturday 24 April	Castlepoint Residents and Ratepayers Association AGM Session.
Thursday 27 April	Wairarapa South Rotary Club
Wednesday 28 April	Maori Women's Welfare League, Ruamāhanga Peka
Wednesday 28 April	Mauriceville Rural Meeting (Mauriceville School Hall)
Thursday 29 April	Age Concern and Neighbourhood Support (The Senior Citizen Hall)

Thursday 29 April	Business Wairarapa
Friday 30 April	Kaumatua Council Meeting

To:	Your Worship the Mayor and Councillors
From:	Senior Leadership Team
Endorsed by:	Kathryn Ross, Chief Executive
Date:	2 and 3 June 2021
Subject:	Long Term Plan 2021-31 Deliberations – More Housing for Seniors
DECISION	
Recommendation:	
That Council:	
<ul style="list-style-type: none"> i. Adopts the alternative option for the More Housing for Seniors proposal in the Long Term Plan 2021-31 Consultation Document of Council offering land and someone else builds more public housing; and ii. Progresses work to make the vacant land at Panama Village available for more public housing; and iii. Works with the government (via Kāinga Ora)/community housing providers/iwi to ascertain the most appropriate arrangement for a provider/s to fund and build more public housing at the vacant land at Panama Village. 	

PURPOSE

The purpose of this report is to:

- 1) provide additional supporting information for Council to take into consideration when deliberating on More Housing for Seniors submissions; and
- 2) present Council with a summary of submitters' feedback (as expressed in submissions and at the hearings) on the More Housing for Seniors proposal and options that were included in the 2021-31 Long Term Plan Consultation Document; and
- 3) seek a decision from Council regarding the More Housing for Seniors proposal for the 2021-31 Long Term Plan.

CONTEXT

The Council's 44 senior housing units at Panama Village occupy about one-third of the available land area, leaving four hectares available for more housing.

The Panama land was originally gifted to the community by Arthur Whatman, and under current rules can only be used to accommodate older people or those in need.

The Government's recently updated Public Housing Plan did not include Masterton, but at a local level we recognise the urgent need for more housing in our district.

There is an opportunity to develop additional housing on the land at Panama and to partner with the government (via Kāinga Ora) or a Community Housing Provider to offer subsidised rent to eligible people on the Public Housing Register.

The options for consultation were agreed at the Council meeting held on 24 February 2021 and were reconfirmed when the 2021-31 Long Term Plan Consultation Document was adopted by Council on 31 March 2021. The options were:

- Preferred option: We build 25 pensioner units
- Alternative option: We offer land and someone else builds more public housing.

We have received legal advice that the alternative option requires approval from the High Court to lease the land, but that this requirement does not appear insurmountable. We have been advised that the preferred option would not require High Court approval.

Preferred option: We build 25 pensioner units

The Council funds and builds 25 units (15 x 1-bedroom units and 10 x 2-bedroom units) on the vacant land at Panama Village and partners with a Community Housing Provider to manage the housing so that tenants can access government-subsidised rent, making it affordable housing. This option improves the level of service for our community by making 25 more houses available.

The estimated cost of building the 25 units with the required infrastructure (including water and wastewater pipes, roading and paving, stormwater, power, landscaping) is \$7.5 million. We have estimated an annual income of \$351,000, which accounts for market rent (the government subsidises the eligible tenants) less the cost for the services of the Community Housing Provider to manage the units.

The Council will fund the capital costs of the project through borrowing. There will be an estimated additional net cost to our ratepayers of \$143,000 per year, which equates to rates of \$11 per year from 2023 for the average urban residential property.

Alternative option: We offer land and someone else builds more public housing

The Council investigates a means of making the vacant land at Panama Village available for other providers to fund and build more public housing. This option would improve the level of service to our community by making 25 more houses available.

With another provider building units on Council land no borrowing is required, and there is no cost to ratepayers. Tenants and providers can potentially access government funding (both for the build work and for ongoing costs).

The More Housing for Seniors section from the 2021-31 Long Term Plan Consultation Document is included as Attachment 1 to this report.

Additional Information

Since Council adopted the options for consultation in February, staff have continued to investigate ways to respond to the housing issues our community is facing. Whilst we have not received any formal proposals, there has been genuine interest in opportunities to partner with Council on public housing development. Particularly promising has been the Government's recent commitment to build houses in Wairarapa. Kāinga Ora have said that they will not be taking a traditional approach in terms of building on their own land, but are instead planning to work with landowners and developers looking to lease. They have taken this approach elsewhere, for example in Wellington where they have a 125-year lease on land which offers a mix of public and affordable housing.

On 18 March 2021 Council hosted a housing information session with the Ministry of Housing and Urban Development, Community Housing Providers, the Ministry of Social Development, Marae Trusts, Māori Trust Boards and developers. There was significant interest in and enthusiasm for working together to help overcome Masterton's housing issues.

As noted, the alternative option (leasing the land for housing development) would require High Court approval. Since Council adopted the options for consultation, we have become aware of a CHP having a successful outcome when taking a similar request to the High Court. This gives greater confidence that a request for High Court approval to lease the land would be approved.

Since Council adopted the options for consultation in February, the Government has announced a contestable, \$3.8 billion Housing Acceleration Fund. Council could potentially apply for funds towards the cost of the infrastructure required at the Panama bare land site to get it to a 'build-ready' stage. Further details about the criteria and eligibility for the Fund are expected to be announced in June.

DISCUSSION and OPTIONS

This section includes an overview of the feedback received from submitters' through the consultation process; provides additional information for Council to consider when deliberating on submissions; and provides advice regarding the More Housing for Seniors proposal for the 2021-31 Long Term Plan.

Submission Feedback

185 submitters indicated their preference for the options presented in the consultation survey. Of those:

- 43.24% (80 submitters) supported Council's alternative option
- 34.59% (64 submitters) supported Council's preferred option
- 22.16% (41 submitters) supported neither option

Of those who indicated neither option, 39 people indicated at least one reason (noting people can select more than one reason). The most frequent reasons were:

- Don't think it is Council's role to build public housing (12)
- Support the project but think Council should build more than 25 houses (10)
- Don't support – don't think this is a priority (10)
- Other (8)
- Only support if we can get more external funding (6)
- Sell the land (4)

A summary of the comments that were received in relation to the More Housing for Seniors proposal follows. This qualitative data provides further insights.

Themes from the Submission Analysis

Of the submitters that provided written submissions or comments, 96 people provided specific feedback on the Senior Housing proposal and options. The key themes from the submission analysis are:

1. General support for public housing development
2. It is not Council's role to provide housing
3. Housing development should not just be for seniors.

1. General support for housing development

Submissions show there is support for additional public housing development in Masterton. Almost 80 per cent of submitters supported more public housing, whether built by Council (Council preferred option) or another party (alternative option). Many submissions mentioned the need for additional housing as being a key issue for the Masterton District.

Those who supported Council's preferred option noted a range of reasons. These included that Council would be more likely to keep rents low, Council would benefit from having control over the development, and that there are benefits to Council owning the asset. Others commented that the development would be faster if funded by Council and that the community has an obligation to support its seniors.

Considerations

The need for more public housing has continued to be a topic raised as part of community consultation. It was also included in submissions on the draft 2020/21 Annual Plan. Submitters' statements that more housing is needed are supported by current housing statistics for Masterton. The latest figures from the Government's public housing register show that as at December 2020 there were 144 households registered as being in need of public housing in Masterton.

Anecdotally, the actual number of households in need of public housing is considered to be significantly higher, given that there is no Kāinga Ora (formerly Housing New Zealand) presence in Wairarapa. Despite encouragement to do so by the Ministry of Social Development and other

agencies, there are still those who are not registering on the public housing register. At a stakeholder meeting in March, the general consensus was that between 200-300 new public houses are needed in Wairarapa to meet the current demand.

Any public housing development would require a partnership with central government or a Community Housing Provider (CHP) in order to access the Government's Income Related Rent Subsidy (IRRS). The IRRS is the difference between the amount a tenant is able to pay (as assessed by the Ministry of Social Development) and the market rent for the property (set by the Ministry of Housing and Urban Development). The Ministry of Housing and Urban and Development pays the IRRS to public housing providers. This ensures that rents are kept at an affordable level for tenants.

In terms of the speed of delivery, it may take longer to commence negotiations with potential partners under the alternative option, given the need to pursue High Court approval to lease the land.

The significant rate of growth being experienced in Wairarapa is affecting the availability of developers and builders. The impacts of the COVID-19 pandemic have also had implications for the supply of building materials. These issues will have implications for development timeframes for both the council preferred option and the alternative option.

2. It is not Council's role to provide housing

Of those who provided written comments in their submission, approximately 45 per cent stated that it is not Council's role to provide public housing. They considered that it was not core Council business, or that Council does not have the skills or capacity to lead such a project. Several submitters noted that it is the role of central government via Kāinga Ora. Others considered it should be left to the private sector. Approximately 10 per cent of submitters specifically commented that rates should not be used to fund public housing.

Considerations

Local authorities across New Zealand are involved in public housing developments, acting as developers, owners, operators, or performing all these roles. Despite not being able to offer the IRRS, many local authorities remain committed to providing subsidised housing. For example, Wellington City Council (WCC) owns over 1,900 public housing units over 60 locations across Wellington City. Its units are a mix of large apartment complexes, smaller blocks of flats and standalone houses. WCC charges rent at 70% of market value to those in need and who meet its asset and income criteria. WCC manages a further 26 units on behalf of Porirua City Council.

Should Council decide to pursue the preferred option, it would need to allow for increased human resource within the Council to deliver the project. For example, a project manager with specific expertise in housing development would need to be engaged. Additional human resource with the appropriate technical expertise would also be needed for contract negotiation and other matters.

3. Housing development should not just be for seniors

Approximately ten per cent of submitters commented that further public housing development at Panama should support a wider section of the community than just our senior members. Some consider the need for public housing is greater amongst younger people and families. Some suggested a mixed-model approach at Panama, which they noted could provide social benefits by enabling the mixing of generations within the area they live. Others suggested that Council focus on enabling smaller, more affordable homes for younger people through allowing smaller lots sizes and focusing on higher density developments.

Considerations

There are pros and cons of providing the housing development exclusively for senior citizens. Mixed tenure communities can bring about benefits such as de-stigmatisation of an area, social cohesion and better health outcomes. These have positive multiplier effects that can help enhance the sense of belonging and induce positive participation in a community. On the other hand, there are benefits to housing developments which are dedicated to catering for a specific demographic of the community, such as senior citizens. Bringing people who have similar needs together enables an easier delivery of appropriate support.

Council could choose to adopt a mixed-model approach. The operator of the facility, such as a CHP, would provide access to the Public Housing Register which includes all ages. If a mixed model approach was taken, the type and size of units/houses to be built may need to be different to cater for larger families. A mixed model development that includes larger units/houses has not been costed, but is likely to cost more than a development of 1 and 2 bedroom units.

The Ministry of Housing and Urban Development have advised that CHPs are able to negotiate an arrangement whereby those from a certain age demographic (such as seniors) are taken from the public housing register for a particular housing development. However, if Council chose to provide housing for seniors only, there is a risk that it may be 'forced' to take younger people if there are insufficient people on the public housing register aged over 60 years. This could lead to a situation of having a majority of senior citizens living at the complex, with a minority of younger people. There is the potential that this could lead to perceptions of unfairness or other social issues.

While the proposal is to provide public housing for seniors, there is the potential to free up other housing in the district, such as that owned by Trust House, thereby benefitting younger people and families in need of a home.

In terms of enabling more affordable housing, lot sizes will be considered as part of the review of the Wairarapa Combined District Plan. This review is already underway.

4. Other Comments

a. Location

Some submitters questioned the location of the proposed development, noting that housing for seniors should be closer to the central business district (CBD) and be served by better transport connections.

Considerations

The land at Panama was gifted under a bequest, to be used for the benefit of the aged or needy. Should Council wish to pursue a public housing development for seniors at a more accessible location, it could seek High Court approval to sell the Panama land. If an application to the High Court was successful, funds from the sale would need to be invested in an activity that would benefit the aged or needy. Funds could potentially be used to purchase land closer to the CBD or in an area with better transport connections.

b. Opportunity to partner with iwi

Comments included a desire for Council to partner with iwi on housing development at Panama. Other comments related to Council providing support to iwi for housing more broadly – for example, by reducing red tape for papakāinga developments.

Considerations

Iwi organisations can become registered Community Housing Providers should they wish to pursue this option. There will also be other partnership arrangement opportunities throughout the process.

The review of the Wairarapa Combined District Plan will provide an opportunity to consider how to make the process for housing developments, including papakāinga developments, easier and less burdensome, and to better meet the community's needs.

c. Twenty five units isn't enough

There were several comments that 25 units is insufficient and that Council should be “thinking bigger.” There were also comments that any infrastructure needed for the development should be built to allow for future expansion.

Considerations

The capacity of the infrastructure required will be an important consideration. While the proposed development under the Council preferred option is for 25 units, infrastructure should be built to a size and standard to allow for further development.

Under the alternative option a third party would build the housing at no cost to ratepayers. Should Council proceed with the alternative option, it will have the opportunity to consider a range of proposals, which may include developments of more than 25 units.

d. The proposal won't benefit those in need

A minority of submitters have perceived the proposal as being retirement village care for senior citizens. Some stated that they felt Council should be supporting the "genuine poor" rather than seniors who have the option of private rest-home care.

Considerations

Not all senior citizens are able to afford rest-home care. Council's senior housing policy requires that applicants for its existing units must be receiving a permanent benefit and have assets not exceeding \$25,000 (single) or \$35,000 (couple). Applicants must also have not owned a house in the past five years.

Tenants will come from the public housing register. The Ministry of Social Development is responsible for assessing whether a household qualifies for public housing, deciding their priority rating and assessing what their income-related rent will be once a place becomes available.

e. Housing must be accessible

CCS Disability Action Wairarapa have commented that Council should require major new housing developments to have universal design features and promotes universal design in all new housing, to ensure accessibility.

Considerations

Given that the proposed housing development at Panama would be for senior citizens, it will be important to ensure that the development (housing and related infrastructure) meets best practice guidelines in terms of accessibility. The review of the Wairarapa Combined District Plan is the opportunity to advocate for consideration of universal design features for new housing.

f. Two-bedroom units are not needed

Minor comments questioned the need for two-bedroom units, stating that one-bedroom units would be sufficient for seniors.

Considerations

Having a mix of unit sizes helps to future-proof the development should a decision be made in the future to offer the units to a broader demographic.

CONCLUSION

In light of the submissions received and the new information outlined above, staff recommend that Council pursue the alternative option - that the bare land at Panama be offered for lease to a third party to build more public housing for seniors. Under this option, Council would seek approval from the High Court to lease the land to a third party. Assuming approval is granted, Council would then formally offer the land for lease and seek expressions of interest from potential partners to build and operate the facility.

Recent conversations mean we now have greater optimism that we will be able to negotiate a mutually beneficial partnership arrangement than when Council agreed to the options for consultation in February. Under this option, there is a possibility that more than 25 units could be developed since the cost of the development would not be incurred by ratepayers.

Staff will pursue any opportunities for central government funding support, for example through an application to the Housing Acceleration Fund. This will make investment as attractive as possible for a potential partner(s), while ensuring there are no financial implications for ratepayers. As noted, Council will need to ensure adequate and appropriate staffing to oversee contract negotiations and pursual of an application to the High Court. Human resource requirements and legal fees will be met within existing budgets.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

Provisions for projects within a long term plan or annual plan do not constitute a commitment. The Local Government Act provides that a resolution to adopt a long-term plan or an annual plan does not constitute a decision to act on any specific matter included within the plan so Council can deviate from the plan during the year for good reason if something unforeseen does arise.

Significance, Engagement and Consultation

A decision on providing more Senior Housing, was considered a significant decision. Given that, consultation using the Special Consultative Procedure has been undertaken to inform the 2021-31 Long Term Plan.

The proposed development was assessed as being a significant decision due to:

- the cost of the proposed development
- the proposal involving the significant development of a Council asset.

Consultation followed the Special Consultative Procedure, in line with our Significance and Engagement Policy and legislative requirements for a significant decision.

Financial Considerations

Financial considerations have been included in the discussion section of the report.

Treaty Considerations/Implications for Māori

Iwi and marae representatives have been involved in conversations regarding what we can do for the community in terms of housing.

Communications/Engagement Plan

Council decisions on the proposals included in the Long-Term Plan consultation document, and reasons for those decisions, will be communicated to submitters and our community.

Environmental/Climate Change Impact and Considerations

Undertaking the project will have environmental and climate change impacts. However, at this stage we have not undertaken a full assessment of these impacts. There will be opportunities to mitigate impacts by nature-based infrastructure and sustainable planning. We can reduce carbon emissions by choosing low carbon building materials, higher building standards and making more energy efficient choices. If a third party builds the housing, conditions can be put into the contract to ensure environmental requirements are met.

MORE HOUSING FOR SENIORS

A strong community looks after its most vulnerable members, and we want to develop more affordable homes for senior members of our community who are struggling to access appropriate housing.

Currently, the Council's 44 senior housing units at Panama Village occupy about one-third of the available land area, leaving four hectares available for more housing. The Panama land was originally gifted to the community, and under current rules can only be used to accommodate older people or those in need.

A priority in the Council's Wellbeing Strategy, *He Hiringa Tangata, He Hiringa Whenua*, is to advocate for better housing opportunities for all our residents. The government's recent decision on locations for greater public housing investment did not include Masterton, but at a local level we recognise the urgent need for more housing in our district

The Council currently supports senior housing through owning and managing 78 senior housing units in four locations. We are also fortunate to have a range of supportive community providers and organisations in our district, including community trusts, providing public housing.



However, both the Council and the community trusts have waiting lists of people in need of accommodation.

Subsidised rent for public housing is available from the government when a registered Community Housing Provider (CHP) or Kāinga Ora (the government agency that acts as landlord for state housing) manages the public housing stock. This subsidy gives our more vulnerable people the ability to live independently in a safe and healthy home, while receiving a contribution towards their rent. The rate of the subsidy is 25 per cent of a person's income.

Normally, our senior tenants do not come from the Public Housing Register and councils (and therefore our elderly or needy residents) are not eligible for subsidised rent or the additional operational grants available under the government's schemes for new housing. The only way we can take advantage of the subsidy would be if we leased our housing to a Community Housing Provider (or if they operated it for us).

Our current rental criteria for pensioner housing requires residents to be aged 60 or older, receiving a permanent benefit, and having assets of less than \$25,000 (single) or \$35,000 (couple). We have made exceptions based on need and current occupancy rates.

Building more senior housing would be part of a wider strategic approach to housing issues in our district.

OUR PREFERRED OPTION (WHAT WE HAVE BASED OUR PLAN ON)

We build 25 pensioner units

The Council funds and builds 25 units (15 x 1-bedroom units and 10 x 2-bedroom units) on the vacant land at Panama Village and partners with a Community Housing Provider to manage the housing so that tenants can access government-subsidised rent, making it affordable housing. This option improves the level of service for our community by making 25 more houses available.

The estimated cost of building the 25 units with the required infrastructure (including water and wastewater pipes, roading and paving, stormwater, power, landscaping) is \$7.5 million. We have estimated an annual income of \$351,000, which accounts for market rent (the government subsidises the eligible tenants) less the cost for the services of the Community Housing Provider to manage the units.

The Council will fund the capital costs of the project through borrowing. There will be an estimated additional net cost to our ratepayers of \$143,000 per year, which equates to rates of \$11 per year from 2023 for the average urban residential property.



HOW WILL THIS PROJECT CONTRIBUTE TO WELLBEING?



This will help to meet housing needs for senior members of our community. Housing underpins many other wellbeing outcomes, including physical and mental health.



Green design features will be incorporated in our new units.



We will add modern housing infrastructure to our housing portfolio.

Project completed

Total Council spend

Rates per property per year

25 pensioner houses built by 2023

\$7.5 million (loan)

\$11 (from 2023)

ALTERNATIVE OPTION

We offer land and someone else builds more public housing

The Council investigates a means of making the vacant land at Panama Village available for other providers to fund and build more public housing. This option would improve the level of service to our community by making 25 more houses available.

With another provider building units on council land no borrowing is required, and there is no cost to ratepayers. Tenants and providers can potentially access government funding (both for the build work and for ongoing costs).

Project completed	Total Council spend	Rates per property per year
Land is made available for more public housing	No cost	No cost



Check out our questions and answers, and more information about our plans for housing for seniors on our website: www.mstn.govt.nz



To:	Her Worship the Mayor and Councillors
From:	Sofia Craig, Project Delivery & Assets Manager
Endorsed by:	Kathryn Ross, Chief Executive
Date:	2 and 3 June 2021
Subject:	Long Term Plan 2021-31 Deliberations – Civic Facility

DECISION

Recommendation:

That Council:

- i. Proceed with the preferred option as detailed in the Long-Term Plan consultation document: **Build the facility with external funding**, using \$26.8m from loan funds and a remaining \$4m from external sources, broken down as:
 - \$4.9m in LTP Y1
 - \$10.2m in LTP Y2
 - \$9.5m in LTP Y3
 - \$5.1m in LTP Y4
 - \$1.1m in LTP Y5
- ii. Requests Council officers progress the necessary work required to raise the external capital contribution (\$4 million) including but not limited to, external funding applications, grants and trusts, partnership arrangements and philanthropic investment and in-kind donations. This work stream will run in parallel to land acquisition and design process so as to limit the impact on project deliverables
- iii. Agrees to immediate relocation of the archives to a more suitable temporary location with work to be completed in Y1 of the LTP and provides a budget of \$1.1m in Year 1 of the LTP for this, noting that some of these costs e.g., shelving, will be re-couped in the fit out of a new facility.

PURPOSE

The purpose of this report is to:

- 1) present Council with a summary of submitters' feedback (as expressed in submissions and at the hearings) on the Civic Facility proposal and options that were included in the 2021-31 Long Term Plan Consultation Document.
- 2) provide new information that has been received that Council should take into consideration when contemplating submissions; and
- 3) seek a decision from Council regarding the Civic Facility for the 2021-31 Long Term Plan.

CONTEXT

The content that was included in the 2021-31 Long Term Plan Consultation Document regarding the Civic Facility is included as Attachment 1.

Background

Masterton's Town Hall and most of the rest of the Municipal Building was closed in June 2016 following an assessment which found that the building had an earthquake rating below the required standard and was no longer fit for purpose. Public consultation was undertaken in 2017 which identified that two thirds of the community were in favour of the demolition of the Town Hall, with a new Civic Centre being built to replace it.

In late 2019 Council looked at the option to demolish the entire Town Hall facility in order to build new or strengthen the façade and build new behind. Covid-19 impacted project progress, however new focus was found in July 2020 when Elected Members undertook a Lower North Island visit to similar civic facilities across the Wellington, Manawatu and Hawkes Bay regions. The 2020/21 Annual Plan confirmed \$250,000 to be spent on initial planning and getting design work underway. It also noted further investigation will be undertaken on options for the use of the connected municipal office building and the civil defence building before a decision is made regarding demolition of the Town Hall or adjoining buildings.

In August 2020, following the visits, Council clarified the features the new facility could include, and agreed that alternative, more suitable locations should be explored. These options were costed and presented to Council in a report in December 2020, the purpose of the report was to get agreement from Elected Members to the option that would be taken forward for consultation on the Long-Term Plan.

The estimated cost of building the new Civic Facility is \$30.8 million.

Programme

The table below highlights the spend on the construction programme over Y1-Y6 of the LTP.

Item	LTP Year				
	21/22	22/23	23/24	24/25	25/26
Preparation including design, land acquisition, demolition and site preparation	\$4.9m				
Construction		\$10.2m	\$9.5m	\$5.1m	
Close out including relocation, final touches, bond payments (post defects liability period)					\$1.1m

There may be opportunity to condense the construction time frame once the design has been finalised and contract resources are secured. This programme provides a conservative estimate and assumes that Council will raise external funding, prior to construction commencing.

The Civic Facility project objectives

The objectives are to deliver a Civic Facility that:

- Meets the needs of the Masterton/Whakaoriori community, and contributes to the wellbeing and liveability of the Wairarapa
- Embraces our Māori culture and multi-cultural community
- Utilises Green Building design for efficiency and environmental benefit
- Is financially sustainable and affordable for the community to use
- Is multipurpose and will be suitable and well utilised for future generations
- Is well located to encourage activity, provides easy access, and complements the surrounding community facilities

Key drivers

Event space

The earthquake assessment of the Town Hall resulted in its closure in 2016. The closure of the Town Hall meant Masterton lost an important community asset but also provided Council with the opportunity to assess the community's needs and desires and how such a facility could support the people of Masterton/Whakaoriori into the future.

A market demand analysis that was completed by Horwath HTL in 2019 explored the probable need and financial impact that replicating a similar Town Hall facility, on the existing site, would represent. Horwath was engaged again in September 2020 to provide updated demand analysis based on the specific features agreed by Council and to reflect on the likely impact Covid-19 would have on the events industry. Their findings considered the demand in the context of the Wairarapa region - rather than restricting solely to the Masterton District as in the first report. Following the report and site research, the features that a new facility would include were agreed to be:

- 27m x 27m flexi-form (black box) theatre
- Library and archives
- Information hub (e.g., Council services; i-site/visitors centre; box office)
- Pre-function come exhibition space
- Suitable kitchen facilities to support the event space
- Meeting rooms

Library and archive

In 2015 Council commissioned LIANZA (Library and Information Association of New Zealand Aotearoa) to develop a needs analysis report which investigated the current library and archive site. At this point it was recognised that the current library site, with separate archives, was less than ideal for the current and predicted population and that consideration should be given to investing in the library and archives spaces. The report included recommendations for Council when considering what improvements should be made and highlighted key opportunities including:

- Creating a library, which includes the Wairarapa Archive, with a floor space of between 2,250 and 2,500 square metres¹
- A welcoming and inclusive place
- An accessible and prominent facility
- A centre of active learning for all ages
- Able to accommodate evolving technology
- A mix of activities

In 2017 a report seeking Council agreement to establish a new Library in Masterton was supported by Councillors; it was also noted that the library could not be looked at in isolation when there were the issues with the Town Hall and Municipal Buildings to be addressed and there was also the CBD redevelopment project, and a resolution was passed agreeing that the library project be considered alongside the CBD and Town Hall redevelopment.

Since that time both the library and archive site have continued to experience operational challenges including space constraints, the ability to reconfigure the facilities, restrictions in the ability to adapt and respond to the changing needs of the community. Both sites also experience water tightness issues which not only pose health and safety concerns for staff and the public, but also bring into question the care and security of our precious taonga.

¹ Subsequent reviews have led to us determining a footprint of 2800 square meters would be more appropriate and that has been the basis of the costings in the Long-Term Plan

Whilst there is an immediate need to secure accommodation for the Archive in the short/medium term, this will only provide security of collection and a workable public access reading room. It will not address the longer term need for the Archive and Library to create a space where the two services can work closely together to deliver on the information and learning needs of the people of Masterton/Whakaoriori.

The benefit of closer co-location of the two services has become clearer with the move out of the WBS building, however the true benefits are still limited by the housing within two separate buildings. Among the significant ongoing benefits for location within a single new site will be the ability to look at extending opening hours and to match them between the two services, better utilising staffing resource. It will also aid the design of purpose-built spaces which foster community interaction and supports civic participation both formally and informally.

Information hub

This project also provides the opportunity to co-locate front facing Council staff and to also house existing activities such as the i-Site and Destination Wairarapa, as well as ticket box office and other complementary services. This presents opportunities for Council in regard to staffing as well as a reduction in operating costs. Relocating Council staff from the Queen Street premises will reduce overheads by \$170,000 per annum.

It is not only fiscally responsible to deliver the performing arts/event space, library and archives and information services as a whole, but will also deliver many wider social, cultural, economic, and environmental benefits than addressing the issues in isolation.

Location

A number of options were evaluated as part of the decision-making process. These options included:

- Current Town hall site: ruled out due to the location not being well positioned for the changing future of the Town. The Town Centre Strategy which was adopted by Council in 2018 highlighted a need to refocus the town towards the Waipoua and turn it away from SH2. The relative distance from the current Town Hall site to other key Council and community assets e.g., Queen Elizabeth Park and the arts and cultural precinct, also make it an unideal future focused solution. The footprint of the site is also prohibitive and would have required compromise on some of the agreed features including carparking.
- Current library site: the current library site at 54 Queen Street was ruled out because the footprint of the site was too restrictive – the site is already too small to cater for the demands of current and future library needs.
- War Memorial site: the site was assessed based on both refurbishment and demolition options. The advice received was due to the age of the building (approximately 65 years) demolition was the best option for the future focused solution, however the building is deemed to still have some remaining life (@20 years). Subsequently this option was ruled out due to the decision to demolish a building which was deemed to still have remaining life, and its significance as a stadium of memorial and remembrance, being unfavourable.

Several other sites that are not in exclusive Council ownership were considered. They were selected due to the fact that they aligned with Council's project and wider objectives, namely moving further

north of the current Town Hall site to allow a better connection to the Waipoua river and the ability to contribute to an arts and cultural precinct. These sites were generally discounted due to the costs to acquire the land and to demolish any buildings that were located on the site, and the time it would take to achieve a clear site for construction.

Preferred site

The preferred site embraces the ideas and aspirations our community identified when we developed the Town Centre Strategy in 2018. These include improving links with the Waipoua River, joining things up to create better connections between different parts of our town, and ‘greening up’ the town centre.

The landowner is aware of Council’s interest and proposed plans for the site and negotiations are currently underway. We expect the negotiation process will continue beyond the adoption of the Council’s Long-Term Plan in June. The vendor has been clear that the sale of the preferred site is contingent on the library and archive being included as part of the redevelopment.

Consultation options

The options for consultation were agreed at the Council meeting held on 24 February 2021 and were reconfirmed when the 2021-31 Long Term Plan Consultation Document was adopted by Council on 31 March 2021. The options were:

- **Preferred option:** Build the facility soon with some external funding
- **Alternative option:** Build the facility without external funding

DISCUSSION and OPTIONS

In this section we provide an overview of feedback received from submitters through the consultation process and provide advice regarding the Civic Facility for the 2021-31 Long Term Plan.

An overview of the face-to-face consultation events is contained in the overview report within the agenda. Please refer to the overview report to reflect on the feedback on the Civic Facility that was received via the consultation events when you consider the feedback via the submissions and hearings.

Submission Feedback

Themes from the Submission Analysis

Of the submitters that provided written submissions or comments, 191 people had some feedback on the Civic Facility proposal and options.

The seemingly low number of submissions could be attributed to this being the fourth time the community have been engaged on the topic. The previous engagement conducted over the 2019/20 summer yielded 1,050 responses. Staff consider the low number of submitters is an indication that the community is feeling fatigued by continual engagement and lack of action, which is supported by the most recurrent theme “support for the project and get on with it” (discussed below).

In addition to the number one theme (support for getting on with the work now), the other key themes were: a sense that the timing for the project is not right; comments around the current library being adequate and suitably located; and a lack of detail, primarily around location, making it difficult to form an opinion.

Further analysis is detailed below (with the themes ranked in order of most recurring to least):

1. Theme - Support for the project and get on with it

There is support from individual community members, iwi partners and community groups or organisations, including Rangitāne Tu Mai Ra Trust (for an integrated facility), Nuku Ora, Regional Public Health, Masterton Theatre Company, Aratoi, Business Wairarapa and the Public Libraries of New Zealand.

“Masterton’s rapid growth in recent years requires innovative strategic vision which the council is demonstrating in its plan to concentrate arts and cultural organisations in a central hub. The Council’s plan to create a ‘community living room’ to bring together Masterton’s historical and cultural heritage will generate new audiences, create recreational and learning opportunities for all ages and establish economic, cultural, and social synergies between institutions which are currently scattered throughout the town. The ART (Aratoi Regional Trust) Board congratulates and supports the MDC on its future vision and planning.”

“This will be a substantial asset to the Masterton and greater region”

“This investment will move the community forward in a way that is pragmatic and symbolic.”

“Prioritise the civic centre above all else so we feel like we have a ‘heart’ back in Masterton.”

The feedback suggests that many people think that we have waited long enough, consulted on this topic previously, and that Council should get on with the project. Some of the respondents also noted that the cost of building will not get any cheaper, and with the added benefit of low interest rates, we should make the most of that and progress things rapidly.

“The council has researched thoroughly the best option for Masterton over several years and consulted the public it is now time to get on with it. Any further delay is only going to push up the price and could well mean the external funding is all eaten up by increased costs.”

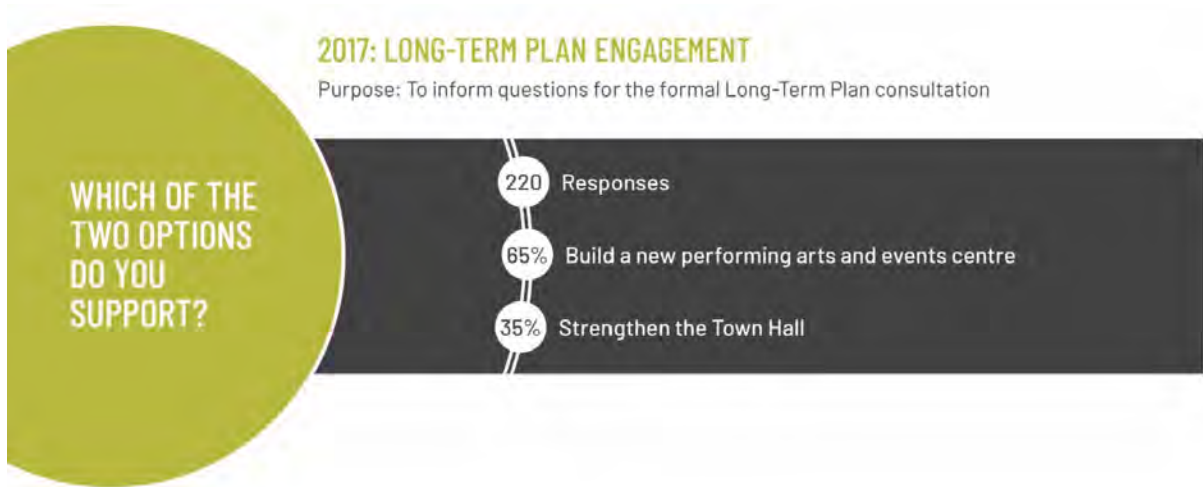
“Just get the job done and stop procrastinating.”

Support for a new facility in Masterton also reflected a frustration of some respondents in having to travel to Carterton for events, and the loss of economic opportunities that we have to Carterton by not being able to host events in our district.

Considerations

Significant engagement and consultation has occurred with the community since the closure of the Town Hall in 2016, including as part of the 2018 Long-Term Plan. The previous engagement has focused on informing a decision on the current Town hall site however a number of the questions and responses are still relevant, particularly:

- willingness to pay for a shared facility
- key elements community sees as necessary for inclusion in a shared facility.



The summary of previous engagement has contributed significantly to shaping the scope and features that a new facility should include (space for concerts, meeting rooms, arts and cultural exhibition space, library, and outdoor space).

The market analysis supports a facility in Masterton as well as Carterton. The market analysis is included in Attachment 2.

The feedback received as part of this consultation process indicates there is still support for a project to construct a new purpose-built Civic Facility in Masterton, and encouragement from the community to progress the project with priority.

2. Theme - It's not a priority right now

There were people both in support, and against the proposals due to the timing and the opinion that the project is not a priority at the present time.

"We have survived with the current situation for 3 years, so a few more will not hurt."

People also indicated that the current economic uncertainty and affordability for our community meant it should not be considered at this time. There are more pressing needs such as infrastructure upgrades and investment and climate change considerations that should take priority over investment that could be seen as a 'vanity project.'

“We need to improve basic infrastructure as our first priority.”

“Water supply and storage for the massive growth that has been happening and is to continue happening for the next ten years should be seen as much more urgent priority than a new civic centre.”

Some respondents also noted that the close proximity to the Carterton Events Centre and the school facilities meant that Masterton didn't need a purpose-built facility.

“There is a Civic Centre 11km down the road and there are adequate performance spaces in schools.”

Considerations

Industry predicts that the cost of building is set to rise, compounded by the impact of Covid-19 on sourcing and supply of building materials. In the first quarter of this year, the annual growth rate of construction costs rose to 3.3 per cent, which was more than double the Consumer Price Index rate of 1.5 per cent in the final quarter of last year. CoreLogic chief property economist Kelvin Davidson said construction costs had passed a turning point and the momentum was now upwards with early indicators suggesting construction costs would continue to increase.

While there is some argument from the community that we have survived without the Town Hall or a similar facility since 2016 and that we should defer the decision given the current economic climate and level of certainty, it is important to consider the rising costs of construction mean that it will never be cheaper than now to do the work or take on the debt.

The proposal we presented to the community focused on building for the future - it is time to step up and invest in the future for our mokopuna. It focused on boldly moving Masterton forward and creating a place that our children, and their children, can be proud of for years to come. While we may be able resolve some of the immediate pressures we are facing (the library and archive, the lack of dedicated events space in Masterton, and a home for our front of house Council staff) the proposal for a new Civic Facility is about providing these services, at a suitable level, with a long-term focus for future generations.

As above, the market analysis done supports a facility in Masterton as well as Carterton and the limitations of the school venues are well known and have been reported previously.

NB. Should council wish to consider deferral with higher external funding contributions please see the further information section towards the end of this report.

3. Theme - The library is adequate now and it should remain where it is

A number of respondents commented about the library and a desire to see it either remain as it is or extended on the current site if necessary.

“I'm not convinced that the current library site can't be developed and extended to give the community the space it needs.”

“I would favour the Library staying on the current site but being extended over the section where the container village is now located.”

There is also uncertainty about the rationale and demand for expanded library services, considering our move into a more digital world. People noted that the prefab additions to the library site are potentially under-utilised and could be made better use of or demolished and the space used for further expansion.

“Why not demolish the existing library and the space next to it and build the civic centre there.”

Considerations

Limitations of the current library and archive

The current Masterton District Library building was opened in 1982. The floor space barely met the Public Library Standards at the time and by the time the 2002 Public Library Standards were published the available floorspace was only 60% of the recommendations in the Standards. The building was designed and built before the introduction of library automation and the digital revolution although this came very quickly after the opening with the commissioning of library automation in 1987. While the building itself has structural life remaining, it is at its end of life in terms of suitability for a modern public library.

The building also has water tightness issues and there is water ingress in in the basement that restricts the ability of the library to adapt and develop further and poses health and safety concerns for staff and the public. This includes the appearance of visible mould that greatly restricts the ability to use the basement for any extended period of time. The issue has been known for some time, however, was amplified with the move of the Archive staff to the library site in early 2021. The unusable space in the basement is approximately 30% of the total footprint of the building. No costings or exploratory work has been done to date to fully understand the extent of the issue nor the costs to repair.

The Wairarapa Archive moved to its current site, leased from the WBS, in 1997. This significant and highly valued Wairarapa resource, which is recognised nationally and internationally, includes a reference collection of printed material and microfilm of Wairarapa from 1867 through until the present and is currently at capacity. The lease arrangement that Council has with WBS is now on a rolling month-to-month basis which presents a risk for Council in that we could be required to vacate the premises with little notice and last year (2020) staff commenced costing an alternative site to mitigate this risk.

The site has had water tightness issues for many years and the recent flood in the reading room (from upstairs tenants) highlighted the vulnerability of the archives in their current location. The building has also been identified as presenting an earthquake risk.

It is therefore recommended that action be taken immediately to relocate the archives to a temporary location to avoid the risks posed by the current tenancy arrangements, and the known earthquake and water tightness risks.

In 2020, 38 Queen St was identified a suitable alternative site and the costs for relocating the archives (including fit out) to that site were approximately \$750,000. Today a cost envelope of \$1.1m is more appropriate.²

In addition to the physical limitations and issues described above, libraries are currently in a transitional period – moving their focus from what has been known as the “Information Age” to a “Knowledge Society”. In practical terms, this means that libraries are introducing new services and experiences that are less about industry standards and more about providing services, resources and experiences that better reflect the unique needs and aspirations of the community.

Libraries should be a place that all people regardless of cultural background and socio-economic status feel welcome in. The current facility does not reflect the developing multicultural nature of Masterton/Whakaoriori and in particular the bi-cultural nature of our society. In proposing a Civic Facility with an integrated library and archive the library and archive provides that facility’s heart, the community’s living room. This reflects the Public Libraries of New Zealand Strategic Framework, which articulates what modern facility needs to be to serve the community.

Redevelopment of the library site

The library cannot stay where it is without significant redevelopment. Redevelopment of the current site could not extend to include space for a performing arts space, nor bringing Council’s front line customer services together in one location. We have previously explored whether the site could be used for a new Civic Facility, but the footprint is inadequate, and the option was ruled out at that point.

If Council now chose to keep the library (with or without archive) on the current site there would be a significant amount of work to be done to ensure this was a viable and affordable option. This would involve discussions with builders, architects, and quantity surveyors to understand the practicality and investment required to renovate and reconfigure the existing site to accommodate current and future need. It is likely that a cost envelope of \$15m and above could be necessary to refurbish, extend and redevelop the current library.

In addition, the business case for developing a new Civic Facility without the library and archive is unlikely to stack up.

4. Theme - Hard to provide feedback when there is information missing

There were a number of respondents who made comment about the lack of information and transparency in the consultation material making it hard to provide feedback on the proposal. This was primarily focused on not disclosing the proposed location for the facility.

“You want to push this project through loading rate payers up with large increases year on year, yet you give no details of the project at all. Where is the location? Where are the plans?”

“It is difficult to give a detailed response when more specific information about the proposed plan and location is being withheld.”

² To provide for cost escalation and contingency

"It is ridiculous to expect thinking people to support something that has no form, no site."

There were also questions raised about whether the budget had considered the disposal of any other Council assets, and what would happen to the current library and Town hall site.

There was also a number of respondents who questioned whether the basis for the design (particularly seating capacity) had been well enough considered, and that 500 pax seemed to be too small if we are planning for the future.

"A theatre to hold 500 people sounds very small - particularly if we are 'futureproofing' the space and paying it off over the next 50 years."

Considerations

Some members of the public reflected their frustration on the current confidentiality of the location. While this frustration was clear, there was support from many in principle for the development, however respondents felt they were unable to make an informed decision about the suitability and value-for-money proposition without the location being communicated.

The land acquisition process is one that needs to remain confidential. While the landowner is aware of Council's desires to acquire the land and has agreed in principle that the property is on the market subject to caveats, the lease holders who will be impacted by the process have not been made aware of plans at this stage.

5. Theme - What is happening with the current Town Hall site?

While this was out of scope of the consultation topic, there were a small number of respondents who were concerned that there was no information or plans shared about the future for the Town Hall site.

"The current town hall building, the square in front of it and the Times Age building have become an attractive feature of the town at long last, and that should not be lost. Assuming that the current building will no longer be used by Council, a new owner should be sought to retain the facade and make effective use of the building or the land area."

"I cannot support a concept that is so airy and takes no allowance for retaining at least the facade of the town hall."

"I would prefer the new Civic Facility to be built on the site of the present Town hall and Municipal Centre, as it is central to the town."

There was comment from people referencing Dave Borman's proposal to strengthen the Town Hall building, but also comment from those who wanted the Town Hall demolished and the site cleared to make way for housing or other developments.

Considerations

In a 27 May 2020 resolution Council agreed to *"investigate the potential use of the Municipal Building and Civil Defence Building with relevant costings"* this work is still programmed, and additional resources will be allocated to this investigation and analysis following the adoption of the Long-Term Plan. Other than some high-level analysis that was completed as part of the November 2020 demand

analysis by Horwath HTL (working with Bayleys Masterton) looking into the demand for office space, no further work has been progressed.

Through our analysis and review of potential locations the Town Hall site was ruled out because of the proximity to other Council and community facilities and the footprint available for development was restrictive. Furthermore, the Town Centre Strategy adopted by Council in 2018 highlighted the need to refocus the town and to reorient towards the Waipoua river and look to focus things into a more confined area of the CBD. A decision to build the new facility on the current Town Hall site would be in direct contradiction to, and inconsistent with, the principles of the Town Centre Strategy.

It is clear that people are keen to understand what is happening with the current Town Hall site. There was mixed feedback with some still advocating for the retaining of the façade, others keen to see the site sold and redeveloped, and some who still believe that the Town Hall site is the best location for a Civic Facility. The decision to build a new Civic Facility needs to be uncoupled from any future decision about the Town Hall site, including the façade. However, it is important to recognise that the community has an interest in any decisions made about divestment and redevelopment. Once a decision is made about the future of the Town Hall, this will be communicated with the community.

Quantitative analysis of submissions received

Of the 191 submitters 46% (88) indicated a preference for either option A or the alternative option, and 53% (103) selecting neither option.

Interrogating the qualitative data of those who selected 'neither option' there is residual support for the project. Of the 103 'neither' responders, 58 people provided commentary. This feedback can be further broken down as follows:

- 17% considered supportive of a facility either new or other
- 48% considered neutral to the Civic Facility
- 34% considered against building any Civic Facility

This analysis indicates that the numbers could more clearly be represented as at least **51% in support**, with the remaining a mixture of neutral or unsupportive³.

The history of consultation on this topic roughly reflects these proportions, albeit now the number of people we are hearing from is smaller as a proportion of our community (less than 1% of the population).

New Information

Masterton Theatre Company (the Company) are in the process of preparing plans to develop the Harlequin Theatre site in Dixon St (the land is owned Masterton Trust Lands Trust) into a dedicated theatre space.

³ We cannot define the breakdown of the remaining 49% any further as not all those who selected 'neither' provided commentary.

The redevelopment is proposed to include:

- Dedicated theatre space with fixed tiered seating for 160 people
- A small flexi-form (black box) theatre for 80 people

The Company is supportive of the project and keen to collaborate with Council to ensure that the necessary design considerations are given to maximise the usability and functionality of the space.

“A new civic centre is exactly what our town needs. A venue that all the town can enjoy whether it be the ongoing local theatre company (they do several shows a year that are enjoyed by the region- this is a wonderful opportunity to work with them as they engage with a lot of children and youth), whether it be for fundraising for local organisations and working with dance schools.”

We see great benefit in working closely with the Company throughout the design and development process, and long-term benefits through the potential for combined box office and the opportunity for shared sound and lighting infrastructure – ensuring there are efficiencies rather than duplications gained.

The development of a new Council owned Civic Facility, combined with the proposal from the Company would see all the potential performance, theatre, and event demand in Masterton suitably covered.

Risks

There are a number of risks to be considered in this decision-making process:

Risk	Likelihood	Mitigation
Cost escalation if the project is delayed or deferred	Almost certain	Approve the project as part of the LTP. Once this is agreed then officers will work at pace to secure the necessary resources to design and construct the facility, at an agreed price
Reputational damage through continued lack of decision making and clear progress	Likely	Make a definitive decision and ensure that the project progresses at pace following, with no further litigation about scope or location. Communicate with the community including advising of preferred site as soon as practically possible
Health & safety concerns at current library site	Certain	Work to address and remediate any issues that can be resolved in a cost-effective manner, whilst a new facility is being constructed
Damage to precious taonga at current archives site	Almost certain	Work to address and remediate any issues that can be resolved in a cost-effective manner, whilst a new facility is being constructed
Evicted from the Archives premises (WBS) with little notice	Possible	A notice to vacate could come at very short notice which would be highly problematic for the Archives, staff, and operations. It is best to front foot the issue and proactively look to relocate the Archives to a more stable temporary premises
Additional costs if issues are addressed individually (performing arts, library, archive and front facing Council staff)	Almost certain	Continue to progress plans to have the project coordinated. If individual issues are progressed independently there will be cost inefficiencies in construction. Multiple projects are unlikely to be able to be completed in parallel, so some work will need to be pushed out and costs should therefore be expected to rise as a result

CONCLUSION

The small percentage of the community who have engaged on this topic since the building closed in 2016 have continued to be divided. Less than 1% of the population provided feedback on the Civic Facility proposal, and it is assumed that some of this can be attributed to this being the third Long-Term or Annual Plan consultation the topic has been presented. Of those that provided written responses there is strong support for the project from a number of key partners and organisations who we would look to for support or collaboration on the project.

While there is concern about affordability, timing, staff consider that now is the time to step up and invest in the future for our mokopuna through the development and delivery of a new Civic Facility – a place that can become the ‘town’s living room’ for our children, and their children. While there is always the temptation to resolve some of the immediate pressures such as the library, archives and Queen Street sites with shorter-term, low-cost solutions, the opportunity to deliver a coordinated approach to some of our most important community services, with a long-term focus for future generations would be lost. A decision that will only prove to be more costly in the long-term.

Council have previously committed to delivering a Civic Facility for Masterton and should be confident that there is support from the community to do so. There is no doubt that through considerate design, community and philanthropic contribution, and the co-location of services the facility will be well utilised and enjoyed from the time it opens.

Feedback around the adequacy and suitability of the current library site should not result in library or archives being removed from the development of a new facility. In addition to capacity and configuration challenges, both the library and archive sites have water tightness issues that present operational and health and safety issues - concerns that need to be addressed. The costs for redeveloping a standalone library on the current site could be 50-60% of the current Civic Facility budget (\$30.8m) and would still leave Council facing the issue of a lack of performing arts space and a permanent location for front facing Council staff and hub for co-ordinating information to and for the community and our visitors.

The business case for developing a new Civic Facility without the library and archive is unlikely to stack up. The investment required to deliver a facility without these functions would be hard to rationalise and it is unlikely that there would be a strong case for Council to construct a facility that only housed a performing arts space.

Staff recommend that Council agrees to proceed to build the Civic Facility with a minimum of \$4 million external funding to be raised throughout the life of the project to offset the costs to the ratepayer. It is recommended that Council request officers commence the necessary work required to raise the external capital contribution including but not limited to, external funding applications, grants and trusts, partnership arrangements and philanthropic investment and in-kind donations.

It is also recommended that irrespective of the Civic Facility decision, Council agrees to immediate relocation of the archives to a more suitable temporary location with work to be completed in Y1 of the LTP with a budget provision of \$1.1m, noting that some of these costs (e.g. Lunda shelving) could be re-couped once the Archive was transitioned to the new facility. The cost recovery could be approximately \$150,000 - \$200,000.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

The delivery of a new Civic Facility firmly supports and aligns to Council's key strategic priorities including the Wellbeing Strategy – He Hiringa Tangata, He Hiringa Whenua, the Arts, Culture and Heritage Strategy and the Wairarapa Region Positive Ageing Strategy.

The facility will deliver immediate and long-term economic growth, a focus on cultural development and increasing the visibility of te ao and te reo Māori, improved access to services and investment in accessible public spaces, enhanced education opportunities, and considerations for key environmental challenges.

Provisions for projects within a long-term plan or annual plan do not constitute a commitment. The Local Government Act provides that a resolution to adopt a LTP or an Annual Plan does not constitute a decision to act on any specific matter included within the plan so Council can deviate from the plan during the year for good reason if something unforeseen does arise.

If a decision is taken to revisit the scope of the project, or to defer the decision to build the following Council resolutions will need to be rescinded:

- 27 May 2020 “agrees that a multi-purpose community facility, incorporating a Town hall, be built in Masterton”
- 16 December 2021 “agrees to a new Civic Facility that includes a:
 - 27m x 27m flexi-form (black box theatre)
 - Library and archives
 - Information hub (Council services; i-site; box office etc)
 - Pre-function come exhibition space
 - Suitable kitchen facilities to support the event space
 - Meeting rooms rescind the resolutions that
- 16 December 2021 “Council agrees that the preferred location of the Civic Facility be at the North End of town.”

In addition to rescinding the above resolutions and determining a new way forward, agreement will need to be made to stop the land acquisition process for the preferred location, and also agree to a budget to address the immediate issues at the library and archives for inclusion in the current LTP.

Significance, Engagement and Consultation

The construction of a new Civic Centre is a significant decision and will result in a new strategic asset for Council and therefore a decision on the Civic Facility, was considered a significant decision. Given that, consultation using the Special Consultative Procedure has been undertaken to inform the 2021-31 Long Term Plan. Consultation followed the Special Consultative Procedure, in line with our Significance and Engagement Policy and legislative requirements for a significant decision.

Financial Considerations

The \$30.8m project is both loan funded (\$26.8m) and externally funded (\$4m) across years 1 through 6 of the LTP. The budget provision is a pre-concept estimate and therefore there is a degree of uncertainty with the forecast due to the lack of detail at this early stage. Building costs are rising and predicted to continue to rise, compound this with an industry experiencing a 'boom', and significant supply chain issues, it is encouraged that this project is not further delayed, as costs will only continue to escalate until a construction contract and lump sum price can be agreed.

The rates impact for the \$30.8m project is \$101 (from 2025/26) assuming that the project, including \$4m capital raising, will be progressed immediately following LTP adoption.

If the Council was minded to double the external funding contribution to \$8m while this would decrease the amount of overall interest on debt that would be required to be paid by the ratepayer it would add approximately 12 months to the programme (Year 2 of the LTP for example). Noting construction cost escalation predictions and that inflation rates applied in years 3 and beyond of the LTP are up to twice the rate in Years 1 and 2 (see assumptions) it is likely that any decision to defer the project to raise additional external capital, would lead to any "savings" in servicing the debt would be consumed by the rising costs of construction, inflation and interest rate rises. This is therefore not recommended.

If the Council does not proceed with the Civic Facility, it would need to agree a budget to address the immediate issues at the library and archives for inclusion in the current LTP. A budget of \$16.1m is the best estimate staff have at this stage, broken down as follows:

- \$1.7m in LTP Y1 for relocation of the archives and investigation and design analysis of the current library site for redevelopment
- \$10.4m in LTP Y2 for potential renovation, redevelopment, and refurbishment of current library site
- \$4m in LTP Y3 to close out the project.

Treaty Considerations/Implications for Māori

Of the 2021-31 Long Term Plan submitters who indicated their ethnicity, 5.8% identified as Māori. Submissions were also received from Rangitāne o Wairarapa Inc and Rangitāne Tū Mai Rā Trust. There has been support from our iwi partners and an indication that their contribution to this project would be supporting Council to recognise tangata whenua and the historical links to te ao Māori. There is a keenness to see that the price of utilising the facility is accessible to all of the community, a sentiment shared by other submitters also.

Embracing our Māori culture and multi-cultural community is one of the Civic Centre objectives. The intention is to work closely with iwi, hapū, and marae about their aspirations for the new facility. This engagement will be a core workstream for the project and will also include the integration of iwi artwork and storytelling, use and considerations for spacing within the facility and the inclusion of other items or features of cultural significance.

Communications/Engagement Plan

Council decisions on the proposals included in the Long-Term Plan consultation document, and reasons for those decisions, will be communicated to submitters and our community.

Environmental/Climate Change Impact and Considerations

No environmental/climate change considerations, other than those discussed in the report/options analysis, have been identified for this decision. However, one of the objectives for the new facility is “utilises Green Building design for efficiency and environmental benefit.” By virtue of building a new facility it is expected that it would achieve a 4 green star rating, with the possibility of engaging the necessary resources to meet a 5 green star rating if desired.

THE BIG DECISIONS NGĀ WHAKATAU NUNUI

FUNDING THE NEW CIVIC FACILITY

The civic facility project is a once-in-a-lifetime opportunity to create something really special for our future generations – something that will connect our tamariki and mokopuna to their past and support their future.

We want the new civic facility to be fit-for-purpose and future proofed – to be a space that has flexibility for the future so it will be long-lasting. We also want it to reflect our people, our place and our past.

There was enough support from residents last year for the Council to confirm building a new civic facility. We have considered feedback about a new civic facility from our community, including what it should contain, what it could offer for our community, how we can make sure it meets our needs long into the future, and where it would be best located.



We are looking at a site for the facility that embraces the ideas and aspirations our community identified when we developed the Town Centre Strategy in 2018. These include improving links with the Waipoua River, joining things up to create better connections between different parts of our town, and 'greening up' the town centre.

The new civic facility will house a flexible theatre space that seats 500 people and can be used for a variety of performances, events, small conferences, and gatherings. It will have a foyer that can also act as an exhibition space, an information hub that would include some council services, and meeting rooms and kitchen facilities to support the civic facility. These spaces will flow out, connecting with the outdoor surroundings.

Our library is a real community asset but is too small, limiting what we can offer our community. These days modern libraries are known as the 'third space' between home and work, providing a place for community interaction, meeting people or being 'alone together' (doing our own thing in the same space). Libraries should be able to be places of literacy and learning, information, creativity and inspiration, and cultural connections. We haven't got enough space at our community archive either and need to find a permanent home to store our taonga, our treasured possessions.

By including the library and archive, we will create one central community place that will bring together Masterton's history, with cultural, recreational and learning opportunities. Bringing these things together will solve a number of challenges in one building.

We will:

- meet the need for a space for our community to connect socially and culturally
- gain an expanded library to deliver on modern technology opportunities
- safely house our users, visitors, and staff without being too crowded
- provide a secure long-term space for our archive.

HOW WILL THIS PROJECT CONTRIBUTE TO WELLBEING?



The civic facility will provide a place for our community to connect, celebrate, and participate in social, cultural, recreational, and learning opportunities.



It will bring together some of our history and culture in one community space.



The build will incorporate 'green design' and complement our natural environment.



It will provide space for local and touring events, and opportunities for employment, contributing to our economy.



It will be built with future needs in mind, providing modern infrastructure that will last.

Building one facility to meet multiple needs will be more affordable than addressing each challenge on its own. We intend to secure contributions from external parties (like central government and trusts) to assist with the cost and are seeking feedback on the level of the contribution that is necessary to make this project affordable.

The new civic facility, along with our town centre upgrade, is part of our vision to create future-proofed spaces and places for our community, while still incorporating our history. This is one of the most important things we will deliver for our community. We want to do it once, do it right, and create something we can all be proud of.



Artistic impression - indicative only

OUR TWO OPTIONS

The Council will build a civic facility that includes a space for performances, functions and meetings, the library and archive, an information hub that would include some front-counter services, and a foyer area that can act as an exhibition space.

This will improve the level of service for our community, offering a new place for our community to come together, more library space, better storage for our history, and new places for performances and art.

The civic facility will be located on a new site that allows us to build a facility that will remain fit-for-purpose for many years and aligns with our Town Centre Strategy.

The estimated cost of building the new civic facility is \$30.8 million. This incorporates 2,800 square metres of space for the library and archive, and a flexible theatre space seating 500 people that could be used for performances/meetings/functions/exhibitions.

We have estimated additional annual net operating costs at \$1.3 million by Year 5 (2025/26). We will include our front-counter services in this facility so we can consolidate our staffing in two key sites.

OUR PREFERRED OPTION (WHAT WE HAVE BASED OUR PLAN ON)

Build the facility soon with some external funding

Construction would start in 2022/23 and the facility would be completed in 2024/25.

We plan to take out a 50-year loan to fund most of the project (\$26.8 million) and have anticipated a contribution of \$4 million of external funding. By 2025/26, the additional \$1.3 million needed each year translates to \$101 in rates for the average urban residential property (the result of rates increases over five years).

This option will mean we won't 'push go' until we have confirmed external funding of \$4 million. We think we could raise \$4 million by 2022/23. If it takes longer, the project could be delayed and our community would have to wait longer for the improved level of service this project will offer.

Project completed	Total Council spend	Rates per property per year
Civic facility including the library and archive 2024/25	\$26.8 million (loan)	\$101 (from 2025/26)
Operating costs from 2025/26	\$ 1.3 million	

ALTERNATIVE OPTION

Build the facility without external funding

The Council builds the civic facility without reliance on external funding contributions. The timeframe for delivery would still be approximately 2022/23, given the time required to undertake the work needed to prepare to build – e.g. refining designs and seeking consents. With this option we would get on with delivering the project to improve service levels without risking any potential delays that could come with committing to fundraise \$4 million.

Taking this option would mean we borrow the full \$30.8 million over 50 years. This would increase the annual additional cost to \$1.44 million by Year 5 (2025/26) which would equate to \$111 in rates for the average urban residential property (the result of rates increases over five years).

Project completed	Total Council spend	Rates per property per year
Civic facility including the library and archive 2024/25	\$30.8 million (loan)	\$111 (from 2025/26)
Operating costs from 2025/26	\$ 1.3 million	



Check out our questions and answers, and more information about our plans for the civic facility on our website: www.mstn.govt.nz

DEMAND ANALYSIS

MASTERTON CIVIC CENTRE



Prepared for
Masterton District Council

9 November 2020



Hotel, Tourism and Leisure

A member of Crowe Global

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EXECUTIVE SUMMARY

Masterton District Council is evaluating options for partial or full replacement of the Masterton Town Hall and Municipal Building which has been closed since June 2016. Council has engaged in extensive community and other consultation, but no clear consensus view about the community's needs or preferences has emerged.

Council has now identified a range of potential facilities which could collectively comprise a multi-purpose civic venue, including, potentially, some co-working office space. The facilities could be located either at the existing Chapel Street site, or an alternative site in the Masterton CBD.

Horwath HTL has previously prepared a quantitative demand and financial forecasting report for a similar multi-purpose venue specification, dated April 2019. This current report is not an update of the April 2019 report, but is consistent with it, and addresses more specific qualitative venue demand analysis in more detail than previously.

Masterton is the largest population base and close to the geographic centre of the east coast of the south-eastern North Island, stretching from South Wairarapa District in the south to Central Hawke's Bay District in the north. As such, it might be expected that Masterton should also have the most substantial civic venue facilities in the wider region.

However, such new or replacement facilities in 2020 and beyond will almost certainly not be funded on a regional basis, and therefore the funding burden will fall almost exclusively on the ratepayers of the Masterton District. Council wishes to carefully balance the costs and benefits of the various venue options, while also taking a longer-term view including in relation to wider community and economic outcomes for the District and wider region.

Venue Demand Analysis

Masterton and the wider Wairarapa is increasingly popular as a place to live within the Wellington region, based on the lifestyle choices available for Wellington commuters and retirees, attracted by the likes of the local wineries, cycle trails, and also being connected to the Wellington CBD by a commuter rail service.

As a destination for Business Events (eg: meetings and conferences), Masterton attract business from a large geographic area, stretching from Wellington in the south to Dannevirke and beyond to the north. However, some key geographic and other features impact on its competitiveness in winning larger-scale events on a regular basis.

The Copthorne Solway Park ("Solway Park") is Masterton's largest hotel and conference venue. It performs reasonably well in meeting current demand for meeting, conference and function space in Masterton. It has on-site accommodation (with 102 rooms) and car parks, a range of meeting and

function rooms, a full production kitchen, and a wide range of leisure facilities including a swimming pool and golf driving range and a “park like” landscape.

The business case for developing a large flat-floor function and event space with capacity for 1,000 people seated theatre style is not compelling, given the projected number and average size of ‘new’ events which would likely be attracted to Masterton to be hosted in such a venue, and even if it was to ‘cannibalise’ such business mainly from other venues in Masterton.

The potential business case to support development of a ‘black box’ flexi-form theatre of an appropriate scale appears to be stronger, supported by a modest suite of meeting rooms and a flexible pre-theatre / pre-function foyer space and other ancillary support facilities, whether existing or new.

The key advantage of a black box theatre is its flexibility. This allows for a wide range of staging and seating configurations, including flat floor, end stage, thrust stage, theatre in the round, runway, and cabaret. The increased flexibility will greatly enhance the venue’s desirability to potential users.

We have considered maximum estimated seating capacities (theatre style) for several theatre sizes. In the likely most popular ‘end stage’ configuration, with a large stage for theatre shows, etc, increasing the dimensions of the venue by 5m from 20m x 20m to 25m x 25m approximately doubles the maximum theatre seating capacity.

The black box theatre’s size will also have implications for the size of additional ancillary spaces (including pre function, storage, and back-stage facilities). These will not necessarily scale linearly with changes in the size of the theatre.

A detailed Business Case would be required to determine the optimal sizing of the theatre from a financial feasibility perspective. This would take into account:

- detailed theatre design objectives, not only to ensure the venue is operationally fit for purpose, but also competitive and appropriately differentiated in the Wellington region (eg: not compromised)
- theatre development cost, including technical and equipment fit-out
- ongoing operational expenditure (including the time and cost of changing the theatre staging and seating blocks for alternative configurations)
- venue hire affordability and therefore frequency of use by community hirers
- demand from commercial hirers and touring shows and events
- allowing for ‘future proofing’.

Bayleys Real Estate advise that there is a general lack of modern office space in Masterton, and latent demand for quality office space, some of which could be met with co-working office environments. They expect that brand-new, modern co-working accommodation would be “popular” if not priced too high.

However, Bayleys warns that, for a variety of reasons, there would be considerable downside risk associated with development of a new co-working office development. This would apply in particular to the existing Municipal Building given the substantial costs associated with seismic strengthening required.

Expected Impacts of Covid

Covid has dramatically reduced convention activity at a national level in 2020, and we are advised that Masterton's level of conference and meetings business has been similarly impacted. In the near to medium term (3–5 years), we expect that conference and event organisers will be significantly focussed on risk reduction which will focus on hosting events in the main centres and mitigate against interest in hosting national and regional events in most smaller regional centres.

This situation will be further amplified by the major new convention centres which will open in Wellington, Christchurch and Auckland over the same period.

Covid has also dramatically reduced foreign touring performing arts product, and we expect this lead to more domestic touring product also in the near to medium term (3–5 years).

This could well benefit regional population centres such as Masterton, assuming the facilities are available, due to small to medium-scale domestic performing arts and event producers seeking out new audiences.

1 INTRODUCTION

Masterton District Council (“MDC”) has engaged Horwath HTL Limited (“Horwath”) to provide independent professional advice in relation to options for development of new Civic Centre facilities either on the currently closed Chapel Street site, or at an alternative CBD location.

1.1 BACKGROUND

Masterton’s Town Hall and most of the rest of the Municipal Building was closed in June 2016 following an assessment which found that the building had an earthquake rating below the minimum safe standard. The foundation stone of the Masterton Borough Council building was laid in 1915.

Initial public consultation was undertaken in late 2017. This identified that two thirds of the Masterton community were in favour of the demolition of the Town Hall, with a new Civic Centre being built to replace it.

In April 2018 Horwath HTL completed a market demand and financial analysis of one scenario, assuming a replacement facility on the Chapel Street site, but this did not address issues associated with future uses for the Municipal building.

1.2 SCOPE OF WORK

Demand analysis re Civic venue

We have produced a demand analysis of the specific facilities that Council are considering incorporating into a replacement civic venue, either on the existing Chapel Street site, or elsewhere in the Masterton CBD.

As requested, our analysis is considered in the context of the wider Wairarapa region, rather than only the Masterton District.

The particular venue spaces considered in the demand analysis are:

- flat-floor function space with capacity for 1,000 people (theatre-style seating) that can be divided into three separate spaces
- function (or pre-function) space for up to 200 people (cocktail style) which would likely have a primary use as an arts and exhibition space
- flexible meeting rooms with operable walls that can seat from 10 to 100 attendees
- commercial kitchen to support the events spaces (if there is likely to be a business case to support this, considering other commercial kitchens already available in Masterton)
- a dedicated black box theatre (20m x 20m).

Office space analysis

Bayleys Real Estate have provided an analysis of the potential demand for new office space in Masterton taking into account:

- the level of demand or need for office space in Masterton
- what types of business are requiring office space
- the type of office space tenants are requiring (eg: is there a trend towards dynamic, flexible spaces, or continued demand for more 'traditional' office and open plan space).

The analysis considers whether co-working office space would be something that would benefit Masterton, or whether there would likely be demand for this type of space.

Impact of Covid on events and performing arts sectors

We have provided a high-level commentary regarding:

- how Covid-19 has impacted the events and performing arts sector in New Zealand, what the current trends are, and to what extent there are likely to be significant long lasting changes to the way that events such as conferences, trade shows and performances occur
- how the trends are expected to impact regional centres such as Masterton
- what impacts and changes Masterton might expect to experience over next 3–5 years and beyond.

2 CIVIC CENTRE PROJECT COMPONENTS

This report assesses qualitative demand characteristics for the range of proposed venue spaces identified by Council. These are as follows:

- a flat-floor event and function space with capacity for 1,000 people (theatre-style seating) that can be divided into 3 separate spaces
- a function (or pre-function) space for up to 200 people (cocktail style) which would also function as an arts and exhibition space
- flexible meeting rooms with operable walls that can seat from 10 to 100 attendees
- a commercial kitchen to support the events spaces
- a dedicated black box theatre (20m x 20m).

To assist in providing some content to the current range of facilities being considered in this report, a comparison to the venue assumptions assessed in our report is provided in Table 2.1.

We have estimated the scale of the main event space (700–800m²) using a ratio of 0.7–0.8m² per person for 1,000 people in theatre-style seating, and of the other spaces using similar industry ratios.

Table 2.1 Estimated venue size (m²) by space type

Space Type	2019 report (Stage 1 concept) (m ²)	2020 report (current concept) (m ²)
Main event space	750	700–800
Meeting rooms	-	200–250
Foyer / exhibition space	250	200–400
Back of house facilities	500	400–500
Theatre	-	400–625
Total	1,500	1,900–2,575

(Source: Horwath HTL)

The total space requirements are somewhat impacted by the final mix of facilities to be provided. A value management process should enable the total venue size to be further optimized.

3 FLAT FLOOR EVENT SPACE

The main events that would use the flat-floor function space are conferences and banquets.

In considering the potential demand for the flat floor function space, we have taken into account the range of factors which will affect potential demand for conference and banquets, award dinners, and weddings.

We have also taken into account the competitive position of the suburban Copthorne Solway Park ("Solway Park") in meeting the existing (and potential future) demand for conference and banquet space in Masterton.

The projected conference and banquet event activity assumed in our 2019 analysis is shown in Table 3.1. We expect these projections to be largely consistent with the level of event activity for the proposed flat floor function space assessed in the current report.

Table 3.1 Projected conference and banquet activity in 2019 report

Event Type	Year 1	Year 2	Year 3	Year 4	Year 5
Conferences (multi day)	1	1	2	2	3
Banquets / awards dinners / weddings	5	7	8	9	10
Total Events	6	8	10	11	13

(Source: Horwath HTL)

As a new venue of the proposed scale, it would be the largest conference and banquet venue in the Wairarapa. It would therefore, by default, host all events in the region larger than what Solway Park and Carterton Events Centre (CEC) can currently host.

3.1 CONFERENCES

Masterton is the largest urban population centre in the Wairarapa, and is a 2 hour drive north of Wellington, New Zealand's capital city. Its competitive strength in the conference market is mainly related to being an 'out of town' lower cost option to the Wellington CBD within the Wellington Region.

It also serves the businesses and industries of the Wairarapa region. These rural businesses generate meetings, conferences and other events which are often held in Masterton. Event business is also generated from local 'not-for-profit' entities, and from events hosted nationally on a rotational basis looking for low-cost options.

However, compared to other main centre and regional conference destinations throughout New Zealand, Masterton is competitively disadvantaged with regard to several key considerations, most notably ease of access, and has always struggled to attract conferences of larger than 300 delegates where the majority of attendees have to travel to Masterton.

3.1.1 Ease of access to Masterton

Air access

Popular regional conference destinations will have multiple daily direct flights with significant seat capacity. This ensures that delegates are able to travel between their home (located anywhere across the country) to the location easily, cheaply, and at times that suit them.

Wellington Airport is New Zealand's most connected airport. However, travelling to Masterton from Wellington Airport requires either hiring a car and driving for 1 hour 45 minutes in usual traffic, taking public transport via bus and rail, or arranging chartered coach transfers. This compares to driving 25 minutes to Lower Hutt and 40 minutes to Upper Hutt. Both of these cities are serviced with competing event venues of their own.

Palmerston North Airport is well serviced in terms of seat capacity and frequency from Auckland and Christchurch, and smaller commuter services from Hamilton and Nelson. Driving between Palmerston North and Masterton takes approximately 1 hour 30 minutes.

Even if commuter air services to Hood Aerodrome in Masterton were restarted, the capacity, frequency and range of destinations serviced from Masterton is likely to be constrained in the medium term at least, and therefore not significantly improve the competitiveness of Masterton as a conference destination nationally.

Road access

From Wellington, Masterton is accessed via State Highway 2 which passes over the Remutaka Hill. This road is challenging for its sharp corners, limited passing bays and heavy traffic (including freight and logging trucks).

Driving to Masterton can be challenging for event attendees who do not live in the Wellington Region and are unaccustomed to the road. Some drivers (including locals) dislike driving this route at night, meaning that some events, especially in winter, need to finish by mid-afternoon to allow attendees to complete the journey back to Wellington airport before dark.

Rail access

Masterton is approximately 1 hour 40 minutes train from Wellington Station. There are regular services between Wellington and Masterton on weekdays, and two daily services at weekend, as detailed in Table 3.2.

However, as a commuter line, the schedule focuses on early morning commuting from Masterton to Wellington, with only one service arriving at Masterton before midday on weekdays, at around 10am. This effectively rules out the train as a mode of transport to conference events in Masterton.

Table 3.2 Train Services between Masterton and Wellington

Weekday Timetable						
To Masterton Station						
Departure (Wellington Station)	8:21am	12:45pm	4:25pm	5:30pm	6:18pm	10:25pm (Friday only)
Arrival (Masterton Station)	10:01am	2:25pm	6:13pm	7:15pm	8:03pm	12:05am (Friday only)
To Wellington Station						
Departure (Masterton Station)	5:46am	6:20am	6:47am	10:30am	3:38pm	8:14pm (Friday only)
Arrival (Wellington Station)	7:30am	8:10am	8:31am	12:10pm	5:18pm	9:54pm (Friday only)

Weekend Timetable	
To Masterton Station	
Departure (Wellington Station)	9:55am 6:55pm
Arrival (Masterton Station)	11:35am 8:35pm
To Wellington Station	
Departure (Masterton Station)	7:45am 4:45pm
Arrival (Wellington Station)	9:25am 6:25pm

(Source: Metlink)

Masterton is locationally and geographically disadvantaged relative to most other regional conference locations in New Zealand. The significant challenges relating to access largely restrict events in Masterton to those of a small to medium size. Events won are usually regional rather than national.

Masterton will however continue to be relatively accessible to residents living in Wellington, Wairarapa, and up north to Hastings. In addition, these locals will have more experience with, and be more comfortable, travelling over the Remutaka Hill. This will enable Masterton to continue to be an attractive conference destination for events hosted by organisations located in the area.

3.1.2 Accommodation

Competitive conference venues have one or more hotels within close walking distance for the convenience of attendees. This includes maximising the opportunities for networking and socialising in the evenings after the conference day.

The lack of CBD hotel accommodation in Masterton counts against it as desirable and competitive conference destination. By contrast, Solway Park has a competitive advantage because it has sufficient rooms on-site to accommodate a substantial proportion of delegates at a meeting of 100–200 people.

3.1.3 Other conference venue features and services

On-site car-parking provides a competitive advantage for a conference venue, especially if it is free. This can be a challenge for CBD venues throughout New Zealand, where parking can be in limited supply and relatively expensive.

Suburban conference venues, especially those that have ample free parking available, can be popular choices for day meetings and multi-day conferences.



Solway Park therefore has a strong competitive advantage in this regard compared to a CBD Masterton location.

AV equipment (and technical services) and catering service providers should ideally either be based at the venue, or readily available in the local area. This is particularly important in the context of Masterton, given the logistical challenges and practicalities associated with supplying goods and services from Wellington.

Masterton will have a smaller selection of potential catering and AV equipment and service providers relative to other larger conference destinations around the country.

3.1.4 Other reasons for visit

Conferences are often hosted in popular destinations with strong visitor appeal, including a range of visitor attractions and activities. Examples of such attractions can include wineries, outstanding landscapes with walking and cycling tracks, hot pools, skiing, and shopping.

There are several appealing visitor attractions in the Wairarapa, and in particular wineries. These will help attracting some conferences and incentive travel groups business to the area due to the attractive pre- and post-event visitor experiences.

Greytown

Located 25km southwest of Masterton, this rural town was awarded New Zealand's 'Most Beautiful Small Town' in 2017 by Keep New Zealand Beautiful. With boutique stores, antique stores, cafes, camping and swimming facilities, and cycling trails, Greytown is a popular weekend destination, particularly from Wellington.

Classic New Zealand Wine Trail

The Classic New Zealand Wine Trail joins up three wine regions, but also includes many other food and beverage attractions such as breweries, gin distilleries, farmers' markets, olive groves, chocolate stores, bakeries, and restaurants. Wairarapa is central to the Wine Trail and produces world renowned Pinot Noir. Vineyards are located at Martinborough, Gladstone, and Masterton.

Pukaha National Wildlife Centre

This centre features the world's only known white kiwi, as well as endangered native species such as tuatara and long-fin eels.

Martinborough

Martinborough is a small wine village, featuring vineyards, cellar doors, and cycle trails.

Cape Palliser

The southernmost point of the North Island features seals, Ngawi fishing village, the Pinnacles geological formation, surfing, and whitebait fishing.

3.2 BANQUETS (INCLUDING AWARD DINNERS AND WEDDINGS)

Banquets may be held as part of other events (such as a dinner during multi-day conferences), or as stand-alone events.

Martinborough is nationally renowned as a wine region, and therefore is popular as a wedding destination. Even a marquee at a vineyard may be perceived as a more desirable wedding venue compared to a civic CBD venue or hotel, even if more costly.

We assume that banquet activity levels for a potential flat floor function space will be similar to what was projected for the previous venue concept in our 2019 report. Table 3.3 shows the projected number of events and average event size for banquets (as an extract) from our 2019 report.

Table 3.3 Projected number of events and average event size for banquet activity

Banquets	Year 1	Year 2	Year 3	Year 4	Year 5
Number of events	5	7	8	9	10
Average event size	250	250	250	250	250

(Source: Horwath HTL)

We have produced in Table 3.4 an indicative range of events by size to indicate how the average event size may be built up considering the expected number of events in Year 1.

This indicates that:

- event sizes are skewed towards the smaller end of the range
- the number of events of a larger scale than can currently be hosted in Masterton will be infrequent, and possibly less than one per year
- a smaller venue in Masterton will still be able to host most events, even if it is not new, and may provide a price advantage.

Table 3.4 Indicative number of events / average event size for banquet activity

	Large	Medium	Small	Total	Average
Number of events	1	2	2	5	5
Attendees	450	250	150	1,250	250

(Source: Horwath HTL)

3.3 COMPETITIVE POSITION OF COPTHORNE SOLWAY PARK

The Copthorne Solway Park (“Solway Park”) is a well-established conference venue in suburban Masterton. It has a competitive advantage in that it can effectively be positioned to meet the budget requirements of almost any hirer, and is effectively a “one stop destination resort”.

The facilities are perceived in the market to be somewhat dated. Some refurbishment of guest rooms and public areas has been undertaken, but a planned refurbishment of the meeting rooms in 2020 has not yet been undertaken.

Solway Park is effectively the only choice for most meetings and conferences currently held in Masterton. These events are likely either to be local to Masterton (and unlikely to be high budget), or looking for relatively low budget, Wellington Region, provincial destinations / venues.

We understand Solway Park attracts three main categories of events: rural-focused events, non-corporate events supported by Trust House funding, and touring events.

Solway Park benefits from being part of the Millennium & Copthorne (“M&C”) brand franchise. Events hosted on a regular ongoing basis at M&C hotels throughout the country have the opportunity of considering Solway Park as a destination option.

Solway Park’s owner and operator, Trust House, is a key funder of many different community organisations – providing more than \$4 million in grants for community events and organisations annually. Solway Park can therefore leverage strong relationships with organisations which are likely to require low cost options for events they may host, such as awards dinners and annual general meetings.

Events held in Masterton (typically at Solway Park) are usually relatively small scale. Solway Park hosts an estimated three banquets per annum of approximately 300 people, and an event larger than 300 people perhaps once every two years.

Our consultation with Solway Park management indicates that its Masterton location is seen as a major factor limiting the hotel’s ability to gain additional event business. Major capital expenditure to upgrade Solway Park’s facilities would not be expected significantly improve its level of conference business.

4 MEETING ROOMS

Many of the meetings projected to be hosted at the proposed venue are likely to be won from Solway Park and the Carterton Events Centre (“CEC”) rather than be incremental meetings that could not otherwise be hosted in the Wairarapa. This is reflected in the projected average meeting event size of 50 attendees.

Meeting rooms with small capacities would not typically be used in hosting larger multi-day conferences. Small meeting spaces are, by their nature, restricted in their potential range of uses.

Operable walls are relatively expensive to install and do not usually have the same acoustic properties provided by permanent walls. The Cost Benefit ratio for providing such operable walls in this case is likely to be challenging given that the number of times that changing the room configuration would be required would be limited.

A more financially efficient alternative could be to construct several small permanent meeting rooms. One possible configuration would be three meeting rooms with capacities for (say) 20, 50 and 100 attendees. These would meet the needs of most small meetings likely to be hosted at the venue. Meetings of larger than 100 attendees could be hosted in the black box theatre.

We expect that activity levels for the proposed meetings space discussed here will be similar to what was projected for the previous venue concept in our 2019 report. Table 4.1 shows the projected number of events and average event size for meetings (as an extract) from our 2019 report.

Table 4.1 Projected number of events and average event size for meetings

Meetings	Year 1	Year 2	Year 3	Year 4	Year 5
Number of events	100	105	110	115	120
Average event size	50	50	50	50	50

(Source: Horwath HTL)

In addition, we have produced in Table 4.2 a scenario of events by size to indicate how the average event size may be built up considering the expected number of events in Year 1. This assumes that event sizes are skewed towards the smaller end of the range, explaining why a smaller venue in Masterton may still be able to host most of the meetings.

Table 4.2 Indicative number of events and average event size for meetings

	Large	Medium	Standard	Small	Total	Average
Number of events	5	10	20	65	100	100
Attendees	150	100	50	34.6	5,000	50

(Source: Horwath HTL)

The meeting facilities could have some demand and synergistic benefits created by any co located office and shared working space.

There may be potential for a cafe / bar to be co located with the proposed venue. Cafes co-located with public facilities are usually leased out to private operators rather than being operated by Council. A popular cafe will help draw people to the facilities, raise their public profile, increase the range of amenities available at the proposed venue, and increase the vibrancy of the local area.

Examples of cafes at public facilities include:

- Tūtaki Cafe, located in Lower Hutt Events Centre
- Bellbird Eatery, located in Dowse Art Museum, Lower Hutt
- Entice Cafe & Catering, located adjacent to Masterton i-SITE Visitor Information Centre.

Other services which could be co-located include a booking office for events, an information centre (could be a broader community meeting hub, with some tourism functions), or a Council service centre.

These could be developed as part of a new entrance to the library or other existing public facilities, depending on the venue's location.

5 PRE-FUNCTION SPACE

The pre-function space would need to be sized commensurate with the capacity of main events space at the venue. For example, banquets of 400 attendees hosted in the flat floor function space would require pre-function space for 400 people. Pre-function space required for the venue will therefore be determined by the event space at the venue.

However, if the flat floor function space is not developed, the pre-function space required would be determined by the capacity of the black box theatre.

A black box theatre of 20m x 20m would have a banquet capacity of approximately 200–300 attendees, assuming seating blocks and staging can be optimally stored on a cost-effective basis. This would require approximately 175–250m² of pre-function space.

A black box theatre of 25m x 25m would have a banquet capacity of approximately 300–400 attendees, assuming seating blocks and staging can be optimally stored. This would require approximately 250–350m² of pre-function space.

This pre-function space could have multiple uses:

- arts displays
- exhibition space
- mingling space for pre and post meetings, conferences, and other events hosted in the flat floor function space, black box theatre, and meeting rooms
- cocktail parties
- morning / afternoon teas and lunches associated with meetings
- event registration.

6 COMMERCIAL KITCHEN

A ‘finishing kitchen’ (at least) would be required as part of the proposed new venue. If a finishing kitchen alone was provided, cooperation with Solway Park or another catering company for the provision of a full production kitchen would also be required.

A ‘hybrid kitchen’, with full kitchen capacity for banquets of up to (say) 200 attendees and finishing kitchen capacity for banquets of up to 400 attendees, may be a cost effective solution. This would enable the venue to serve food from its own kitchens directly to most events without incurring costs associated with transporting food from an off-site kitchen.

For the events whose demand exceeded the kitchen’s “full kitchen” capacity, Solway Park could help produce food to the point where it would be ready for the “finishing kitchen”. Transporting non-finished food would be easier than transporting finished food, and so reduce the costs and risks associated with catering.

The rationale for the hybrid kitchen rather than a full kitchen with banquet capacity for up to 400 attendees is that revenue potential will not scale in proportion with capital expenditure on the kitchen facilities. The limited number of expected banquets with over 300 attendees in Masterton is expected to result in diminishing returns.

The distance from Solway Park to the Chapel Street site is approximately 3.5km. Transporting plated food for a banquet – and keeping it at the required temperature – would need significant equipment and labour and therefore high operational costs. Therefore, the kitchen at Solway Park could not practically be used to cater for larger banquets at the proposed venue.

7 'BLACK BOX' / FLEXIFORM THEATRE

By its nature, a proposed 'black box' or flexiform theatre could be used for a variety of uses, but its primary function would be for performing arts. The flexibility inherent in such a venue would allow it also enable it to be used for other events such as meetings, exhibitions and banquets.

Our consultation in 2017 indicated a view that, if a purpose-built theatre was to be built (and this was assumed to be Stage 2 of a larger precinct), it should preferably have a larger seating capacity than what is already available in the Wairarapa. This was based on the assumption that a new venue should extend the range of facilities available in the region rather than simply duplicating facilities which would likely result in the new theatre venue largely competing head on with the Carterton Events Centre ('CEC').

7.1 MASTERTON DEMAND CHARACTERISTICS

In terms of the currently proposed theatre venue size (20m x 20m), after allowing space for a stage (at least 7m depth), a cyclorama (projection screen) (1m), and cross-over space behind the stage (say 2m), the maximum 'end stage' seating capacity of a black box theatre would likely be in the range of 150–200 people. This is considerably smaller than the CEC's maximum seating capacity of approximately 350.

Our community consultation in 2018 indicated that an issue with the CEC is that its high level of utilisation makes it sometimes difficult to book. This suggests there may be latent demand for an additional theatre venue in the Wairarapa.

A well designed and fitted out black box theatre would likely be more flexible in terms of wide range of performing arts uses than the CEC. An important design consideration is that the seating and staging configuration should be as flexible as possible and can be moved with the use of mechanisation out requiring a substantial amount of labour, and therefore cost, either to hirers or the venue.

We suggest there could be a reasonable business case for upsizing the theatre to at least 25m x 25m, particularly if the proposed adjacent flat floor function space is not developed. If this was the case, the black box theatre could be well suited for banquet events. A 20m x 20m box would have a maximum banquet capacity of 250–300 attendees (replicating the capacity of Solway Park), whereas a 25m x 25m box would have a maximum banquet capacity of 400–450 attendees (which would expand the banqueting capability in the region).

The larger venue would have more flexibility than the smaller venue, which would therefore make it more 'future-proofed', while at the same time it would more fully compensate for the lack of an additional flat floor function space (if this was not to be developed).

Based on our consultation in 2017, there appeared to be a perception held by some people that small to medium size theatre or entertainment shows which toured to a location such as Masterton would necessarily be of a lower quality than would be experienced if the same show was staged in Wellington. Even though this is not necessarily a valid perception, the perception can impact on ticket sales and therefore threaten the viability of such touring shows and events to Masterton.

Wellington will always attract some of its theatre and entertainment audiences from the wider region, with patrons combining the show or event with other reasons to visit the city. These visits might include activities such as shopping, visitor attractions and activities, or visiting friends and relatives.

7.2 STAGING AND SEATING CONFIGURATIONS

The five main staging and seating configurations that can be set up in the black box theatre are as follows:

- flat-floor
- end stage
- thrust stage
- theatre in the round
- runway.

In addition, cabaret style seating is a seating configuration which can be used with various staging configurations to provide further venue use options.

Flat floor

The flat floor setup allows for a range of seating (or standing) configurations, from simple theatre style to banquet, classroom, or exhibition. There can be a stage of various sizes located anywhere in the room.

End stage

The end stage configuration features a raised stage at one end of the room, with the remaining space occupied by a single raked seating block.

Thrust stage (alternatively platform or open stage)

A thrust stage features a stage area which extends into the audience but, unlike the theatre in the round configuration, is still connected to a backstage area. It is generally used in classical theatre (eg: Shakespeare performances).

Figure 7.1 Example Thrust Stage configuration



(Source: Pasant Theatre, Michigan Wikipedia)

Theatre in the round

In this configuration, there are three or four seating blocks surrounding the stage, which may or may not be. One seating block is positioned in front of the stage, and there are two more blocks on either side of the stage. There may also be seating behind the stage. In this configuration, seating is generally tiered.

Variations include having seating in two or three oblong seating blocks, or flat floor seating in a semicircle arrangement.

Theatre in the round is used not just for theatre, but also for some performing arts displays (such as chamber music, or small group or solo entertainment including comedy shows).

Figure 7.2 Example Theatre in the Round



(Source: Q Theatre, Auckland, aucklandnz.com)

Runway

The runway configuration features a small stage at one end, which may or may not be raised, and a “runway” going most of the length of the venue, with seats on either side. Tiered or flat floor seating can be used.

The “runway” configuration is most commonly associated with fashion shows, such as the New Zealand Fashion Week or the World of Wearable Art.

Figure 7.3 Example Runway staging



(Source: NZ Fashion Week 2019, The Register)

Cabaret style

Instead of seats around a stage, tables and chairs are arranged in semicircle or “horseshoe” configurations. Cabaret style is usually associated with the provision of drinks and canapes to patrons, or buffet / a la carte dining.

A famous example of a cabaret configuration is the Folies Bergère, in Paris.

Figure 7.4 Cabaret seating at Folies Bergère, Paris



(Source: Pinterest)

7.3 SEATING CAPACITY BY VENUE SIZE

We have estimated likely maximum theatre-style seating capacities for a square-shaped black box theatre of four sizes. This has been achieved by estimating the number of rows of seats (after allowing for staging and related space) and multiplying this by the number of seats per row. We have also allowed for a total of 4m of circulation space (aisles) along the left and right-hand sides of the row blocks.

Table 7.1 Maximum Estimated Seating Capacity by Venue Dimensions

Venue Dimensions (m)	Rows	Seats per Row	Maximum Estimated Seating Capacity
20 x 20	10	20	150–200
25 x 25	15	26	350–390
27 x 27	17	29	450–500
30 x 30	20	32.5	600–650

Due to the area occupied by the stage and associated features, increasing the dimensions of the venue by 5m from 20m x 20m to 25m x 25m approximately doubles the maximum estimated seating capacity.

7.4 THEATRE FEATURES

Ancillary Spaces

The following ancillary spaces will be required in addition to the theatre space itself:

- pre-function space
- reception / ticketing area
- storage space
- backstage facilities, including dressing rooms / “green room”.

Pre-function space is discussed in detail in Section 5. Additionally, depending on the desired setup, some reception / ticketing operations could be carried out in the pre-function space.

Storage space will need to be sufficient to include all the staging rostra and seating blocks.

Some of the ancillary spaces will not need to scale linearly with increases in seating capacity (such as storage space and backstage facilities).

Stud Height

A minimum 10m stud height is recommended. A ceiling grid is essential for hanging AV, lighting, and other equipment in multiple configurations. This should ideally be relatively easy to access and change, which minimises event setup costs.

7.5 OTHER VENUE DESIGN CONSIDERATIONS

The theatre venue design will involve trade-offs between flexibility of use, up-front capital cost, and per-event operational set-up labour costs (with potential consequences for the level of utilisation and therefore operational revenue).

Arranging staging and seating configurations for events requires manual labour or a mechanised solution (or some combination of the two). Mainly relying on manual labour (ie: staff setting up the stage and seating blocks) results in a high set-up cost per event, especially if a change to the previous room configuration is required. This may make the venue relatively unaffordable by local hirers without receiving a subsidy from the venue.

A mechanised seating solution (automatic retraction of seating blocks and movement into adjacent storage) would involve lower per event labour costs, but will involve a higher initial capital cost.

Higher capital expenditure on automated seating technology, in-built AV equipment and infrastructure (including easily accessible ceiling grid) will reduce per-event setup costs. This will increase the venue’s accessibility to a



wider range of users (including community users) and their ability to hire the venue.

7.6 LOCAL HIRER MARKET

Based on our consultation with the local amateur theatre groups in 2018 (MATS and Harlequin) we suspect that a black box venue such as that proposed could meet some or all of their performance venue needs throughout the year.

At the time, however, they expressed concern about their ability to fund venue charges and recover these charges through box office takings.

7.7 CARTERTON EVENTS CENTRE

As noted in our previous report, the Carterton Events Centre ('CEC') has filled a venue gap in the region to a reasonable extent. It has some design compromises, as many such venues in NZ do. It is the largest (non school-based) performing arts venue in Wairarapa.

Overall the CEC is reasonably well-suited for hosting small and medium size touring shows / entertainment events, as well as local amateur theatre / performing arts events and exhibitions.

The CEC has a maximum seating capacity for end-stage theatre events of approximately 350 attendees. This audience constraint prevents some larger scale events from being presented in the Wairarapa as part of a national tour.

8 IMPACT OF INCREASED COMPETITION

The new venue would, if it expands the capability and quality of the venues currently offered at Solway Park and CEC, bring some incremental events to the Wairarapa. However, given the constraints on Masterton's ability to perform well as a conference destination, the number of incremental events would likely be very limited.

The venue may therefore be tempted to attract event bookings away from the other existing venues in the region.

The new venue, Solway Park and the CEC are likely to compete directly for the available business, even if that is not the basis of the Business Case for a new venue, because of the relatively small number of events in the region, constraints on the potential to grow the number of events significantly, and the need to at least cover operating expenses.

Solway Park and CEC may further discount their venue hire rates to retain its business (and Solway Park may be able to afford to do so, especially if they can generate associated accommodation business). This could both limit the potential demand for events at the new venue and result in a "race to the bottom" as the three venues attempt to win business while generating lower margins.

It is not clear that there would be a strong rationale for a Council owned and operated venues to "cannibalise" the income of the Trust House-owned Solway Park, one of its largest ratepayers.

The new venue would compete with Solway Park for most of the Business Events hosted in Masterton. The new venue would offer a modern, functional, flexible and centrally located option, and therefore need to generate higher venue rental rates, whereas Solway Park will cater to events at a lower budget.

The competitive pressures arising from intense competition could be reduced by Council entering into commercial arrangements with either or both of Solway Park and the CEC.

Examples may include granting Solway Park exclusive catering rights at the new venue, and granting a management contract over the venue to CEC (or a new entity jointly established by Masterton District Council and Carterton District Council to operate both venues).

9 OFFICE SPACE DEMAND

The commentary in this section is a summary of the advice provided to Horwath by Bayleys in the form of a letter dated 13 October 2020. For more information, see the letter attached as Appendix 1.

9.1 MARKET OVERVIEW

Supply

The Masterton office market is small and fragmented, with supply generally old and of low quality. The exceptions are Waiata House and the development currently under construction at 34 Chapel Street.

Demand

Public sector entities are the main office space occupiers. The private sector is mainly represented by smaller professional firms such as lawyers, accountants, and technology service providers, and smaller non-profit organisations. These smaller occupiers tend to employ fewer than 10 employees and occupy between 50-100m² tenancies.

To date, there has not been significant demand for co-working space.

9.2 DEMAND OPPORTUNITY

There are indications that Masterton office space is leased at a slight premium relative to what would be expected for its quality. Additionally, there are two factors which may boost office space demand in Masterton in the future. Firstly, the Government is looking to create and expand regional hubs. Secondly, there is an ongoing rise in popularity of alternative office models (such as “hub and spoke” models), which may increase demand for both traditional office and co-working space.

The expectation is that new, modern co-working office space would be popular if not priced excessively high.

However, the small size of Masterton’s office space market increases uncertainty in forecasting demand for office space generally (and even more so in forecasting by type of office space, such as traditional versus flexible space).

Furthermore, there are risks and threats which may affect office space demand. These include whether the rise in flexible working and hub and spoke office arrangement models will be a short-term phenomenon, whether Masterton is the preferred destination for co-working office space within Wairarapa (as opposed to locations such as Carterton, Greytown, and Martinborough), and the scale of conversion of retail premises to office premises.

10 IMPACT OF COVID: BUSINESS EVENTS / PERFORMING ARTS

Business events and performing arts event activity, and the venues in which the activity occurs, have been very substantially detrimentally impacted by Covid and the resulting public health measures during Lockdown Levels 3 and 4 in particular to restrict attendees at public events.

10.1 IMPACT ON PERFORMING ARTS

10.1.1 National level impacts

Foreign performing arts touring events will be highly constrained for the foreseeable future, particularly if the act has a larger travelling crew.

The shortage of international events combined with the inability or increased difficulty of local events touring overseas will result in more local performances, which could potentially positively impact regional centres including the Wairarapa.

This reinforces a pre-Covid trend of an increasing range of tour entertainment product resulting from declining revenues for conventional performance media (eg: CD's, DVD's, etc) as a result of major industry disruption from media sharing platforms.

10.1.2 Current trends

Experimental lower pricing of high quality shows in Auckland following Covid-related uncertainty has indicated that some shows and events can generate significantly higher audience numbers and total ticket revenue earned despite the lower ticket prices. This is because removing the price barrier allows a much larger audience to attend performances.

Ticket revenue can sometimes represent only a low proportion of total revenue for some shows which receive reasonable funding from sources such as Creative New Zealand.

This will encourage shows to take risks with ticket prices and experiment with lower price points. If more shows decide to lower ticket prices to encourage new audiences, there could be an expansion in public patronage of performing arts products and utilisation of performing arts venues.

10.1.3 Potential long-term trends

Covid is likely to have several long-term impacts on the performing arts sector. These impacts will include the closures of some performing arts groups and permanent cancellation of tours which are unable to survive the post Covid environment. However, by the nature of many creative and performing arts

practitioners, there could also be a rise in new products and experiences to take their place, and this could include touring events.

If price point experimentation leads to widespread lower ticket prices for performing arts events, this will likely lead to long term expectations of low prices for high quality entertainment, and this could put pressure on venue rentals achievable per show.

10.1.4 Impact on regional centres

For the reasons identified above, regional centres in New Zealand such as Masterton and the Wairarapa could be expected to experience a sustained increase in the number and range of touring shows and entertainment events in the medium term, especially those that have low production costs and limited travelling crew.

10.2 IMPACT ON CONFERENCE AND MEETING EVENTS

10.2.1 National level impacts

Covid has had a major detrimental impact on the meetings and conference industry in New Zealand in the short-term. Because of the relatively long planning / booking horizon before larger conferences occur (eg: 3–5 years), it is too early to accurately forecast what the recovery timeframe will be for the meetings and conference industry over the next few years.

The first national Level 4 lockdown resulted in multiple event postponements and some cancellations. However, after the first lockdown, there were some indications that small corporate meetings activity was quite strong, at least around Auckland.

However the second national lockdown resulted in much more widespread cancellations. Furthermore, Auckland remaining at a heightened alert level also resulted in event cancellations due to Auckland residents forming a large proportion of event delegates in other regions.

There is currently very considerable industry uncertainty about the recovery outlook in the medium term.

10.2.2 Current trends

Major disruption to conference and event-related suppliers (lost revenue as a result of event cancellations) has already resulted in many of these businesses downsizing.

There is a strong likelihood that future commercial terms from conference and events-related suppliers (including F&B and AV suppliers) will be tightened in

the foreseeable future (eg: higher advance deposits required, stricter final settlement terms).

The reduction in the event industry supplier capacity may have a detrimental effect as the remaining suppliers struggle to cope with recovering demand.

10.2.3 Potential long term trends

The rise in uncertainty has encouraged Professional Conference Organisers (“PCOs”) and event hosts moving to minimise financial risks by concentrating on concentrating events in New Zealand’s main centres (Auckland, Wellington, and Christchurch) for the foreseeable future.

Regional conference destinations could well see a significant decrease in available conference business while Covid produces ongoing uncertainty and risk.

Secondary locations such as Rotorua, Taupo, Hamilton, and Palmerston North will likely recover to pre Covid levels of business faster than tertiary locations such as the Wairarapa.

10.2.4 Impact on regional centres

We are advised that Masterton has similarly been impacted by the national lockdowns and increased uncertainty as a result of Covid.

The relatively low cost of hosting events in Masterton currently and the local nature of most events in Masterton (resulting in greater ease of travel for attendees) may however help reduce risk for organisers of smaller local events and encourage a faster return to pre Covid event levels, even if total attendances are lower.



APPENDIX 1 – OFFICE SPACE DEMAND ASSESSMENT

Tuesday, October 20, 2020

Stephen Hamilton
Director
Horwath HTL Limited
Level 5, West Plaza Building
3 Albert Street
Auckland

Dear Stephen

Masterton District Council – Proposed Redevelopment of the Masterton Town Hall and Municipal building at 64 Chapel Street, Masterton

Thank you for your recent instructions regarding the Masterton District Council's proposed redevelopment of the existing Town Hall and Municipal building (the "Civic Building") at 64 Chapel Street, Masterton. For completeness, we begin by recording the agreed scope of our engagement.

Scope

We are required to provide a report for the Masterton District Council analyzing the demand for new office space in Masterton, taking into account the:

1. level of demand for office space in Masterton;
2. types of occupiers requiring office space; and
3. characteristics of office space that occupiers are requiring (for example, whether there is a trend that might support more dynamic, flexible offices spaces, and/or whether there is continued demand for more 'traditional' office and open-plan space).

Within this scope, the Masterton District Council wishes to better understand whether co-working solutions (such as those offered by "BizDojo" or similar) would benefit Masterton, and whether there would be demand for co-working space within Masterton.

This report is provided to inform Masterton District Council's decision regarding the future of the Civic Building, particularly whether the Civic Building might be demolished and replaced with new office accommodation, or alternatively strengthened and redeveloped to create modernised office accommodation. We report to you as follows.

Report

Overall, the Masterton office market is relatively small, fragmented and characterized (with some limited exceptions) by lower quality, older accommodation that was often not designed with modern office occupancy in mind.

Types of occupiers

The major office occupiers within Masterton are largely public sector entities. Examples include the Wairarapa District Health Board, Masterton District Council (located within the recently strengthened Waiata House at 27 Lincoln Road), Greater Wellington Regional Council (located at 37 Chapel Street), the Ministry of Social

Development and Oranga Tamariki (at 49 Lincoln Road), Department of Corrections and Powershop (in the form of a Call Centre).

Outside these major office occupiers, there are a number of smaller, private sector service providers that create additional demand for office space within the market; examples include local barristers & solicitors, accountants, banks and other financial services providers, technology service providers and consulting professionals. There is a strong link between the buoyant local horticultural and agricultural economies and these occupants. Generally, these occupants are smaller scale, employing less than 10 employees, and tend to occupy office space of between 50 sqm and 100 sqm in total, usually at a ratio of approximately 10-12 sqm per desk. We are also aware of smaller 'not for profit' organisations that have a similar occupancy profile. Some of these occupiers own (rather than lease) the accommodation in which they are located.

Existing office accommodation

Examples of specialist office accommodation within Masterton are very limited. There is only one dedicated multi-tenanted office building, at 37 Chapel Street (occupied by the Greater Wellington Regional Council) which provides office accommodation of approximately 3,000 sqm in total. This building was constructed in the 1970s. The building at 49 Lincoln Road that houses the Ministry of Social Development, Oranga Tamariki, as well as temporary medical facilities, was constructed in the 1980s. The age and appearance of these buildings is to be contrasted with Waiata House, now occupied by the Masterton District Council, which was strengthened in the late 2010s (prior to occupation by the Council) and which represents the highest quality office space available within Masterton.

The balance of the office space provided in Masterton is generally of an 'ad hoc' nature. Commercial buildings within Masterton, other than those referred to above, typically house retail, café / hospitality and/or service providers at ground level and provide one additional upstairs level of office and/or apartment accommodation. Buildings of this nature dominate the commercial business district within Masterton. This office accommodation ranges in quality. Some of the two-level commercial buildings benefit from appealing character aesthetics. Very few offer model, open-plan office facilities.

Development

There has been very little recent development of new office accommodation within Masterton. Waiata House, at 27 Lincoln Road, now leased by the Masterton District Council, provides one limited exception. In addition, a new building is currently under construction for the Greater Wellington Regional Council at 34 Chapel Street, on a sale and leaseback basis with local developer Endeavour Concepts Limited. The lack of new, good quality office accommodation within Masterton is a consequence of:

1. historically constrained demand characteristics, with very limited instances of formal requests for new design-build accommodation (a limited exception being the formal 'RFP' process that the Greater Wellington Regional Council ran in 2008);
2. relatively high ongoing vacancy rates, creating a competitive threat for any developer considering speculative development; and
3. limited market rental rates which, at historic levels, would not support development feasibility models or bank credit criteria.

In general terms, the smaller occupiers 'come and go', as market conditions change over time. It is very rare for a larger occupant (public or private sector) to formally seek proposals for new design-build office accommodation in Masterton.

Demand characteristics

To date, the demand for office space within Masterton has been for traditional office space (as distinct from co-working accommodation). Typically, occupiers seek generally open plan office accommodation with provision for staff amenity (in the form of kitchenette / lunchroom area), but can often accept (and sometimes require limited provision for) some level of partitioning to create individual office rooms.

Prior to the COVID-19 pandemic, there has been negligible demand for co-working accommodation. Subject to the comments that are provided below in relation to “Future Expectations”, our agency teams operating in Masterton have not observed any significant demand for co-working space in the nature of that provided by the likes of BizDojo, Generator and WeWork.

However, we do consider that there is currently latent demand for more quality office accommodation. Vacancy rates within the best quality office accommodation in Masterton are very low, and tenants in the market to find office space in Masterton regularly note the lack of quality office space. This remains the case as at the date of this report, post-COVID-19.

Vacancy Rates

Office vacancy rates fluctuate but the rate of occupancy has, in general terms, improved in the past five years as Masterton and the wider Wairarapa region has experienced solid economic growth year on year (prior to COVID-19). We estimate that vacancy rates sit around 10% currently with (as in all office markets) a tendency for the poorer quality office space to become vacant earlier during recessionary times and to remain vacant for longer. As noted above, high quality office space is scarce and typically fully occupied.

Market Office Rates

Like the nearby Wellington market, office leasing transactions are priced on a mixed basis: the majority of transactions are agreed on a “gross” rental basis (in which the tenant pays a grossed up rental amount that covers all outgoings other than consumed utilities), and some are agreed on a “net” basis (in which the tenant pays additional property outgoings such as rates and insurance on a pro rata basis, in addition to consumed utilities – usually these rates are struck for new, design-build accommodation where rent is a function of build cost). Other deals fall somewhere between the two.

Because market demand is thin relative to the availability of stock, and because of the variance in the quality of office stock available, it is difficult to confidently derive and apply specific market rental rates to specific categories of stock. That said, the:

1. lowest quality office stock in the market would be expected to lease at rates generally around \$160 per sqm (gross) plus GST and above;
2. the bulk of the office stock available in the market falls in a range between \$175 and \$225 per sqm (gross) plus GST; and
3. the best quality office stock in the market would be expected to lease at rates around \$280 to \$290 per sqm (gross) plus GST, although we understand that there have been limited instances of transactions in the low \$300s per sqm (gross) plus GST.

Future Expectations

There are two prevailing market features that may support the office sector in Masterton the future:

1. To date, Wellington’s office market has been dominated by New Zealand Government occupation (national public sector occupants, in the form of Ministries and other Crown agencies). For various policy and legislative reasons, the Government Property Group (GPG) has indicated an intention to expand public sector office occupancy outside of Wellington so as to create a greater number of regional hubs. It is possible that Masterton will become the home of expanded public sector

accommodation as a consequence. We expect that the NZ Government would not agree to a major new office commitment within Masterton unless the accommodation was specifically designed and constructed for that purpose (addressing, among other things, the latest design principles in relation to seismic resilience).

2. A cultural workplace expectation to permit 'flexible working' has been developing in the last 10 to 15 years, but has been accelerated by COVID-19. In the wake of COVID-19, and given the availability of effective technology solutions, a number of public sector and corporate office occupiers within Wellington and elsewhere in New Zealand have encouraged employees to work (in whole, or in part) away from existing centralised office locations. Many real estate market commentators have forecast an increasing adoption of a 'hub and spoke' (or 'core and flex') model in which office users increasingly work remotely, either from home or from within flexible space located closer to home. If this trend continues, we consider that the Wairarapa region is very well placed to provide alternative office accommodation solutions for employees that previously would have worked within Wellington city. There are already many Wellington based employees that commute from the Wairarapa to work. It may be that an increasing number of these employees are permitted to work from within the Wairarapa permanently or semi-permanently and that this, in turn, encourages more development in the office and co-working sectors.

Co-Working Model

There has been a recent surge in co-working office accommodation providers. Examples of active participants in New Zealand include Generator, BizDojo, WeWork (with premises under construction in Queen Street, Auckland) and ServCorp. While each provider adopts a slightly different business model and with different pricing options, the common characteristics of the service offering are:

1. flexible use of desks and associated communications technology, often in a shared office environment;
2. shared social amenity (in the form of congregation areas, bars / cafes, and similar);
3. flexible contracting arrangements, represented by short-term contract commitments and flexible pricing models as distinct from traditional fixed term, fixed rate office leases; and
4. often, shared cultural expectations (for example, through the co-locating of technology related businesses in a 'start up' phase that can interact together in order to sponsor networking and ideas).

Threats and Pricing

As noted above, we consider that there is latent demand for quality office space in Masterton, and that some of that demand could be met by co-working office environments. We foresee two key sources of demand for modern co-working accommodation:

1. Local tenants that simply require better quality accommodation than is currently available, and are willing to pay a premium to secure that space;
2. The Wellington day commuter population that, in a modern flexible working environment, chooses to work weekly or on a day to day basis from the Wairarapa rather than from Wellington.

If the Masterton District Council were to construct brand-new, modern co-working accommodation, we expect that (if price were not an issue) it would be popular.

However, it is very difficult to confidently forecast the extent of that demand (by comparison with, for example, traditional office space, existing or new), and how that demand might translate into effective rental

rates. This is particularly so given the ongoing local and global impacts of the COVID-19 pandemic and associated economic cost. Threats and risk factors that may affect that demand include:

3. Ongoing uncertainty as to whether the 'flexible working' / 'hub and spoke' working model is permanent, or simply a short-term phenomenon that has been exacerbated by COVID-19'.
4. The preferred location for co-working providers in the Wairarapa. The Wellington day commuter population is, in our view, the best current representation of people that might use modern co-working office space in the Wairarapa from time to time, rather than work in Wellington. While we understand, anecdotally, that "the trains are full" leaving Masterton for Wellington each day (which indicates some level of potential demand for co-working space in Masterton) most Wellington day commuters who might use a co-working service offering are based in South Wairarapa, in and around Carterton, Greytown and Martinborough, rather than Masterton itself. Having regard to the other lifestyle benefits these locations provide, we think that these South Wairarapa towns may prove to be better suited to boutique co-working businesses than Masterton in the long-run. One already exists in Carterton: the "3 Mile" co-working community.
5. Conversion of retail premises to office premises. As referred to earlier in this report, the majority of commercial buildings in Masterton are two-level buildings that provide ground floor retail, services or café / hospitality offerings. The traditional shop-front retail market in New Zealand is facing considerable pressure from the rapid growth in 'on-line retailing', in which orders for product are made on-line and service order fulfilment is completed from logistical distribution centres. This mode of retailing bypasses the traditional shop-front and is rendering numerous retail businesses through New Zealand (and globally) redundant. If retail vacancy rates continue to increase, we can expect landlords to convert that ground floor retail space into an alternative uses, which will include office space. Therefore, there is a risk of the market become inundated with 'new' ground floor office accommodation, which will serve to undermine the popularity and achievable market rents for new built office accommodation.

For these reasons, we are not confident that there will be considerable rental upside for developers that launch speculative new co-working service offerings in Masterton. Depending on the size and scale of any new co-working office space that is brought into the market, we doubt that gross effective rental rates in excess of \$320 per sqm (plus GST) will be consistently achievable, and see downside risk for the reasons set out above. Business case feasibility assessments should prudently assume that net rental rates (after allowing for, say, \$70 per sqm (plus GST) for outgoings) between \$200 per sqm and \$230 per sqm would be achievable.

Yours sincerely,

Stephen Rendall
National Director of Real Estate Advisory

To:	Her Worship the Mayor and Councillors
From:	Sofia Craig, Project Delivery & Assets Manager
Endorsed by:	Kathryn Ross, Chief Executive
Date:	2 and 3 June 2021
Subject:	Long Term Plan 2021-31 Deliberations – Masterton Revamp Project

DECISION**Recommendation:**

That Council:

- i. proceed with the preferred option as detailed in the Long-Term Plan consultation document: **Full Masterton Revamp over 10 years (\$35.4m)** using \$27.3m from loan funds, \$4.3m from depreciation reserves and \$3.7m from Waka Kotahi subsidies, broken down as:
 - \$4.9m in LTP Y1
 - \$3.6m in LTP Y2
 - \$5.2m in LTP Y3
 - \$5.1m in LTP Y4
 - \$4.1m in LTP Y5
 - \$4.6m in LTP Y6
 - \$4.7m in LTP Y7
 - \$2.3m in LTP Y8
 - \$0.4m in LTP Y9
 - \$0.5m in LTP Y10
- ii. Requests Council officers explore all opportunities for external capital contribution to try and achieve project cost savings including but not limited to, Waka Kotahi subsidies and other central agencies funding sources, and actively seeks design, procurement, and construction methodology efficiencies to deliver value for money.
- iii. Agrees to take a programme procurement approach with early contractor involvement to the delivery of the Masterton Revamp and requests that Council officers approach the market for a construction partner immediately following the adoption of the LTP so as to limit the impact on project deliverables.
- iv. Allocates an additional \$80,000 to further investigate CBD car parking including but not limited to a parking demand survey and stocktake of needs, including consideration of mobility resulting in the development of a Parking Strategy.

PURPOSE

The purpose of this report is to:

- 1) present Council with a summary of submitters' feedback (as expressed in submissions and at the hearings) on the Masterton Revamp proposal and options that were included in the 2021-31 Long Term Plan Consultation Document;
- 2) provide new information that has been received that Council should take into consideration when contemplating submissions; and
- 3) seek a decision from Council regarding the Masterton Revamp for the 2021-31 Long Term Plan.

CONTEXT

The content that was included in the 2021-31 Long Term Plan Consultation Document regarding Masterton Revamp is included as Attachment 1.

Background

Council has been engaging with the community for many years about their aspirations, desires, and what would help to make Masterton/Whakaoriori thrive. The initial conversations were triggered by a need to update aging infrastructure in the CBD, and Council's desire to have the community involved in those discussions and to help shape the future of the Town Centre.

Council undertook extensive community engagement through 2015-17 to develop a Town Centre Strategy which was adopted by Council in August 2018. The purpose of the Strategy is to provide high-level guidance and a principled approach to the work Council undertakes, that aligns directly to the aspirations and goals of the local community. The principles of the Strategy are about attracting people (both Masterton/Whakaoriori residents and those that are visiting) into the Town Centre and to create spaces that facilitate community connection – a vibrant and interesting Town Centre that attracts people helps build:

- Community connection and satisfaction
- Tourism appeal
- Foot traffic through town
- Retail spending in our Town Centre businesses
- Investor's confidence around investing in our Town Centre

A key theme from community engagement the relationship with the Waipoua river and this has resulted in a key pillar of the Town Centre Strategy being 'take me to the river'. No other town in the Wairarapa is on a river - this is a distinctive feature of Masterton / Whakaoriori and we should recognise that the awa (water) is taonga and has an intrinsic connection to Māori culturally, spiritually, and physically. The Waipoua river precinct is a critical element of the Masterton Revamp project and will deliver great benefits to the community.

The work for the entry points into Masterton was initiated in 2019 following feedback from the community about a desire to see the entrances enhanced, and a subsequent survey to residents. The results of the survey highlighted the need for council to invest in the Town's 'welcome' points and the objectives of the work reflects many of the Town Centre objectives, including:

- Showcase the three river crossings and the Town's connection to the water and enhance key views
- Define the Town thresholds and emphasise them
- Be mindful of creating a safer environment for pedestrians and cyclist
- Green up the Town entrance routes
- Reflect Masterton / Whakaoriori's identity and enhance buildings of cultural or municipal importance

The three projects (Town Centre, Waipoua river precinct, 'welcomes') were combined under the Masterton Revamp programme umbrella to ensure maximum efficiencies are gained in management, design, delivery, and costs. This provided a programme of work that spans a 10-year period, distributing the costs to ratepayers, ensuring the availability of the right resources to complete the work, and positioning Council to achieve maximum possible external funding e.g., Waka Kotahi subsidies.

The 10-year plan also allowed for continual rolling upgrades to the CBD, Waipoua precinct and 'welcomes', with flexibility to re-programme individual projects as and when required and marry up with the library / civic facility development (another transformative project) to provide a coherent picture and sense of place that supports wider Council wellbeing objectives and priorities and strategies.

Drivers for the work

In addition to the Town Centre Strategy the 10 year programme of work proposed in the consultation documents is supported by Council's He Hiringa Tangata, He Hiringa Whenua / Wellbeing Strategy and the Arts, Culture and Heritage Strategy and the Wairarapa Positive Aging Strategy and compounding factors including aging infrastructure in need of replacement; street furniture at end of life; footpaths and paving issues; challenges around flooding; speeds in the CBD requiring traffic calming measures; and the entry points being tired and not representative of Masterton or our community.

These factors provided the unique opportunity to look at what additional improvements, enhancements, and benefits could be achieved while significant below and at grade work is undertaken – benefits that will contribute to the liveability, wellbeing, and economic development of Masterton.

The improvements Council has explored centre around focusing more on multi-modal transport with an increase in pedestrian amenity; creating more vibrancy in the Town to encourage future investment and development opportunities; defining more clearly the types of activities Council wish to encourage and ensuring we have the infrastructure to support them; environmentally sustainable solutions; more greenery and linking to Queen Elizabeth Park; enhancing our connection to the Waipoua; telling stories of local iwi, and celebrating our bi-cultural heritage.

These opportunities require trade-offs which have been explored and assessed through the first design stages e.g., narrowing of the road carriageway to allow for more footpath space results in a reduction in the number of carparks in the CBD. Balance has been achieved by having the design accommodate pedestrians, cyclists, and vehicle traffic to the greatest extent possible.

Engaging our community

It has always been important to include the community in this process and have them identify and shape the future of Masterton/Whakaoriori. There was significant engagement in the establishment stages of the project to ensure that the strategic approach (Town Centre Strategy) was well informed and would be supported by the community. While the Council had input prior to adopting the strategy document in 2018, the key themes were a direct result of the community's feedback. Here is a summary of the engagement:

- 2016: workshops explored ideas around Masterton's strengths and opportunities, to help bring to life community ideas and enable a citizen driven 50-year vision for the Masterton town centre. The facilitators also partnered with the UNICEF: Map Your World project, led by Wairarapa local Jacqui Southey, working with school students and youth groups across the district for young people to help create a vision for future Masterton.
- 2016: 'Our Future Masterton' Hub was a space located in Queen Street, a hands-on temporary interactive space where people shared ideas for the future, commented on past and present ideas and explored potential areas of physical spatial change in the town centre.
- 2018: Public consultation on the Town Centre Strategy initiatives were carried out by Council in parallel with its Long-Term Plan consultation including:
 - Placemaking / tactical urbanism - giant game installations, 'Play on Park' trial and a temporary parklet in front of Paper Plus
 - Five 'out and about' / 'pop up' sessions held (Car Boot Sale, Library, New World x 2, Kuripuni Village)
 - Non-manned information stalls (Masterton train station, Riversdale Beach store, Library, Archive, Whaiora Medical Centre, Riversdale and Castlepoint Golf Clubs)
 - Targeted engagement was carried out with 21 organisations throughout the District
 - Two workshops were held (July 2018) with invited landowner and developer stakeholders in the town centre. These workshops were facilitated to enable feedback on the initiatives and priorities for these. Sir Bob Harvey (ex Mayor of Waitakere) and other experts with urban design experience in New Zealand assisted the discussions.
- 2018: The Town Centre Reference Group was established to assist Council in the concept design of Town Centre projects to give effect to the Town Centre Strategy 2018 - at this point there are three initial projects agreed by Council to proceed to design. The group was disestablished in 2019.

- 2021: Masterton Revamp Community Reference Group established to assist Council and its key contractors and consultants with the development of design documents and construction planning. This was an open process with over 50 applicants registering an interest.

Design elements

Boffa Miskell have been engaged to provide strategic thinking, community engagement and analysis, design, and implementation expertise. The design features and elements that have been reflected in the design to date represent industry best practice including the Waka Kotahi Urban Design Principles, however they also reflect Whakaoriori's unique context and environment.

Work packages have previously been commissioned and some of the design work is fairly well progressed, providing a good basis and palette for how the remainder of the project will be developed, noting that each section of the CBD, the Waipoua river precinct and the 'welcomes' each have their own individual character and value proposition. Design work progress to date:

- Queen Street stage 1 (Jackson to Perry Street): 100% detailed design
- Park Street: 100% detailed design
- Bruce Street: developed design
- Queen Street stage 2 (Perry to Park Street): concept design
- Charlies Lane: concept design
- Northern entrance: concept design
- Southern entrance (Kuripuni only): concept design
- Waipoua river precinct: scoping phase

Some of the key design elements and features of interest include:

Town Centre

- Removal of curb lines
- Widening of the footpath and addition of a 'activity strips' that include gardens, seating, rubbish bins and bike parks
- Narrowing of road carriageway necessitating a change to parallel carparks and a reduction to the overall number of carparks as a result
- Rain gardens, also called bioretention facilities, to treat stormwater
- Raised crossings and potential for raised intersections as traffic calming measures
- More street tree planting for shelter, colour, and encouragement of fauna
- Variety of textured pavers in different sizes to delineate change in spaces and create visual and audible interest
- Introduction of 'active nodes' that provide visual interest, colour, and interaction within the streetscape
- Provision for markets and street events through accessible infrastructure
- More extensive play and interactive elements in certain street sections i.e. Park Street
- Creative re-use of some existing structures
- More art in culture, public art, visible signs of our bi cultural heritage, especially more visible sign of the rich Maori history

- More places to stop, rest, engage, i.e., social bumping spaces
- Better signage and wayfinding
- Condensing the long Queen Street to get critical mass and create distinct districts with an identity

Entry points

- Provision for increased street planting
- Drought tolerant planting at key thresholds e.g. Kuripuni and Ascension roundabouts
- Signage that reflects our bi-cultural heritage
- Increased amenity for neighbourhoods and cyclists
- Traffic calming activities
- Showcase the three river crossings and the Town's connection to the water
- Enhance key views

Consultation options

The options for consultation were agreed at the Council meeting held on 24 February 2021 and were reconfirmed when the 2021-31 Long Term Plan Consultation Document was adopted by Council on 31 March 2021. The options were:

- **Preferred option:** Full Masterton Revamp over 10 years
- **Alternative option:** Partial revamp over 10 years

DISCUSSION AND OPTIONS

In this section we provide an overview of feedback received from submitters through the consultation process and provide advice regarding Masterton Revamp for the 2021-31 Long Term Plan.

An overview of the face-to-face consultation events is contained in the overview report within the agenda. Please refer to the overview report to reflect on the feedback on the Civic Facility that was received via the consultation events when you consider the feedback via the submissions and hearings.

Submission Feedback

Themes from the Submission Analysis

Of the submitters that provided written submissions or comments, 186 people had feedback on the Masterton Revamp proposal and options.

The seemingly low number of submissions could be attributed to this being the second time the community have been engaged on the topic formally, with discussions occurring as early as 2016. The low number of submitters is an indication that the community is feeling fatigued by continual engagement and lack of action, indicated by the most recurrent theme.

Key themes from the submission included:

- support for getting on with the work now;
- that the CBD is in need of a refresh but this could be more conservative than what we have proposed;
- commentary around the future of retail and the uncertainty that brings for CBD spaces; discussion (for and against) pedestrianisation of Queen Street;
- further increasing the amenity for cyclists and creating safer 'shared' spaces;
- the entry points should not be a focus; and some general commentary on particular design aspects.

Further analysis is detailed below, and themes are ranked in order of most recurring to least:

1. Theme - Support for the project and get on with it

There is support from individual community members, iwi partners and community groups or organisations including Rangitāne o Wairarapa and Rangitāne Tu Mai Ra Trust, Bosch Properties, Age Concern, Nuku Ora, Regional Public Health, and Business Wairarapa. Feedback indicates it is seen as necessary for Council to start work to deliver this work sooner rather than later, with a particular support for starting with the redevelopment of Queen Street.

"This is long overdue we need all of this to present the best possible face to both residents and visitors."

"Please just get on with it! So much consultation, so nothing seems to happen."

"The council needs to get on and make some firm, sensible decisions."

"Masterton definitely needs a revamp, and our community needs a town centre they can be proud of and that visitors are excited to share photos of when they return home."

"Focus on Queen Street and the entrances to the town as priority."

Considerations

Significant engagement and consultation has occurred with the community including as part of the 2018 Long-Term Plan, however this only focused on the first stage of Queen Street and was relatively silent on the wider programme of works. The key themes identified in the Strategy were a direct result of the desires of the community at the time the engagement occurred. While there are necessary infrastructure upgrades and improvements that Council is needing to make, it is timely to also consider how we can deliver on the wider outcomes the community has a desire to achieve.

A number of partners and other organisations such as Rangitāne o Wairarapa and Regional Public Health commended Council's work in exploring sustainable environmental solutions that address climate change impacts and promote walking and cycling.

The feedback received as part of this consultation process indicates there is support for this project and the benefits it will bring to Masterton and encouragement from the community to progress the project with priority.

Engagement with the community will continue to occur throughout the design and delivery phases. Council will be providing dedicated resource for placemaking initiatives with the goal of working in partnership with the community to create engaging public spaces that inspire potential, and promote people's health, happiness, and wellbeing. Placemaking will also be used creatively as a potential offset to some of the disruption that will occur during physical construction in the CBD (e.g. use of public spaces for markets etc).

2. Theme - A further scaled back option should be considered

A number of submitters were supportive and in agreement that there were improvements that need to be made, however of the opinion that this could be achieved through a lighter touch, lower cost solution.

"A tidy up would be a more practicable solution for our long-term debt burden."

"While the basics (street lighting, road repairs, stormwater) need work, I don't think it is appropriate to spend unnecessary money."

"Priorities; this can be done over a longer time period."

"Town needs tidy up. More seating, hanging baskets, money for recreation should be spent in parks and like."

"Conservative and gradual change is more likely to favoured."

Considerations

While elements of the project are superficial, the substantial work in the design is to address either an immediate Council issue e.g., infrastructure in need of replacement and street furniture at end of life, or to deliver on a wider outcome or area of focus identified by the community e.g., greener solutions to stormwater and its treatment and an increase in amenity for both pedestrians and cyclists to make the CBD a safer shared space. Unfortunately, there is significant work that needs to occur below ground and while some above ground amenity could just be "tidied up", it will only mean deferring a more extensive upgrade until a later date, resulting in disruption to the community and local businesses not once but twice.

3. Theme - The future of retail is uncertain

There was commentary from respondents about the uncertainty and future of retail, and that we are planning to invest in the CBD based on what we know today, when tomorrow could look very different.

"Considering the major shift to on-line retailing taking place at present, which will inevitably reduce the number of shops in Masterton over time."

"Fundamentally it doesn't matter how this is done when there are so many empty stores in the town."

"The CBD is in a state of change with the use of online and Amazon shopping. More large retailers are moving to industrial areas."

"Overseas studies have shown the so called "High Street Shops" will be a thing of the past in 10 years."

Considerations

The redevelopment fundamentally addresses pressing maintenance requirements; however, it also starts to define and create spaces for the types of activities that may occur in the future more clearly. Through the changes to curb lines that could allow for future pedestrianisation and calling out of 'precincts' or 'zones' along Queen Street there is flexibility built into the design. Some of the 'active nodes' or spaces that encourage activity along the street will also be flexible, with the ability to adapt and change these at low-cost should the businesses and activities in the CBD change in future.

With these plans further refined Council will be able to communicate outwardly about its desires for the CBD and look to encourage the types of businesses and retail that support our future vision. Council has a role now and even more so into the future to support the community, including retail and business by creating spaces that people want to go and spend time engaging in.

In addition, Masterton is and will remain a rural service town and it should be expected that there will always be demand for those people who are located rurally or out of the district to come and shop in Masterton.

4. Theme - Pedestrianisation

There was much comment about the pedestrianisation of the Town, primarily Queen Street however some respondents also foresaw a future where further adjacent streets were also closed to vehicle traffic.

"I'd love to see some areas of Queen Street made pedestrian only."

"The Town Centre revamp needs to seriously look at keeping vehicles out of much of Queen Street. Keep Queen Street for pedestrians, cyclists, and mobility scooter users."

"Still allowing for private cars on Queen St is a half-baked short-sighted solution that will have to be reviewed sooner as other cities adopt car-free zones."

This feedback was balanced by those with opposing views, encouraging Council to not restrict vehicle access to the CBD, still allow a decent number of carparks and that a safe shared space can be created with the right treatment i.e., speed limits.

"My only reservation is the suggestion that vehicles may be restricted from Queen Street. Parking and access is important in town and any restrictions to this may have a negative effect on Queen retailers."

"As someone with limited mobility, I object to the continued reduction in CBD parking spaces."

"If you want to make the shopping centre more attractive bring back 2-hour free parking."

Considerations

As mentioned above, there is a balance to be struck between creating a higher level of amenity for pedestrians (including vision and mobility impaired), cyclists and motorists. The basis of the design intent is that footpaths are to be widened to allow for pedestrians and mobility scooters to safely use the space, which has compromised the width of the road carriageway. The reduction in road width has required a change from the existing angle park arrangement to safer, parallel parks. This has also resulted in a reduction in the overall number of carparks that are able to be accommodated in each street section.

The removal of curbs does provide in-built future flexibility if full pedestrianisation is a direction future Council wishes to take, it also ensures the street can more easily be configured for markets and other events.

The Positive Ageing Strategy also clearly identifies the need for Council to improve basic infrastructure such as footpaths and surfaces to ensure that they're suitable for walking sticks, walking frames with enough space to be safely shared by pedestrians and mobility scooters.

5. Theme - The entry projects should not be a focus

Some respondents were supportive of the plans to upgrade the CBD but did not believe that the entry projects should be included, and they were adequate as they are.

"Nothing wrong with the entrances."

"My preferred option is partial revamp over the next 10 years, without further waste of ratepayers resources for the purpose of signage, pou and sculptures at the Northern and Southern entrance to Masterton."

"It is a road that comes into a town, apart from a sign I don't think we need any more fanfare or bells and whistles."

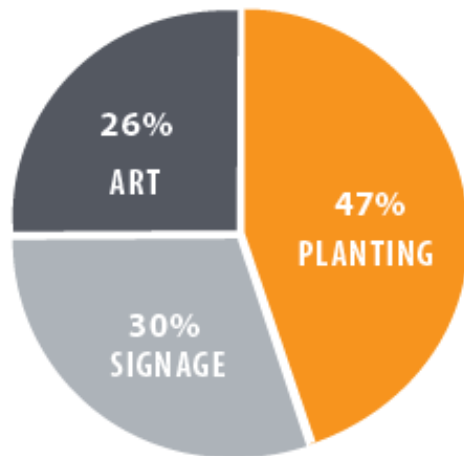
Considerations

Engagement with residents undertaken at the beginning of 2019 sought feedback on the main entrances into town, and what makes Masterton different from other towns. The analysis showed a clear desire at the time to see improvements to the amenity and 'welcomes' to our town:

- About 8 in 10 residents agreed Council needs to do something about the entrances into town
- Just over half (56%) agreed the approaches need to be changed, but they were unsure what the change should be.
- Overall, flower bed displays were the most discussed topic; 47% of residents mentioned flowers or flower beds. The comments suggested overall disagreement with the idea of removing the flower displays. Solutions proposed included drought resistant planting and an improved watering system
- 30% of residents mentioned changes to Masterton's signage. Keep signs clear, noticeable, and simple were the most cited comments.

- 27% of respondents mentioned the Pou; 12% specifically said the Pou need improvements.

Desired areas of change – 2019 survey results



Many of the garden beds at the town thresholds and into the main CBD are at end of life and in need of replacement. With environmental considerations a priority for Council there is an opportunity to change to more sustainable, drought tolerant planting as opposed to garden beds planted with annuals needing regular watering, maintenance and replacement. This strategy has begun to be deployed with the first changes being made on Opaki Road in 2019 and the intention through the 'welcomes' project is to continue implementing that strategy.

In addition to increased plantings the intention is to explore additional traffic calming measures that provide for greater safety and amenity for pedestrian and cyclists through the use of planted median strips, garden bed bump outs and other street tree plantings.

There will be additional maintenance costs required to support the increased level of amenity, however there is careful consideration to the selection of plants from both a tolerance and maintenance perspective. A maintenance cost comparison will be provided to Council once planting schedules for the first stage of the design are complete.

The 'east' and 'west' welcome projects have already been deferred until the latter half of the programme to indicate that these are lower order priorities in comparison to the Town Centre, Waipoua river precinct and north and south projects.

6. Other feedback

There was some additional feedback that a number of respondents commented on, this feedback will be incorporated into our planning and design, and some is already in consideration.

- Increase amenity for cyclists

“Masterton is a perfect town to encourage more cycling (flat like Christchurch). Would love to see cycleways available for access to all schools.”

“If we can make our whole town bikeable in a safe and easily accessed way, this would have a huge impact to the wellbeing of our community.”

- Retail and businesses

“To make our CBD look more appealing, the facades need some improvements. For inspiration have a look at Kuripuni or Greytown.”

“I still believe that Council should investigate ways of incentivising building owners to enhance their buildings - a much more cost-effective way to improve the look of the town.”

“I think we are needing more businesses to open up in town before we start revamping it. There are too many empty shops.”

- Public toilets

“Council relies on private businesses to provide toilets ie Regent, Cookie Company etc. No good enough!”

“Instead of 'revamping' the town centre, less costly projects can greatly improve Masterton CBD. Installation of public toilets at either end of the Queen Street or the roundabouts.”

Quantitative analysis

Of the 183 submitters 56% (105) indicated a preference for either option A or the alternative option and 42% (78) selected neither option.

Interrogating the qualitative data of those who selected 'neither option' there is residual support for the project. Of the 78 'neither' responders, 44 people provided commentary. This feedback can be further broken down as follows:

- 24 responders could be considered that they would like some form of upgrade
- 20 responders could be considered against any revamp

This analysis indicates that the numbers could more clearly be represented as at least **70% in support**, with the remaining a mixture of neutral or unsupportive.¹

¹ We cannot define the breakdown of the remaining 30% any further as not all those who selected 'neither' provided commentary.

New Information

The role of local government

On 23 April 2021, the Minister for Local Government, Hon Nanaia Mahuta, launched an independent review of local government. This review is one of the most significant developments that councils have seen in decades. It is all about community, the four pou of wellbeing, and how councils can maintain and improve the wellbeing of New Zealanders in the communities they serve, long into the future. Placemaking, wellbeing, and prosperity for communities and the Treaty partnership are all front and centre.

This reform indicates even further emphasis will be required on spaces like Town Centres and the Waipoua river precinct and gives Council further confidence that the direction and objectives of the Masterton Revamp project are all positioning the Council and its community for the future.

Risks

There are a number of risks to be considered in this decision-making process:

Risk	Likelihood	Mitigation
Waka Kotahi funding	Possible	The outcome of our Business Case bid will be known in Q3 of 2021 at which time we will have a better understanding of the level of contribution Waka Kotahi are making, and the likelihood for latter stages of the project to secure similar funding. Waka Kotahi are also releasing new funding criteria and schemes that Council is keeping across and ensuring we're aligning our project objectives to Waka Kotahi's focuses
Reputational damage through continued lack of decision making and clear progress	Likely	Make a definitive decision and ensure that the project progresses at pace following, with no further litigation about scope. Communicate with the community openly at key milestone activities
Local government reforms	Certain	The outcome of the local government reforms is uncertain, however there is likely to be more emphasis and requirements placed on Council to deliver on what are some of the key drivers and elements of this project. Officers will keep close to the process and advise of any necessary changes in approach

Inability to secure contract resource	Possible	Council officers will release tender documents to the market directly following the adoption of the LTP to ensure that there is resource secured for the work to commence in 2022 (see below for more information about the proposed procurement approach)
Cost escalation if the project is delayed or deferred	Almost certain	Approve the project as part of the LTP. Once this is agreed then officers will work at pace to secure the necessary resources deliver the programme including agreeing rates and charges for the programme where applicable

Proposed Procurement approach

MDC went to market in September 2020 to procure a main construction contractor to deliver the single package of work (Queen Street stage 1) with the intention of commencing construction in March 2021.

The tender process was unsuccessful, and Council was unable to secure any contract resource. This provided the chance to review the procurement approach and strategy to secure a partner to deliver the critical works. Discussions have occurred with key contractors from the Wairarapa and wider Wellington region and Council has welcomed the dialogue and opportunity to hear creative, innovative suggestions from these contractors.

The opportunity the LTP presented has allowed MDC to look at taking to market a programme of works, as opposed to individual packages procured separately. The value that partnering with a master contractor and a number of key subcontractors presents in this model cannot be underestimated. Through involving the contractors early in design and programming discussions there is the opportunity for financial and constructability efficiencies to be gained. This includes potential cost savings of 20-30% by looking at traffic management and the ability to allow the contractors full access to the road during construction as opposed to retaining vehicle access and parking.

It is important to note that the construction industry is experiencing a 'boom' at the moment and factors such as Transmission Gully, border restrictions, supply chain issues and 'shovel ready projects' are putting significant pressure on local and national resources. A programme approach ensures that Council is able to secure and commit the necessary resources to complete the work, while working with the contractors about the best approach in doing so. Given the resourcing issues it is recommended that Council go to market directly following the adoption of the LTP, if the goal is to commence physical works in Queen Street in 2022.

CONCLUSION

Of the 183 submitters (less than 1% of the population), 105 supported either of the options to progress the work, and 78 ticked neither option. Through the analysis of the qualitative data, it is clear that while some people selected 'neither' there was still some residual support, with approximately 50% of the 'neither' category still indicated a desire to see some improvements occur.

Local government reform, the current state of the CBD, and Council's own strategies (He Hiringa Tangata, He Hiringa Whenua, the Arts, Culture and Heritage, the Wairarapa Economic Development Strategy and Economic Action Plan and the Wairarapa Positive Ageing Strategy and Rangitahi Strategy) all point to now being the time to step up and invest in the future for our mokopuna by creating safer and more vibrant spaces in our CBD for our young people, our older people, families, pedestrians, cyclists and motorists, and businesses. In particular the Wairarapa Positive Ageing Strategy highlights the need to focus on and prepare for the region's rapidly ageing community including key strategic goals to increase the amenity and accessibility of places and spaces and improving transport and movement for the elderly. We also have significant opportunities to work with partners and our community on how we welcome people to Masterton / Whakaoriori in a way that is consistent and representative of our place and reflective of our community.

There are clear drivers and need for core elements of the project (aged infrastructure, sustainable stormwater solutions) and while there is always the temptation to resolve some of the more immediate issues with lower cost solutions, the opportunity to look at solutions that benefit the wider community and the environment will be lost if we do this and will prove to be more costly in the long-term.

Of those that provided written responses there is strong support for the project and the feedback has solidified the direction that Council is taking in terms of striking a balance between creating safer spaces for pedestrians and cyclists while still providing a level of amenity and carparking for motor vehicles. There is encouragement from the community to progress with the project and to continue to explore environmentally sustainable choices, and work with businesses and developers to ensure that retail is complementary of the revitalised CBD.

Staff recommend that Council agrees to proceed to deliver the full Masterton Revamp project over a 10-year period, with a total project budget of \$35.4m. It is recommended that Council request officers commence work to explore all opportunities for external capital contribution to try and achieve project cost savings including but not limited to, Waka Kotahi subsidies and other central agencies funding sources, design, procurement, and construction methodology efficiencies.

It is also recommended that Council officers approach the market for a construction partner directly following the adoption of the LTP so as to limit the impact on project deliverables and also allocates an additional \$80,000 to further investigate CBD car parking including but not limited to a parking demand survey and stocktake of needs, including consideration of mobility resulting in the development of a Parking Strategy.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

This work is central to the Council's delivery of its core strategies, including the overarching vision for Whakaoriori to 'provide the best of rural provincial living.' The work also supports the He Hiringa Tangata, He Hiringa Whenua, Wairarapa Economic Development, and the Arts, Culture and Heritage strategies. It also supports the Wairarapa Positive Ageing Strategy and Rangitahi Strategy.

The project will deliver immediate and long-term economic growth, a focus on cultural development and increasing the visibility of te ao and te reo Māori, improved accessibility in our public spaces, and considerations and treatments for key environmental challenges such as stormwater treatment.

With the local government reforms there will be further emphasis and responsibility placed on Council to deliver things that increase the wellbeing of the community, through placemaking and vibrant town centres.

Provisions for projects within a long-term plan or annual plan do not constitute a commitment. The Local Government Act provides that a resolution to adopt a long-term plan or an annual plan does not constitute a decision to act on any specific matter included within the plan so Council can deviate from the plan during the year for good reason if something unforeseen does arise.

Significance, Engagement and Consultation

A decision on the Masterton Revamp, was considered a significant decision. Given that, consultation using the Special Consultative Procedure has been undertaken to inform the 2021-31 Long Term Plan. Consultation followed the Special Consultative Procedure, in line with our Significance and Engagement Policy and legislative requirements for a significant decision.

Financial Considerations

The \$35.4m project is both loan funded (\$27.3m), externally funded (\$3.7m) and funded from our depreciation reserve (\$4.3m) across years 1 through 10 of the LTP. The extra rates per property per year was \$214 (by 2030/31).

The partial revamp option was \$22.4m, again funded by a mix of loan funding (\$14.6m), external funding (\$3.7m) and depreciation (\$4m). The partial programme was designed to take advantage of anticipated NZTA funding. If the subsidisable portions of work (e.g. roading) are not included in the option adopted as part of the final LTP, this external funding cannot be assumed. The extra rates per property per year was \$120 (by 2030/31).

With rising construction costs, supply chain issues, and the availability of resources compounded with an industry experiencing a 'boom', if the project is delayed costs will continue to escalate.

There are also some costs that will be unavoidable as Council will need to renew the assets.

\$2.77m in total, broken down as follows:

\$0.72m for road surfaces

\$0.93m for water mains

\$0.53m for sewer mains

\$0.58m for stormwater assets

These amounts will need to be included in the LTP budgets to avoid decreasing levels of service in the CBD. The roading maintenance budget will be used to continue maintaining pavers and street furniture.

Treaty Considerations/Implications for Māori

Of the 2021-31 Long Term Plan submitters who indicated their ethnicity, 5.8% identified as Māori. Submissions were also received from Rangitāne o Wairarapa Inc and Rangitāne Tū Mai Rā Trust. There has been support from our iwi partners and an indication that their contribution to this project would be supporting Council to recognise tangata whenua and the historical links to te ao Māori, and encourage having the unique stories, toi Māori & reo be displayed (normalised) for all our future generations to enjoy, especially along our awa. We need to tell the story of those sites of significance that only Whakaoriori can tell.

Embracing our Māori culture and multi-cultural community is one of the key project drivers. The intention is to work closely with iwi, hapū, and marae about their aspirations and how stories can be told and expressed in an appropriate way. This engagement will be a core workstream for the project.

Communications/Engagement Plan

Council decisions on the proposals included in the Long Term Plan consultation document, and reasons for those decisions, will be communicated to submitters and our community.

Environmental/Climate Change Impact and Considerations

Environmental/climate change considerations are a key focus for this project. That extends not only to the design through creative stormwater treatment and materials selection but in all procurement approaches.

MASTERTON REVAMP

Our town centre is the heart of Masterton. It's a place where our community connects, whether that's bumping into old friends, hanging out with mates after school, or sharing kai or a coffee. It's also where many of us work, do business, and shop.

Our Town Centre Strategy, adopted by the Council in 2018, recognised the community's desire for our town centre to be a vibrant space, to be greener, and have better connections with the Waipoua river and with other key places like Queen Elizabeth Park. People asked for spaces that reflected our people with local art and our culture on display. Our tamariki wanted space where they could play, be active and have fun. All of these things are part of what we will deliver as we implement the strategy.

The developments we have planned for Masterton will change our town in a way that hasn't been seen since the 1950s. Over the next 10 years, we are planning to complete key projects in the Town Centre Strategy. That includes revamping all three sections of Queen Street and Charlie's Lane, as well as bringing the 'park' (more green space) into Park and Bruce Streets, and developing Dixon Street and the Waipoua River precinct. This will create an exciting and lively hub for our community that includes places for markets and outdoor events. Our town centre will be a space that we can all be proud of, and a place that our community will love to spend time in for years to come.

We also plan to improve the entrances to Masterton. These entrances create a first impression for visitors and greet our whānau when they return home. We want our 'welcome' to be inviting, and to reflect 'us' by promoting what we love about our district.





Much of this work involves roading, cycleways, and pavements, and some of it will qualify for the government roading subsidy, through Waka Kotahi (the New Zealand Transport Agency, or NZTA). We have timed the different stages of the project with NZTA funding rounds. If this funding is not secured for any reason, we will consider scaling back the project or delivering the project over a longer timeframe.

We have also planned work to occur when maintenance is scheduled, to be more efficient and reduce disruption. We are also future proofing development with sustainable environmental design that will address climate impacts, water resilience, promote walking and cycling, and improve safety. Some of this may be eligible for government funding in the future.

The Council and our community invested substantial time and money in developing the Town Centre Strategy, and designing the first stages of work, including lower Queen Street. If we don't proceed with implementing the strategy, there would be no benefit from our investment. Scheduled maintenance work in these areas would still need to be completed and work may have to be re-done when we eventually upgrade these areas in the future.

The Masterton revamp, and our welcome entrances, are key parts of our vision to make Masterton a modern town. We want our district to be a vibrant and welcoming place, from the entrances of Masterton to its very heart.



HOW WILL THIS PROJECT CONTRIBUTE TO WELLBEING?



Creating a vibrant heart in the centre of our town that will provide spaces for our community to connect and spend time together.



Our entrances and our town centre will reflect our local culture and heritage, and our local people, promoting what we are most proud of.



'Greening it up' will improve the look and feel of our town and enable it to better reflect, connect with, and promote our surrounding natural heritage.



A vibrant centre will encourage people to spend more time in our town centre, and to shop locally.



Our hard infrastructure, like roads, footpaths, and pipes, will also be upgraded and improved.

OUR PREFERRED OPTION (WHAT WE HAVE BASED OUR PLAN ON)

Full Masterton revamp over 10 years

The Council will revamp Masterton over the next 10 years, implementing the Town Centre Strategy that was adopted in 2018.

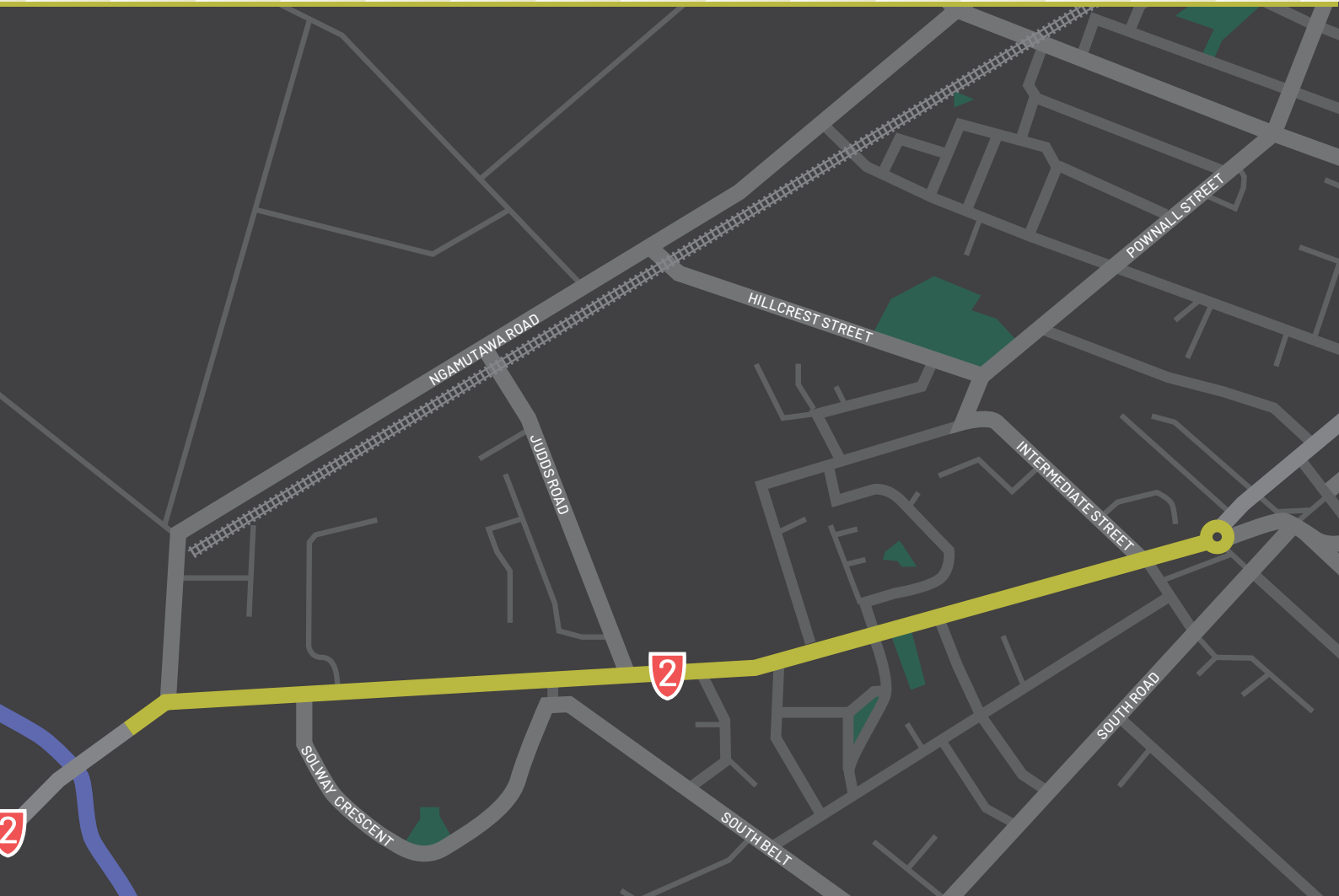
The estimated cost of the Masterton revamp is \$35.4 million over the 10 years of this plan.

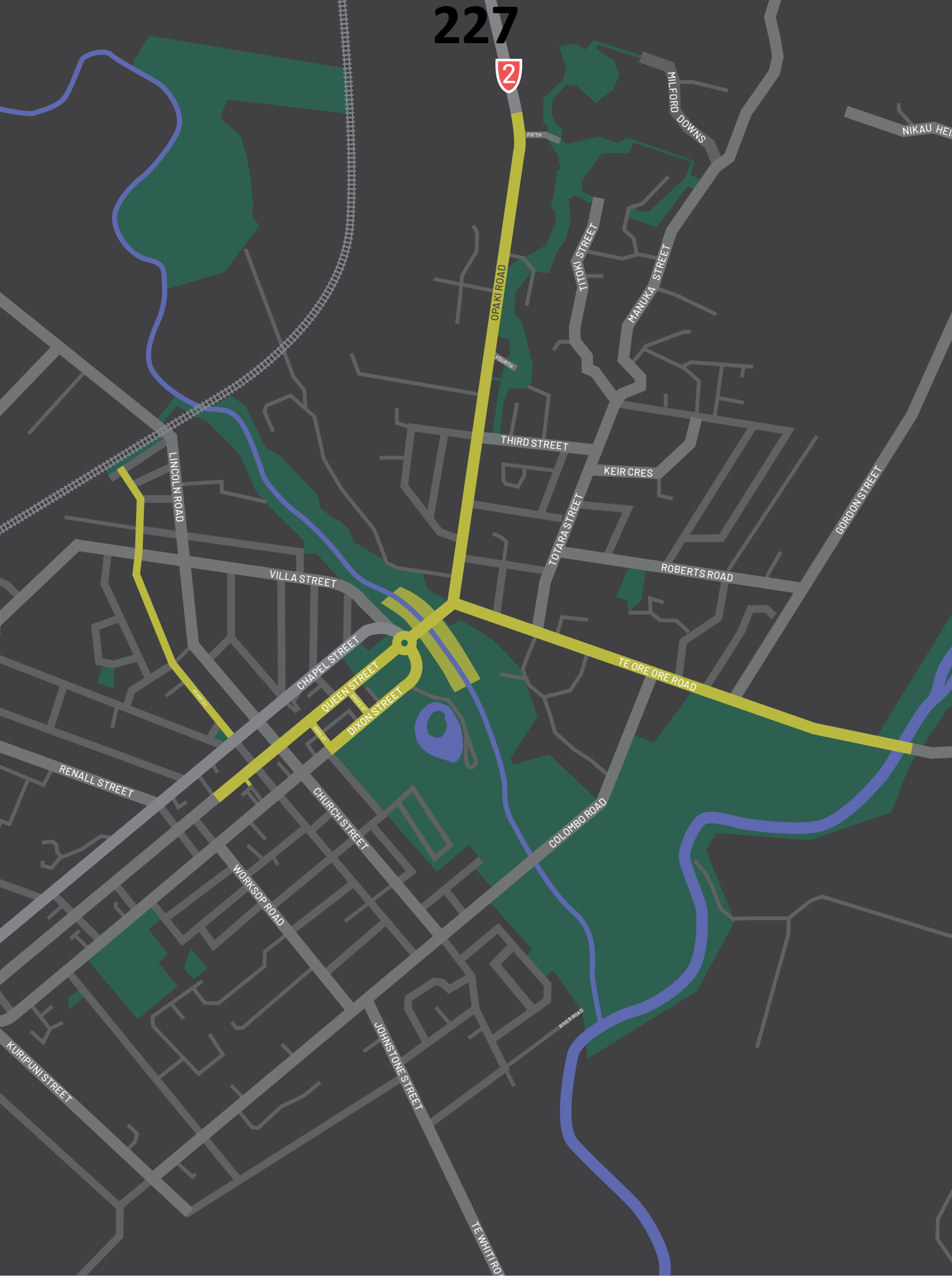
The budget covers key projects in the Town Centre Strategy, starting with lower Queen Street in 2021, and all four 'Welcome to Masterton' entrances (north, south, east and west). This will improve the level of service for our community by offering an enhanced town centre space.

Loan funding of \$27.3 million is needed, along with the government's roading subsidy on some components, and depreciation reserves where we are renewing our assets. (Depreciation reserves are built up by putting aside money each year to pay to replace an asset when it reaches the end of its operational life.) There will be progressive rates increases totalling 5.2 per cent over the 10 years. The additional rates required is forecast to be \$2.3 million by Year 10, converting to \$214 more in rates per year for the average urban residential property by 2030/31.

There may be opportunities to attract further government funding to offset some of these costs but at this stage we cannot guarantee it.

Project completed	Total Council spend	Rates per property per year
Full Masterton Revamp by 2030/31	\$27.3 million (loan)	\$214 (by 2030/31)





ALTERNATIVE OPTION

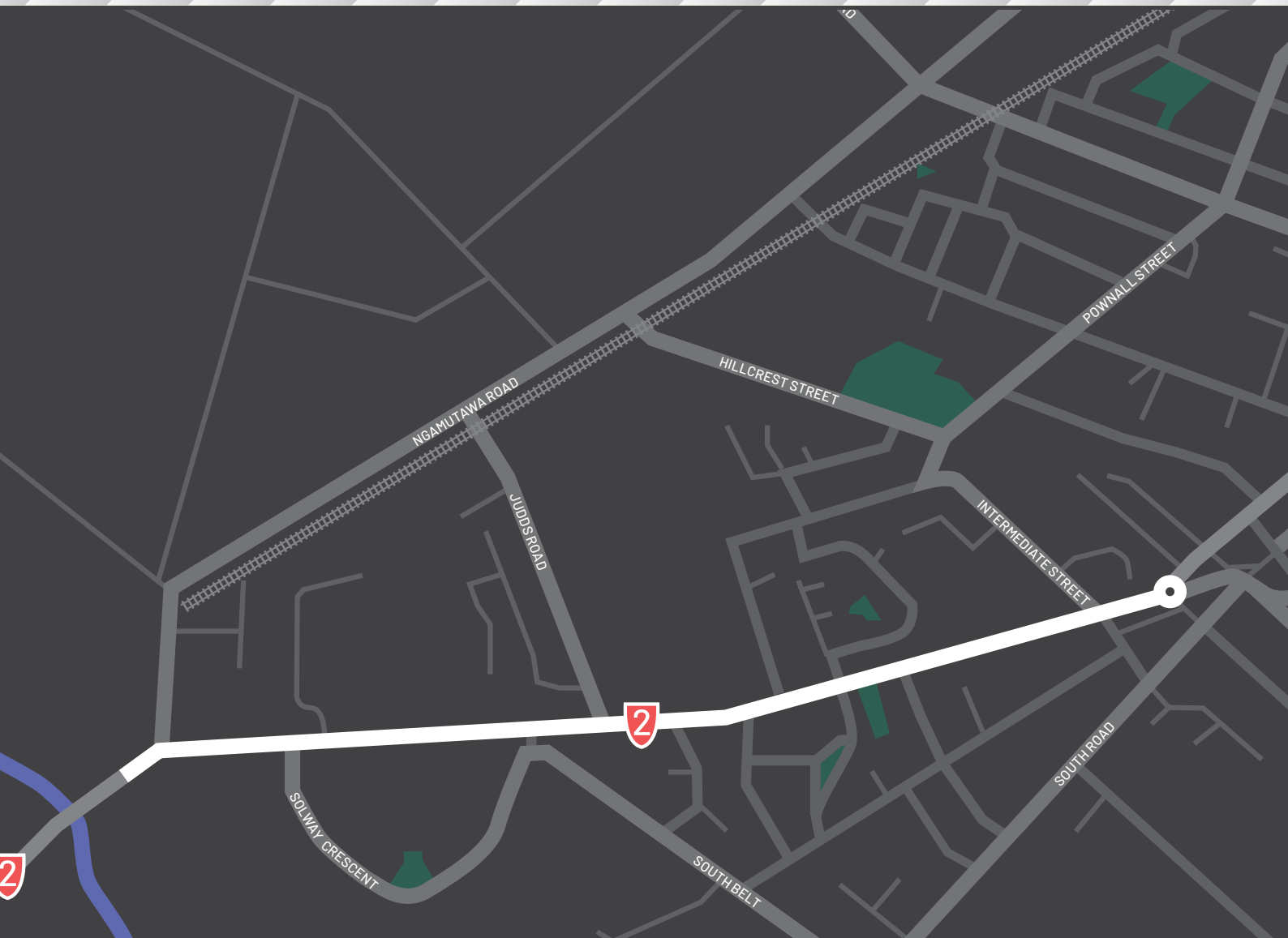
Partial revamp over 10 years

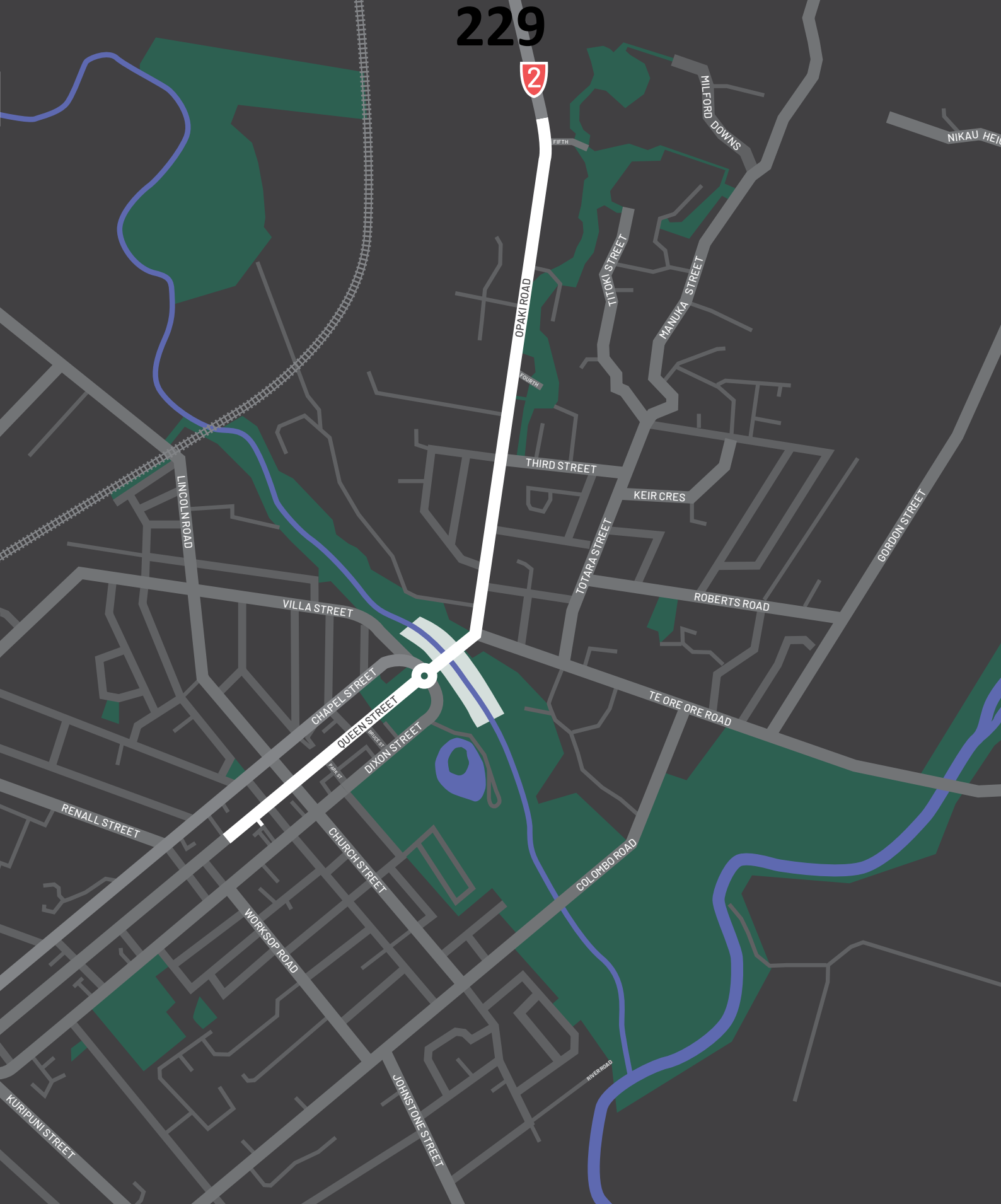
The Council scales back the project, completing all of Queen Street, Charlie’s Lane, the Waipoua River precinct, and our north and south entrances only. Work on Dixon, Park and Bruce Streets would not take place. The east and west entrances to Masterton would not be improved in this plan. This option still improves the level of service for our community by enhancing some areas and entrances of our town centre, but to a lesser extent than our preferred option.

The estimated cost of a partial revamp is \$22.4 million over the 10 years of this plan. With loan funding of \$14.6 million alongside the government’s roading subsidy and depreciation reserves, the additional annual cost to our ratepayers by 2030/31 is expected to be to \$1.3 million. Progressive rates increases over the 10 years will total three per cent, which equates to \$120 more in rates per year for the average urban residential property by 2030/31.

There may be opportunities to attract further government funding to off-set some of these costs but at this stage we cannot guarantee it.

Project completed	Total Council spend	Rates per property per year
Partial Masterton Revamp by 2030/31	\$14.6 million (loan)	\$120 (by 2030/31)





For more information on our Town Centre Strategy or to check out our questions and answers, and information about our plans for the Masterton revamp visit our website: www.mstn.govt.nz



To:	Her Worship the Mayor and Councillors
From:	Senior Leadership Team
Endorsed by:	Kathryn Ross, Chief Executive
Date:	2 and 3 June 2021
Subject:	Long Term Plan 2021-31 Deliberations – Funding Request Submissions

DECISION

Recommendation:

That Council:

- i. receives the information in the Long Term Plan 2021-31 Deliberations Funding Request Submissions Report; and
- ii. approves and allocates funding as follows:
 - a. Wairarapa Community Centre Trust - \$25,000 p.a. for Years 1-3
 - b. Masterton Foodbank - \$50,000 p.a. for Years 1-3
 - c. Riversdale Beach Surf Lifesaving Club - \$15,000 p.a. for Years 1-3
 - d. Enviroschools - \$29,160 p.a. for Years 1-3
 - e. Waiwaste Food Rescue - \$20,000 p.a. for Years 1-3
 - f. Life Flight Trust - \$5,000 p.a. for Years 1-3
 - g. Nuku Ora - \$29,000 p.a. for Years 1-3
 - h. Fab Lab Masterton - \$20,000 p.a. for Years 1-3
 - i. Wellington Free Ambulance \$25,557 p.a. for Years 1-3
 - j. Digital Seniors \$25,000 p.a. for Years 1-3
 - k. Te Āwhina Community Hub \$20,000 p.a. for Years 1-3
 - l. Cobblestone Museum \$3,500 p.a. for Years 1-3
 - m. Pasifika O Wairarapa \$13,500 p.a. for Years 1-3
- iii. notes that the funding above will be designated for the purposes as described in the applications and will be recorded in funding agreements with all organisations who are allocated funds through the Long Term Plan process; and
- iv. declines the request for funding from New Zealand Memorial Museum Trust – Le Quesnoy for \$27,500 for Years 1-3; and
- v. approves funding to Wings Over Wairarapa of \$5,000 Year 1, \$15,000 Year 2 and \$5,000 Year 3 from the Events budget and notes that staff will meet with Wings Over Wairarapa to discuss a funding and other support agreement for the next 3 years; and

- vi. reduces the provision for contestable community grants from \$90,000 to \$80,000 and events grants from \$90,000 to \$80,000; and
- vii. notes that grants approved in ii. above require an additional \$28,557 of rates funding, after the adjustments in vi. above.

PURPOSE

The purpose of this report is to:

- 1) present Council with a summary of submitters' funding requests (as expressed in submissions and at the hearings) received as part of consultation on the 2021-31 Long Term Plan.
- 2) seek a decision from Council regarding the Long Term Plan 2021-31 Funding Request Submissions for the 2021-31 Long Term Plan.

CONTEXT

Many organisations and community groups use the Long Term Plan process as an opportunity to request funding support from Council.

Historically, requests for smaller amounts and/or 'one off' projects have been referred to the appropriate grants processes for consideration alongside other grant applications. Requests for larger amounts and ongoing support have been considered as part of the Long Term Plan deliberations process.

In 2018, as part of the 2018-28 Long Term Plan deliberations process, Council approved three year funding arrangements for a number of groups. A three year agreement provides more stable funding and reduces administration requirements for both Council and the groups concerned.

These organisations and others that have received ongoing funding from Council in the past were reminded that they would need to make a submission if they wanted to continue funding provided by council.

DISCUSSION and OPTIONS

This section provides an overview of requests for funding received via submissions on the 2021-31 Long Term Plan.

Summary of Funding Related Submissions

- Fourteen grant and funding submissions were received.
- All submissions requested multiyear (Years 1-3) funding.
- Eight submissions are seeking an increase on historical funding.
- All submitters demonstrated a clear contribution to Council's Wellbeing/Community Outcomes

It is important to note that feedback was also received through other mechanisms including face to face engagement activity, social media and at the hearings. A summary of feedback received through other mechanisms is included in the LTP Overview Report included in this Agenda. This qualitative data also provides valuable insights regarding the views of our community and should be considered alongside, and with equal weighting, to feedback received via submissions.

A summary of each of the submissions requesting funding and staff recommendations for each of these is included as Attachment 1.

Themes from the Submission Analysis

Three key themes were observed in the submission requests:

1. Staffing Needs

A clear theme was the need to cover the costs of staffing to provide services of community benefit. In some instances, this was due to a limited volunteer pool, while in others it was to cover existing roles which may have been funded in other ways historically.

Considerations

Staff identified in the submissions a clear indication that there was a need within the community for support with staffing. Volunteer hours seem to be stretched and, in some cases, when a volunteer was no longer available the ability of an organisation to continue at its current levels was compromised. Where this organisation clearly provides benefit to the community e.g. Masterton Foodbank this risks the sustainability of the service.

2. Food Support

Two applications were from organisations which provide food support within the community. Both organisations are indicating a need to cover increased operational costs. The requests in the food space represent a \$70,000 per year increase on what was allocated in the previous Long Term Plan.

Considerations

- The Masterton Foodbank provided 5,973 food parcels in 2020 compared to 3,137 in 2017.
- Waiwaste Food Rescue has rescued 256,200kg of food that was destined for landfill, since 2018.
- Median rent has increased \$100 p/w since 1/4/2020.

3. Digital Support

Two applications were from organisations providing digital support and upskilling within the community.

Considerations

One of the applicants works exclusively with seniors and both applicants work closely with the library. There is a clear need within the community to deliver digital, skills-based training for youth (STEAM -

Science, Technology, Engineering, Arts and Maths) and older person's support in an increasingly complex digital world.

In terms of seniors, Digital Seniors have assisted 1,460 people across Wairarapa since 2019. Nationally 25% of seniors aged 65+ have no internet access and 40% of seniors report not being able to use government online services. This was apparent during the roll out of the COVID 19 application where a large number of people needed support to be able to use the technology.

Financial Considerations

The total amount of grants funding requested through submissions received via the Long-Term Plan process is \$322,500 per annum for Years 1-3.

The Wings Over Wairarapa grant funding can be accommodated from the \$90,000 pa provision allowed for events grants.

Excluding that, the total amount in the recommendation above is \$280,717 in Years 1 to 3. The Draft LTP anticipated funding requests from many of these groups, however the total of the budget provisions allowed was \$232,160 pa. This leaves \$48,557 as additional funding to be found either from increasing rates or by reducing the contestable grant funding pool.

Funding Agreements

All organisations who receive funding via the submission process to the 2021-31 Long Term Plan will be required to sign funding agreements for the allocated funds. The agreement will outline the purposes for which the funding is given and reporting requirements.

CONCLUSION

Thirteen of the 14 submitters are requesting funding to support community-based activities that are making a difference for the Masterton community and supporting the implementation of He Hiringa Tangata, He Hiringa Whenua, our Wellbeing Strategy.

Based on submissions received and the nature of funding requests, services working to support our community appear to be under stress from increased demand from those seeking assistance, and the pressures of maintaining a volunteer workforce and scarcity of resource.

Median rents in the Wairarapa have increased \$100 in the past 12 months. While there is no current data on average salary and wages across New Zealand, it is worth noting that in the 2019/20 period there was a minor decrease in average salary.

There is a clear trend of increasing demand for services which provide food support within the community, and we have seen an associated increase in funding requests in this area.

Staff recommend Council allocates funding as recommended in Attachment 1 and approves three year funding agreements with all the successful applicants.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

Staff have considered all submissions in the light of Council's vision, community outcomes and relevant strategies such as *He Hiringa Tangata*, *He Hiringa Whenua* and the Wairarapa Positive Ageing Strategy. Provisions for projects within a long term plan or annual plan do not constitute a commitment. The Local Government Act provides that a resolution to adopt a long term plan or an annual plan does not constitute a decision to act on any specific matter included within the plan so Council can deviate from the plan during the year for good reason if something unforeseen does arise. Formal funding agreements will underpin the Council's intent for funding the extends beyond the first year of the Long Term Plan.

Significance, Engagement and Consultation

Staff assessed the submissions as not being significant under the Significance and Engagement Policy because the decisions:

- do not relate to a strategic asset.
- do not involve a significant change in level of service provided by Council (with the funding going to support groups who are already operating within our community)
- there is unlikely to be a high level of community interest in the decision
- it does not involve Council exiting an existing activity or adding a new activity.

Financial Considerations

Financial considerations have been included in the discussion section of the report.

Treaty Considerations/Implications for Māori

Of the 2021-31 Long Term Plan submitters who indicated their ethnicity, 5.8% identified as Māori.

While none of the submitters requested funding specifically to work with Māori, many of them provide services which Māori will benefit from. One example is Fab Lab Masterton who have been working with local carvers on how modern CNC lathe equipment can assist in producing some carvings.

Communications/Engagement Plan

Council decisions on the proposals included in the Long Term Plan consultation document, and reasons for those decisions, will be communicated to submitters and our community.

Environmental/Climate Change Impact and Considerations

Some funding will be used for environmental education. An example being EnviroSchools who promote investing in our young people and preparing them for the future where societal challenges from biodiversity loss, climate change, social inequity and concerns for wellness in our communities will play an increasing role.

SUMMARY OF FUNDING REQUESTED AND STAFF RECOMENDATIONS

LTP21-31 Submission No.	Organisation	Funding Requested	Summary of Additional Information provided	Recommendation
108	Wairarapa Community Centre Trust	<p>Seeking support for building maintenance and have proposed two options for consideration:</p> <ul style="list-style-type: none"> • Option 1: \$50,000 p.a. Years 1-3 • Option 2: \$36,000 p.a. Years 1-3 with Council taking ownership of building and covering building maintenance costs of \$14,000 in addition 	<ul style="list-style-type: none"> • The Trust advises they have exhausted all other avenues for funding • They have an ageing building with increasing maintenance costs • In 2019, 95 groups utilised the space, and there is increasing use • Centre Manager works 28 hours per week with 12 hours funded via grants • Centre is fully tenanted 	<p>\$25,000 Years 1-3 (based on historical funding).</p> <p>The community centre provides an affordable 'base/hub' for a range of organisations charging approximately half market rent. Without this, groups would face increased financial pressures, and some may not be able to continue to operate/support our community.</p> <p>Council has supported the Trust with a total of \$55,000 over the past three years, including grants for the Wai Kai community kitchen.</p> <p>It is recommended that funding continue at a slightly higher level, but noting it is only half of what has been asked for.</p>

LTP21-31 Submission No.	Organisation	Funding Requested	Summary of Additional Information provided	Recommendation
144	New Zealand Memorial Museum Trust – Le Ques	Seeking funding of \$1 per resident (\$27,500) of the Masterton district payable over Years 1-3, towards the building of a permanent Museum and Visitor Centre, in Le Quesnoy as a memorial to the soldiers who perished on the fields of Flanders and France.	<ul style="list-style-type: none"> • The museum will include exhibition space, interactive digital and manual activities. • Internal Experience/Design Brief - Lily Frederikse, Tim Walker and Karl Johnston, museum experts. • Feasibility Study - French Company Lamaya. • Māori Cultural Framework - Māori Advisory Group. • Partnership - in discussions with French government. • Raised \$8M to date of the \$15M project 	<p>Decline</p> <p>(Applied 2018-28 LTP and was declined)</p> <p>Staff recommend priority be given to funding organisations that will have a direct benefit for our local community.</p>
202	Masterton Food Bank	Seeking funding of \$85,710 in Year 1, \$89,995 Year 2 and \$94,495 Year 3 for a Coordinator (40 hours p/week) and Part-time Assistant (20 hours p/week)	<ul style="list-style-type: none"> • Coordinator currently employed 30 hours per week. • Over 40 volunteers. • 5,973 food parcels provided in 2020 feeding 24,430 compared to 3,137 parcels in 2017 feeding 11,428 people. 	<p>\$50,000 p.a. Years 1-3</p> <p>Need has been evidenced as noted in 'key themes' section of this report. Base grant to Foodbank has been \$20,000 in each of the last 3 years.</p> <p>An increase to \$50,000 is in recognition of the increased need, noting this is not the full amount requested.</p>

LTP21-31 Submission No.	Organisation	Funding Requested	Summary of Additional Information provided	Recommendation
266	Riversdale Beach Surf Lifesaving Club	Seeking funding of \$20,000 per annum for Years 1-3 as the contribution to half the cost of the salary for the Regional Lifeguards.	<ul style="list-style-type: none"> • Upskilling of lifeguard's costs \$5-6,000 per annum. • A Pre Hospital Emergency Care course will be done at a cost of \$10,000 via fundraising for 8 lifeguards. • A number of submissions were also received in support of funding for the Riversdale Surf Lifesaving Club. 	\$15,000 Years 1-3 (being an increase to the historical level of funding of \$10,000pa)
323	Enviroschools	Seeking to renew the MOU at \$29,160 per annum over Years 1–3.	<ul style="list-style-type: none"> • Have moved to engaging with intermediate and secondary schools in addition to primary schools. This is an increase in delivery which requires additional funding. • Collaborating regionally with Toimata Foundation a charitable trust focused on creative sustainability. 	\$29,160 Years 1-3 (within budgeted envelope) This grant sits within the Environmental Initiatives section of the wellbeings activities.

LTP21-31 Submission No.	Organisation	Funding Requested	Summary of Additional Information provided	Recommendation
330	Waiwaste Food Rescue	Seeking funding of \$20,000 per annum for Years 1-3 to cover increased operational costs.	<ul style="list-style-type: none"> • April 2021 rescued 280,956kg food waste. • Provided 802,734 meals since 2015. • Costs of establishing the base are met by an MSD COVID-19 grant, but this is not ongoing funding for operating expenses. 	<p>\$20,000 Years 1-3</p> <p>(Food is a large area of need as outlined in the Themes section of the report and their work supports the Community Kitchen and Food Bank)</p> <p>The budget sits within the Environmental Initiatives section of the wellbeings activities.</p>
332	Wings Over Wairarapa	Seeking support to discuss the opportunity for an extended or long-term funding agreement in relation to the use of Hood Aerodrome and Council's support for Wings Over Wairarapa Air Festival.	<ul style="list-style-type: none"> • Attracts over 25,000 visitors over the three days. • Air Festival brings approximately \$2M to the economy. • 28% of visitors stay one night or more. • Over the weekend general spending is up by 15%. 	<p>Staff will meet with Wings Over Wairarapa to discuss a funding agreement for the next 3 years with funding based on the previous budget arrangements</p> <p>Budget provision has allowed for same values as previous funding arrangements. (\$15k, \$5k, \$5k over each 3 years period within the Plan) noting Council also provide 'in kind' support for the event e.g. there is a nominal</p>

LTP21-31 Submission No.	Organisation	Funding Requested	Summary of Additional Information provided	Recommendation
				charge for use of the aerodrome that is allowed from the events budget and there is currently no charge made for the Aerodrome Manager's time in supporting the preparation for the event.
333	Life Flight Trust	Seeking funding of \$17,500 per annum for Years 1-3 to cover essential operational expenses to provide life-saving services to the community.	<ul style="list-style-type: none"> • Primarily to cover medical and rescue equipment, staff salaries, aircraft fuel and aircraft maintenance. • Services available to Masterton community with approximately 1/3 babies and children. • For the year to 31 March 2020 100 Masterton residents had been flown by Life Flight. • 	\$5,000 Years 1-3 (Previous grants = \$5K)
334	Nuku Ora	Seeking funding of \$4,000 per annum for Years 1-3 to contribute towards a Regional Facilities Advisor to implement the Regional Spaces and Places Plan from 1 July 2021 to 30 June 2024.	<p>The organisation's focus is on:</p> <ul style="list-style-type: none"> • physical activity (play, active recreation, active transport, and sport) that contributes to wellbeing; and • Building knowledge about importance of self-directed play for children as a means of supporting 	Council allow provision of \$29,000 for Years 1-3 for Nuku Ora subject to partnership/ service agreement, noting this would include the additional \$4,000 for Years 1-3 requested for a Regional Facilities Advisor.

LTP21-31 Submission No.	Organisation	Funding Requested	Summary of Additional Information provided	Recommendation
		<p>This is in addition to core funding received from Council previously.</p> <p>Taking that into account, the combined request totals \$29,000 per annum for Years 1-3.</p>	<p>development and wellbeing.</p> <ul style="list-style-type: none"> • The \$4,000 for a Regional Facilities Advisor is to create a role to guide the implementation of the Wellington Region Spaces and Places Plan and provide a regional overview. • \$4000 is also being sought from Carterton and SWDC. • Nuku Ora has already worked on several Wairarapa based initiatives including a facilities audit and "Place of Play in places. 	<p>Over the past three years Council has funded the group a total of \$75,000.</p>
370	Fab Lab Masterton	<p>Seeking funding of \$20,000 for Years 1-3 to continue the support of work with the Library and community of delivering STEM (Science, Technology, Engineering and Maths programmes).</p>	<ul style="list-style-type: none"> • to continue supporting the work we are doing with the Library and the wider community of citizen makers, students and businesses. • focus for the coming three years is to continue to develop Library staff and programmes to deliver STEM to our community. 	<p>\$20,000 Years 1-3 (previous MOU of \$20,000)</p>

LTP21-31 Submission No.	Organisation	Funding Requested	Summary of Additional Information provided	Recommendation
373	Wellington Free Ambulance	Seeking funding of \$1 per person for Years 1-3 equating to \$25,557 per annum to continue delivering paramedic care to those in need without charge.	<ul style="list-style-type: none"> • 3,305 Masterton district residents were helped last year. • Requesting \$1 per person from all councils in region. • The only free ambulance service in New Zealand. • Replacing LIFEPAK defibrillators with new state of the art Corpuls3 Touch defibrillators, half the weight and more mobile. • Budget 2019 included an extra \$850,000 but there is still a budget shortfall with only 76% funded 	\$25,557 Years 1-3 (based on historic funding)
422	Digital Seniors	Seeking a minimum funding of \$25,000 per annum for Years 1 - 3 to engage a part-time salaried role for recruitment, training and support of volunteers to meet the growing demand of services.	<ul style="list-style-type: none"> • Wairarapa has the most seniors per capita in New Zealand. • Free to seniors • Will enable the Community Manager to plan and implement new initiatives to meet senior's digital needs. • Helping deliver Council's Positive Ageing Strategy. 	\$25,000 Years 1-3

LTP21-31 Submission No.	Organisation	Funding Requested	Summary of Additional Information provided	Recommendation
427	Te Āwhina Community House	Seeking funding of \$20,000 for Years 1-3 for a Coordinator.	<ul style="list-style-type: none"> • Will enable the training and upskilling of volunteers. 	\$20,000 Years 1-3 (based on historic funding)
441	Cobblestone Museum	Seeking funding of \$3,500 for Years 1-3 to continue operational funding.	<ul style="list-style-type: none"> • Essential maintenance and restoration work funded from grants and donations. 	\$3,500 Years 1-3 (an increase of \$1,000 above prior years funding)
240	Pasifika O Wairarapa	Seeking funding of \$40,000 over three years.	<ul style="list-style-type: none"> • Creating a database of Pasifika for the Wairarapa • Aim to provide a wrap around service for Pasifika in Wairarapa. • Looking for support from all 3 councils. • System inequities for Pasifika people was highlighted through COVID 19. • Pasifika people fell through the cracks. 	\$40,000 over three years (\$13,333 per year)

To:	Her Worship the Mayor and Councillors
From:	Senior Leadership Team
Endorsed by:	Kathryn Ross, Chief Executive
Date:	2 and 3 June 2021
Subject:	Long Term Plan 2021-31 Deliberations – Other Topics

DECISION

Recommendation:

That Council:

Adopts the recommendations contained within Report 104/21 for topics raised by submitters that are outside of the key Long Term Plan 2021-31 Consultation Document proposals to:

1. Note staff responses to submissions, and referrals to staff or others for action where appropriate for operational matters and/or work that is in progress.
2. Continue plans to invest in water storage, making a final decision about how this is achieved once the outcome of the Wakamoekau Community Storage project consent process is known.
3. Enter into a MOU with Wairarapa Water Limited to establish a preferred way forward for a municipal water supply to the Masterton District (and to customers requiring potable supply in the Waingawa Industrial Estate) (see Attachment 1 to Report 104/21).
4. Continue to align Council's position on fluoride with Ministry of Health advice, noting decisions relating to fluoride may become the responsibility of the Ministry of Health in the future.
5. Approve provision of \$30k in Year 1 to complete the Riversdale Beach Management Plan (incorporating plans for the southern reserve), noting this will inform priority actions for the beach resort.
6. Approve provision of \$30k in Year 1 to commence work on a Reserve Management Plan for QE Park, that will also look to engage on future replacements for Kids Own playground.
7. Undertake early engagement on berm mowing in 2022/23 to inform the level of service review for the 2024-34 Long Term Plan.
8. Undertake early engagement on establishing a dog park in 2022/23 to inform the level of service review for the 2024-34 Long Term Plan.
9. Acknowledge the advice of the Wairarapa Multi Sport Stadium Trust and adjust the provision for turf renewal to \$1 million in Year 7 of the 2021-31 LTP.
10. Undertake early engagement in 2022/23 regarding reduced or free entry for the indoor and outdoor pools in summer to inform the level of service review for the 2024-34 Long Term Plan.
11. Explore extended Library opening hours in alignment with the move to the new Civic Facility, if that is confirmed.
12. Explore options for after-hours impounding release once the new Animal Shelter is operational.

13. Review existing Memorandums of Partnership with Iwi and develop new Memorandums of Partnership for Post Settlement Governance Entities in Year 1.

PURPOSE

The purpose of this report is to:

- 1) Present Council with a summary of submitters' feedback (as expressed in submissions and during the hearings) on topics outside of the 'big decision' proposals included in Long Term Plan 2021-31 Consultation Document
- 2) Provide comment from staff in response to the key topics raised by submitters, including relevant background/context and work or action that is underway or planned;
- 3) Provide staff recommendations for further action to be undertaken in response to submissions; and
- 2) Seek a decision from Council regarding these submissions for the 2021-31 Long Term Plan.

CONTEXT

The 2021-31 Long Term Plan (LTP) Consultation Document included three key proposals (the big decisions) and the overall rates impact. Many submitters focused on these items and their feedback has been discussed in other reports.

Submitters are not limited to commenting on the key proposals. The LTP includes plans and budgets for the full range of Council activities for the next ten years. Traditionally the community have used our Annual or LTP consultation processes as an opportunity to make suggestions or raise other matters of concern or interest. The open feedback section provided an opportunity for submitters to express their views on any other matter related to the LTP.

Approximately 160 submitters made some comment on other topics in the open feedback section of the 2021-31 LTP submission form or via email or written letter. This excludes requests for funding, or expressions of support for a funding application, covered in a separate report.

In addition, verbal feedback was received at the various face to face engagement activities undertaken through the consultation period (see overview report) and through the hearings process.

This qualitative data provides further insight as to what is important to submitters.

DISCUSSION and OPTIONS

Comment was received on other topics relevant to the following Council activities:

- Water, Wastewater and Stormwater
- Roads, Street and Footpaths
- Waste Services
- Parks and Reserves

- Community Property and Facilities
- Community Services/Development
- Regulatory Functions
- Leadership, Strategy and Corporate Services

This report provides an overview of feedback on key topics related to Council activities and other matters that have not already been discussed in accompanying reports, along with staff advice (under considerations) and proposed recommendations. Operational matters or matters that are ‘in progress’ (for example where action is being taken or is planned), will be referred to Council staff or others where appropriate.

Recommendation 1: Note staff responses to submissions and referrals to staff or others where appropriate for operational matters and/or work that is in progress.

Themes from the Submission Analysis

1. Water, Wastewater and Stormwater

Consistent with previous engagement/consultation, water resilience and infrastructure were common themes. In the open feedback section approximately one quarter of submitters who commented in the open feedback section made some reference to water, with many commenting that water is a priority and resilience needs to be addressed. These views were reiterated at the hearings and were also raised during face to face engagement sessions.

Submissions from Rangitāne o Wairarapa and Rangitāne Tū Mai Rā Trust (RTMRT) reinforced the significance of water for Māori and reiterated Maori participation and partnership in decision making related to water. (See further comments under Iwi Priorities, Participation, Protection and Partnerships in this report).

There was cross over between comments on water resilience and climate change. There were also some comments related to water amongst feedback on Funding the Civic Facility and the Masterton Revamp with some advocating water as the greater priority.

Key themes in relation to water included:

a. Water storage for resilience

The majority of those who commented on water mentioned the need for water storage. Submitters referred to water storage either in general or with reference to the Wakamoekau community project, at Council’s Kaituna water treatment plant, or both. Key reasons for advocating for water storage included water resilience, climate change, population growth and/or not meeting current demand. There were also some comments related to the economic benefits that water storage at a

community level could offer. Some submitters expressed concern regarding impacts on our rivers in general, regardless of how water storage was achieved.

Those referring to the Wakamoekau project in the open feedback section had mixed views. Reasons for supporting the project included that it is needed for growth and would support the economy. Key reasons for not supporting the scheme included uncertainty around costs, including potential escalation and impacts for ratepayers. Concern was also expressed in relation to compromising the health of our rivers and regarding the nearby earthquake fault. A minor theme was Council investment in private enterprise, with one submitter specifically saying they were not against the scheme but against council investment in it.

Generic comments in support of water storage, and comments on Council's proposal to invest in storage at Kaituna, primarily related to increasing capacity. There were also a minority of comments advocating Council investment in its own assets versus the Wakamoekau project, as well as comments advocating the reverse view - investment in Wakamoekau rather than Council owned assets.

Another theme that has been seen in previous consultation was advocacy for domestic water storage. Associated with this were comments encouraging council to also require domestic reuse of greywater, and to consider greywater for Council use too.

Feedback from face to face sessions reflected submitter feedback with the strongest themes being advocacy for mandatory domestic water tanks and comments regarding the Wakamoekau project (mixed views as per written submissions).

Considerations:

Council acknowledges water as a priority and with the other Wairarapa Councils have developed a joint Water Resilience Strategy for the Wairarapa Region. The need for water storage is reflected in that. Council's planned work programme for water, focused on network renewals and water storage, is detailed in Council Water Asset Management Plan.

Council currently have funding of \$7 million in Year 4 (2023/24) of the LTP for new raw water storage at the Council Kaituna water treatment plant. This is intended to allow Council to continue to supply water to commercial and industrial users during low river flows.

The Ruamahānga Whaitua chapter of Greater Wellington Regional Council (GWRC) Natural Resources Plan (NRP) will focus on the local river impacts and rules for takes and users whether that is via a community or Council scheme. The LTP has provisions for these NRP changes, for example the proposed Kaituna water storage project and stormwater treatment requirements.

A resource consent is currently being sought for the Wakamoekau Community Storage Scheme. The consenting decision sits with Greater Wellington Regional Council (GWRC). An environmental/cultural/economic assessment is required as part of the consent process. The project will need to meet the National Policy Statement for Freshwater Management, proposed Natural Resources Plan requirements, and consider the Ruamahānga Whaitua recommendations. The outcome of the consent application is expected later in 2021. In the interim, Council have agreed, in principle, to a

\$1 million loan to Water Wairarapa to support the consent process. The scheme also received funding of \$7 million from the Provincial Growth Fund (PGF).

It is unlikely that the Council would invest in both the community dam and storage at Kaituna. If consent for the Wakamoekau Community Storage Scheme is granted, part of Council's assessment will be whether to proceed with the Kaituna option or transfer that investment to the Wakamoekau Scheme.

During the hearings, Wairarapa Water Limited requested Council enter into a MOU to establish a preferred way forward for a municipal water supply to the Masterton District (and to customers requiring potable supply in the Waingawa Industrial Estate). A draft MOU is included as attachment 1. Wairarapa Water Limited also referred to a survey being undertaken and noted results would be shared. These results are now available and are included as Attachment 2.

Domestic water storage, and greywater usage, would be managed via the Wairarapa Combined District Plan (WCDP) by making it a requirement for new buildings. Council has already committed to exploring this option as part of the review of the WCDP. Some of the Ruamāhanga Whaitua recommendations relate to requiring new developments to have on site water storage. Council has no ability to require retrofitting to existing buildings but could consider financial incentives to encourage this.

Recommendation 2: Continue plans to invest in water storage making a final decision regarding how this is achieved once the outcome of the Wakamoekau community storage consent process is known.

Recommendation 3: Enter into a MOU with Wairarapa Water Limited to establish a preferred way forward for a municipal water supply to the Masterton District (and to customers requiring potable supply in the Waingawa Industrial Estate).

b. Water Demand Management/Restrictions

Submitters also commented on water restrictions and other water demand management mechanisms, including expressing support for water metering, leak detection/repairs and asking how water metering costs will be allocated and impact rates.

Considerations:

Water restrictions are triggered by low river flows with low flow levels to be confirmed by the Whaitua chapter of GWRC Natural Resources Plan (NRP). Council has made provision in the LTP in response to expected NRP changes, including additional water storage, renewals and water meters. Council will also work with the Wairarapa Committee to implement the [Wairarapa Water Resilience Strategy](#).

Water meters and leak detection assists water demand management. There is provision for ongoing leak detection in the LTP.

Council has committed to a Revenue and Finance Policy review, commencing in July 2021, that will include consideration of water meter charging. The charging regime and timeline for introducing charges may also be affected by the three waters reform process.

c. Wastewater

A small number of submissions specifically referenced wastewater services, with the key theme being that wastewater (like water) is a priority. The estimated cost and justification for spending to extend irrigation at Homebush Wastewater Treatment Plant (WWTP) was questioned. Other submitters requested increased expenditure in light of current discharges to water, rising community expectations and Māori cultural significance. One submitter expressed disappointment that the Inflow and Infiltration Strategy (I&I Strategy) hadn't been revised since 2010. There was a question as to why council only aspires to meet consents versus doing more. At the Hearings another submitter expressed concern regarding sewerage overflows in the Colombo Road area.

Considerations:

Council has prioritised wastewater as part of the LTP 2021-31. Planned work and the programme, in alignment with the Wastewater Strategy adopted in 2018, is detailed in the Wastewater Asset Management Plan.

The priorities of the Inflow and Infiltration (I&I) Strategy have not changed, and Council focus has been on implementation rather than reviews, with the assistance of the Homebush WWTP working group (which has representatives of iwi, GWRC and Sustainable Wairarapa). We will continue to work with these partners on the programme contained in the LTP.

The Council has a target to exceed the consent condition especially in regard to the Wastewater Treatment Plant. These are identified as protocol targets and have improved from being met 88 percent to 99.4 percent of the time since the plant was commissioned.

Overflows have occurred in the Colombo Road (the low point of the wastewater network) during heavy rainfall. This is in part attributable to weather conditions. Planned improvements across the network will reduce the frequency of overflows. Council are working to improve performance overall and reduce impacts at the low point.

The amount included in the LTP for irrigation at Homebush is provision. This will be refined as costs are confirmed.

d. Stormwater

There were a small number of submissions specifically referencing stormwater services. Key themes included that stormwater (like other waters) is a priority. There was advocacy from some for increased expenditure on stormwater. Support was also expressed for action that will prevent pollution via stormwater drains, for example, filters, grids, regular maintenance and monitoring and exploration of Stormwater360 solutions.

Considerations:

Stormwater is a priority, with the programme of work detailed in the Stormwater Asset Management Plan. Council is applying stormwater treatment technologies in new development and upgrades, to catch potential pollutants. This includes some of the technology that has been proposed by submitters, such as filters and grids. Council's stormwater strategy encourages onsite retention, treatment, and soakage to ground, rather than discharging to waterways. Staff continue to monitor and explore new and improved options. Stormwater360 is a company established some 20 years ago. They have developed many stormwater products. We will include their product range in our review and application when considering future stormwater upgrades in Masterton.

e. Three Water Reforms

A small number of submitters commented on the Government's proposed reforms for three waters, with the majority view being that there isn't enough information to make a decision yet. Other comments included concern that this is a move toward privatisation; and a comment that Councils should maintain ownership of the assets and an entity be set up to manage the service.

Considerations:

More information on the Government's Three Water reforms is expected in the next month, with a decision from Council regarding future participation required by September 2021 (at this stage). Council continues to monitor progress of the Government's Three Water reforms to help inform a decision on future participation.

f. Advocacy for No Fluoridation in Water

Considerations:

Council follows health advice from the Ministry of Health, which supports the continued fluoridation of water. The best available advice is that fluoridation has positive dental health benefits, in particular for people in lower social-economic circumstances. The Ministry of Health has reported on the costs and benefits of water fluoridation; <https://www.health.govt.nz/publication/review-benefits-and-costs-water-fluoridation-new-zealand>

Decisions on fluoridation are likely to be devolved to the Ministry of Health. Government is in the process of developing a Supplementary Order Paper to change the Mandatory Fluoridation Bill so that sole decision making is shifted to the Director General of Health. Once this paper is introduced into Parliament, the Bill will go back to Select Committee. During the Hearings the submitter noted that they will be appealing this proposal citing research that supports fluoridation.

Recommendation 4: Continue to align Council's position on fluoride with Ministry of Health advice, noting decisions relating to fluoride may become the responsibility of the Ministry of Health in the future.

2. Roads, Streets and Footpaths

Approximately 15-20 percent of submitters referred to roads, streets and footpaths and/or on-road cycling in the open feedback section. Views were reiterated at the Hearings. The most common Roading, Street and Footpath themes at face to face sessions were footpaths (including accessibility and improvements); cycling and speed. Key comments on roads, streets and footpaths included:

a. Parking

A range of comments regarding parking in the town centre were received. There was also advocacy for mobility parking and a comment regarding improving parking for people with children.

Considerations:

Council has installed signage in the Town Centre to encourage people to park further away if they can and leave the parks closest to the town centre for those who might need them more, such as those who are less mobile and/or have children. Further comment on parking is included in the Masterton Revamp report. Mobility parking is discussed under accessibility in the community development section of this report.

b. Working with Waka Kotahi/NZTA

There were a small number of comments related to Council and Waka Kotahi, including advocacy for better collaboration; a request for Council to advocate for improvements on the Remutaka and Mangamaire Roads; and a comment that Waka Kotahi should contribute to the cost of improving the Mātaikona Road. Costs and benefits of the proposed work on the Mātaikona Road was also raised. At face to face sessions, speed limits on State Highway 2 outside Hansells were also raised as a concern.

Considerations:

Waka Kotahi and Council work together on both State highway issues and our local road programmes, which are endorsed and approved through Waka Kotahi. Liaison meetings between the two organisations are held quarterly. Council advocate for improvements on behalf of our community, such as seeking speed reductions and the construction of a roundabout at SH2/Ngaumutawa Road intersection. Staff will also pass on relevant comments and feedback received via the LTP consultation process to Waka Kotahi.

Improvement activities such as Mātaikona Road are potentially eligible for co-funding from the National Land Transport Fund (NLTP) through Waka Kotahi. Activities are assessed for funding approval at the time they are ready to progress, following the development and assessment of an appropriate business case. The next phase for the Mātaikona Road project is to develop a Single Stage Business Case, with some funding for this being sort through the NLTP.

Waka Kotahi have advised that a review of the speed limits for SH2 between Pahiatua to Masterton is underway. The review process will include engagement with stakeholders such as local communities.

c. Traffic Volumes/Bypass Road

A number of comments were made regarding increasing traffic volumes. Feedback included comments about congestion at the approach at the North End of town; at roundabouts; and in the Solway area near Solway School and Tumu. Safety concerns were also raised regarding the SH2/Ngaumutawa Road intersection, and in relation to cycling safety given increased traffic volumes.

Two related submissions commented on the need for a bypass road. Feedback via the hearings reiterated this with comments relating to the volume of traffic and a desire to see large trucks moved out of the Town Centre area. There was also advocacy from one submitter to explore moving State Highway 2.

Considerations:

Council's Roading Asset Management Plan and the Masterton Urban Growth Strategy discuss growth in detail. Waka Kotahi and GWRC also have detailed transport plans.

The government's Highways policy is not to increase the capacity of the network to accommodate more vehicles. The national focus and priorities for roading are safety, improving freight, climate change and better travel options. Investment that encourages trips using public transport, walking, cycling or other non-vehicular modes of travel are prioritised over other improvements. Council's strategic direction and approach to roading align with the national policy position.

As noted, Council has been advocating for a roundabout at the SH2/Ngaumutawa Road intersection. Funding for design has been approved as part of a Masterton to Carterton Safety project. Staff understand Waka Kotahi has requested funding for construction via the National Land Transport fund as part of their safety bid.

The three Wairarapa District Councils have identified that an urban by-pass is a medium-term issue for the region. Discussions with Waka Kotahi, the state highway operator, are ongoing to confirm the programme for evaluating bypass options.

d. On Road Cycling

In addition to comments already noted regarding cycling safety in relation to traffic growth, there were a number of comments related to encouraging and enhancing cycling/cycling networks in general to make Masterton more cycling friendly, and in relation to cycle safety, wellbeing, environmental benefits and future potential for Masterton. These views were reiterated at the Hearings. Cycling and its potential benefits/opportunities were also discussed in at least three face to face sessions with views reflecting those of submitters.

Two submissions were also received informing Council of work being undertaken in the Riversdale Beach area to explore options for cycling given increased an interest in e-bikes/cycling from locals and visitors. Options include the potential to use main and secondary roads, as well as exploring tracks across farmland/paper roads.

Considerations:

Council need to encourage people to use alternative ways to move around, in line with national transport objectives.

In relation to safety: Council has recently reduced speed limits to 30 km/hr in the CBD to enable a shared safe on road space while retaining parking. Speed limits were also reduced at Riversdale and Castlepoint beaches to support cycling and walking in a slower speed shared environment. Installing cycle lanes on and through roundabouts is not considered safe or best practice. Staff will be considering whether any roundabouts on proposed cycle routes can be modified so that they are 'cycle-friendly' by reducing vehicle speeds in speed management plans. Comments regarding specific safety concerns will be referred to both Council roading staff and the Regional Trails and Cycling Coordinator.

Cycle Routes: Short term, staff are looking at how key cycleway routes around schools, parks and businesses can be connected, and how our footpath network is currently being used to identify any areas that might be suitable for share spaces (see comments regarding multi-modal pathways). Creating on road cycling infrastructure (separated cycle lanes) requires a community/council direction to remove on road parking to free up road space where cycling routes are a community priority. The 2017 Cycling Strategy identified areas where cycle lanes could be developed, however to date, projects to implement the strategy have not received community support.

Staff note increasing interest in cycling, and the alignment of cycling with the national direction for roading as an alternative and greener means of transport. Feedback suggests community appetite for implementing the strategy may be changing.

There is an intention to re-establish the Cycling Advisory Group once the Five Towns Master Plan is complete. The draft plan is scheduled to be shared with the working group in June 2021. Timeframes for sharing this with Council will depend on feedback from the working group, but it is likely to be within the first quarter of 2021/22 (Year 1 of the LTP).

e. Multimodal Pathways and Speed Limits

There was advocacy for roading, cycleways and pavements to be shared via multimodal pathways (i.e. to be able to be used by different forms of transport on a single pathway), and also for speed limits on any wheeled vehicle (e.g. motor scooters, bicycles) using footpaths that are multimodal. The speed limit proposed is 10km an hour.

Considerations:

Roading staff agree that more pathways and public spaces could be shared with other forms of transport (e.g. cyclist, micro or electric transport) where there is sufficient space to safely accommodate these modes of transport and the conditions supported that. Staff are also mindful of multi-modal considerations in designs (e.g. width of street, plantings etc.) for the Town Centre.

Any speed restrictions would require further research, including consideration of how enforcement could be managed, and consultation would be required. Council staff will continue to review and learn from other Councils approaches to multimodal pathways and associated speed limits.

f. Improvements at Riversdale Beach

Advocacy from Riversdale Ratepayers Association for improvements to Bodle Drive and installation of at least kerbing for the block comprising Blue Pacific Parade, Pinedale Crescent and Riversdale Road. The submission also references requests submitted during Councils early engagement on the LTP which included: Bodle Drive improvements (carparking, picnic tables, shade etc); kerbing, channelling, road widening, parking improvements and pedestrian crossings on Blue Pacific Parade; and similar channelling improvements on Pinedale Crescent. The submission was reinforced at the Hearings with submitters advocating for action sooner than they have been advised this will take place (after the WCDP review) given safety concerns and growth at the beach resort. The submission also referred to planting at the Southern Reserve. See comments under parks and reserves.

Considerations:

No further roading renewals work is planned for Riverdale at this time but there will be programmed maintenance for road edges and berms as required.

The speed limit at Riversdale Beach has recently been reduced to 30km per hour to support safety. Staff advise there has been a move away from pedestrian crossings in less formal settings, such as beach resorts. Where these exist, drivers tend to rely on people to use the crossing and are less alert to the movements of people, bikes and other vehicles.

Requests submitted will be subject to a review of the Riversdale Beach Management Plan and the associated public consultation. It is proposed that this work be undertaken in Year 1 and include plans for the southern reserve.

Potential changes include additional speed humps, channelling on Blue Pacific Parade, and forming parking areas and footpaths in along Bodle Drive.

Recommendation 5: Approve provision of \$30k in Year 1 to complete the Riversdale Beach Management Plan (incorporating plans for the southern reserve), noting this will inform priority actions for the beach resort.

g. Maintaining the Roding Network

A small number of comments were received relating to maintenance of the roading network including an observation of glass on the roads (presenting a hazard) and advocacy for increased road sweeping to clear drains. Glass on the road was also mentioned during the Hearings as presenting a risk for cyclists.

Considerations:

Council levels of service include:

- Any service requests from the public related to broken glass that present a safety hazard are responded to with urgency.
- The entire kerb channel network is mechanically cleaned on cyclic basis throughout the year.
- Each road is swept on a quarterly basis apart from during April and May where a higher frequency of cleaning is carried out on identified leafy streets.

These service levels will continue to be maintained in the 2021-31 LTP.

h. Location of Te Ore Ore Road Pedestrian Crossing

One submitter advocated the relocation of the pedestrian crossing on Te Ore Ore Road, from outside the old Lansdowne School to the Totara Street intersection, possibly in conjunction with the new roundabout for that location.

Considerations:

The design of the new roundabout has a pedestrian refuge island with ramps on all legs. Pedestrian demand was not found to be high enough to install a pedestrian crossing at the current time. Staff are aware that the existing crossing outside the old Lansdowne School has moderate pedestrian traffic including mobility scooters. Future demand and use will be monitored at both crossing points once the new roundabout has been constructed.

i. Inconsiderate Parking

The issue of people parking on footpaths and impacting pedestrians was raised, including associated safety concerns for people having to move off footpaths to move around vehicles.

Considerations:

Council issue infringements for parking on the footpath. A warning is issued in the first instance to educate people.

Parking on grassed areas that are adjacent to or part of a road in the urban area is restricted by the Wairarapa Consolidated Bylaws. Council's current process when notified of a vehicle that is parked on a berm is to issue a warning. The warning letter is sent to the registered owner of the vehicle. There are no available infringements for bylaws. Further enforcement would require prosecution in the Court. A bylaw change would be required to enable the introduction of infringements for parking in a restricted area.

j. Millard Avenue/Andrews Street Urbanisation

Gratitude was expressed by one submitter living in the Millard Avenue/Andrews Street area after noting plans to urbanise this area of town. Millard Avenue/Andrews Street was raised as an area of concern during the 2020/21 Annual Plan process. Council's response was that improvements would be considered as part of the 2021-31 LTP process. Plans to improve the area have been included.

3. General Comments on Infrastructure

A small number of submitters made general comments on infrastructure. Comments included ensuring contingency plans for core infrastructure and urgent replacements; advocating that plans for infrastructure take account of coastal protection and future social needs (e.g. higher demand for schools, medical services, housing and jobs); advocating borrowing for major infrastructure (noting costs will increase faster than interest rates); and expressing disappointment at Council's provision for maintenance of core infrastructure.

Considerations:

Council acknowledges the importance of core infrastructure. Associated work and programmes are detailed in Council's Asset Management Plans. Staff consider the proposed programmes to be sufficient and deliverable, noting that in the current environment, with challenges such as limitations on contractor availability, there is not capacity to do more. Council has also proposed borrowing/debt funding major capital expenditure in the LTP.

4. Waste Services

A small number of submitters commented on waste services. The most common theme related to waste/recycling collection services including advocacy for extended recycling services for Ardsley Lane (noting residents are willing to pay), queries regarding why bins must be out by 7.30am but collection can vary, questions regarding charges for collection and why a company can collect waste but not recycling. There was also advocacy for combined litter/recycling bins in the CBD, and for Council to establish its own landfill rather than transferring waste to Bonny Glen. At two face to face sessions there were also questions regarding why council transfers waste to Bonny Glen.

Considerations:

Recycling bins in the CBD are included in the town centre revamp as part of the Masterton revamp project.

Collection times can change from week to week due to waste volumes and contractor resources. It is not possible to guarantee a collection time so 7:30am is specified. Saturday collections occur when there is a public holiday during the preceding week. This is advertised by the Council and notifications are available on its Antenno app.

Council charges rates for recycling collection services and does not collect from properties that are not paying for this service via rates. Ardsley Lane is outside the urban zoned area however staff will discuss the potential to change this with property owners given interest has been expressed.

A survey of potential additional needs will also be programmed in Year 1 given growth and demand in the urban area (and the surrounding periphery), since the waste contract was agreed. Any

recommendations for change will be referred to the Waste Management and Minimisation Plan review for consideration.

The charge for a rubbish bag includes the costs of collection from the kerb and disposal to landfill.

Investigations into a local landfill has been undertaken in the past. Identifying suitable locations and meeting consent requirements are key considerations. Past analysis indicates that we would need twice the amount of waste currently generated in the Wairarapa region to make it economically viable to have a landfill compared to transporting waste out of the region. This analysis will be revisited in the upcoming Waste Management and Minimisation Plan review.

5. Parks and Reserves

Around 10 to 15 percent of submitters who commented in the open feedback section commented on Parks and Reserves. Suggestions and comments regarding parks and reserves were also received via face to face sessions with common themes generally aligning with submitter feedback. Key comments on parks and reserves included:

a. Street Trees/Plantings and Urban Regeneration

Trees, public plantings and urban regeneration attracted the most comment (around one third of those who commented on Parks and Reserves in the open feedback sections) for Parks and Reserves. Feedback included the need to address water availability to support street trees and plantings; advocacy for restoration of indigenous habitats; and comments/suggestions about plantings at town entrances and in the town centre. There were also questions about whether council has applied for central government funding to assist with planting natives in parks/reserves, and when trees removed from the southern reserve at Riversdale beach will be replaced. Some comments in relation to climate change also aligned with planting and urban regeneration.

Considerations:

In alignment with climate change mitigation, Council now replaces trees and shrub gardens with drought tolerant species. As part of the Masterton Revamp project there are plans to re-vamp entrance plantings. The Masterton Revamp project also proposes to green up the Town Centre and improve town entrances.

Work on urban regeneration has started within river corridors, Recreation trails and Henley Lake. To date over 10,000 native plants have been planted. Areas are being identified for urban restoration with eco-sourced plants, ready for the winter planting season. Council, contractors and volunteers work together on planting days.

Council has supported the Lansdowne Residents Association with a successful community led funding application for the planting of eco-sourced natives within the Lansdowne Recreation Trail.

There will be no planting at the southern reserve at Riversdale Beach this winter with work scheduled for 2023 at this stage. External funding opportunities are being investigated to support planting as well as discussions with GWRC regarding funding through the One Billion Trees programme. The Riversdale Beach Management Plan (discussed under the roading section) will also consider how Council can best look after the reserve and plan for its future.

b. Queen Elizabeth Park

Appreciation was expressed for work undertaken in QE Park, as well as some disappointment that trees have been removed.

Improvements were suggested for safety reasons, including installing cameras in the park and cemetery; improving lighting in the park and near the Colombo Road bridge recreation trails; and installing a rail alongside the Lake to prevent children from falling in. Other suggestions for the Park included offering quality but affordable “memory seat” benches and installing more toilets near the boatshed, noting for children the distance to current toilets can be too far.

There was also a suggestion to move the café building in the park to the green space next to Kids Own Playground to enhance its visibility and potential. There was also advocacy for a programme to replace the existing Kids Own playground located within QE Park, noting its lifespan, and an offer for Rotary assistance with this. The playground’s popularity was noted. The submission also encouraged Council consider a smaller version of the Margaret Mahy playground in Christchurch.

Considerations:

Trees that have been removed from the park have been either dangerous and/or dying trees and have been removed in consultation with Friends of the Park. Fifteen new trees will be planted this winter.

Park safety is being assessed within all new projects in the park. This will also be considered under the Parks and Open Spaces Strategy. There are also night security night patrols within QE park and the Cemetery. Cameras cover the frontage of the park from the toilets to bike skills park and the grandstand.

The drop zone into the lake has been assessed previously and it was decided that a rail was not required. Council had no safety related incidents reported in the last 3 years and an unfenced lake of this sort is not unusual in parks/botanic gardens around New Zealand.

Memorial seats that align with the plan for QE park are available. Currently these are considered on a case by case basis when a request is made.

Staff are working with the leaseholder to explore options for accessible toilet facilities at the Boatshed, noting hours may be restricted.

The ‘park café’ is located within an historic building within the park grounds. Work is continuing with rejuvenation of the surrounding area to support increasing events within the park.

Council has had initial conversations with Rotary on the replacement of the Kids Own Playground which was built by a community project led by them. In any new development Council would consider what would be appropriate to build now.

Recommendation 6: Approve provision of \$30k in Year 1 to commence work on a reserve management plan for QE Park, that will also look to engage on future replacements for Kids Own playground.

c. Removal of Playground Equipment

Dissatisfaction was expressed at the removal of playground equipment from Burling Park in Roberts Road, noting that this coincided with school holidays, and with a lack of consultation/communication about the removal. There was also a comment that what is left is not suitable for small children. Similarly, there were some comments relating to the removal of playground equipment from Kids Own playground.

Considerations:

The equipment was removed due to Health and Safety concerns resulting from playground audits undertaken. If any other such changes are made, Council will ensure the community is informed and understands the rationale for those changes. Council will also engage with the community before new equipment is installed in Burling Park, and before any decisions are made regarding plans for Kids Own playground (as referred to under QE park discussion).

d. Recreation and cycling trails, and connections across the Wairarapa.

As discussed in the Roding section, submissions have been received to advise Council of work being undertaken to explore options for cycling in the Riverdale Beach area considering options both on and off road. There was also a query regarding how the Five Towns Trail (FFT) will come into the Masterton District and benefit the local economy, as well as advocating for that project to be progressed. A further submission advocated recreation trails be horse/equestrian friendly too.

Considerations:

The Wairarapa Trails Action Group (WTAG) comprises the three Wairarapa Councils and other stakeholders. A draft Master Plan for the FFT has recently been received from an external consultant. It sets out, at a high level, different route options for the trail. Routes are high level rather than specific, and options for each are provided because the next step in the process is to undertake consultation with communities and landowners. The FFT will connect to Masterton's existing trail network. Once the Master Plan has been approved by the Wairarapa Trails Action Group and respective Councils, a process for consultation with the community and landowners will be undertaken for each district across the Wairarapa region. It is expected that this plan will come to council within the first quarter of 2021/22 (Year 1).

Council welcome any community-led ideas or projects for additional recreational trails and/or cycling opportunities such as the plans for Riversdale Beach. The initial focus for the FTT is on linking the five Wairarapa towns. However, in the future there may be opportunities to link rides, such as that being proposed at Riversdale Beach, with the FTT. As the Riversdale project progresses, the involvement of the WTAG for endorsement as part of the FTT will be key. The WTAG is available for guidance on the Riversdale project, including the knowledge that will be gained from the FTT Master Plan and the Wellington Regional Trails Framework.

During dry conditions horse riding is permitted on the trails, and within the Henley Lake area. Currently, there are no plans to accommodate horses on other trails.

e. Grass/Verge Mowing

Concerns were expressed about long grass in the Lansdowne Recreation Trail area. A question was also raised as to why council mow verges and whether there would be potential cost savings if this was discontinued.

Considerations:

The Lansdowne Recreation trail is a wilderness reserve and in keeping with this, is mown approximately 4-5 times per year. There were very few complaints during spring regarding the length of the grass.

Council's current level of service does include mowing berms in the urban area. Currently, the cost of mowing all berms is \$199K per annum. Consideration was given to reducing or ceasing berm mowing as part of Council's level of service review, however cost savings were not as substantial as anticipated, especially if main routes were still mowed and regulatory costs (associated with potential non-compliance resulting in hazards such as fire danger in summer and/or reduced visibility for motorists) were taken into consideration. Mowing also contributes to a consistent aesthetic appearance of the urban area.

Recommendation 7: Undertake early engagement on berm mowing in 2022/23 to inform the level of service review for the 2024-34 Long Term Plan.

f. Develop a fully fenced off-leash dog park in Masterton.

Considerations:

The suggestion to develop a dog park was explored when Council consulted on the Dog Policy and Bylaws in 2017/18. There was support for a dog park at that time, but not a willingness to pay for that so it did not progress. Locations have been identified where a dog park could be established. The key cost would be fencing the park. There would also be associated costs for fencing, 'poo bins', any dog agility equipment and ongoing maintenance costs. These costs would impact dog

registration fees. Given fee increases already proposed in relation to the animal shelter and deferrals from COVID-19 relief, exploring community appetite and willingness to pay for a dog park has not been re-visited.

Recommendation 8: Undertake early engagement on establishing a dog park in 2022/23 to inform the level of service review for the 2024-34 Long Term Plan.

g. Proposed BMX/Mountain Bike Park in the Lansdowne Recreation area

Considerations:

Questions were raised regarding the status of the proposed BMX/mountain bike park in the Lansdowne Recreation area. Comments for and against the project were expressed via community engagement sessions. The project is on hold while the Mountain Bike group fundraise. There was also a request via hearings for Council to advocate for DOC support to use DOC land near Masterton for a Mountain Bike Park. Staff will pass this feedback on to relevant parties.

h. A request to not block river access and to keep riverbanks tidy to reduce dumping of rubbish.

Considerations:

Vehicle access to and from the river has been limited due to anti-social behaviour from some drivers. Concerns over safety have also been raised especially at Henley Lake. All works have been carried out in collaboration with GWRC and relevant community groups. Restricting access also assists in minimising rubbish that may be dumped.

6. Community Property and Facilities

a. Hood Aerodrome

A small number of submitters specifically commented on Hood Aerodrome. Comments primarily related to support for or against investment in the facility and were split almost 50/50. Those in favour of investment cited potential economic and tourism benefits, noting the uniqueness of the Vintage Aviation WW1 collection; the potential associated with the National Aviation Centre; and that an air service could boost tourism in general for the region. Comments against investment included that only a minority of people will benefit/use the facility, and that those people are generally 'better off' than the wider community; that there are no plans for scheduled services; concern regarding potential environmental impacts and that economic development and events are not the role of Council. One submitter questioned whether expansion was needed given aircraft will be electric and/or fossil free in future.

There was also a comment that council should not be funding the National Aviation Centre. In contrast two submitters at the hearings advocated in favour of this project and council support for that.

Further information regarding Hood and consultation on the Master Plan is available here: <https://mstn.govt.nz/council-2/projects/hood-aerodrome-project/>

Considerations:

Hood Aerodrome's contribution to resilience for the district is a key consideration. Hood supports resilience in the event of civil defence emergencies by offering alternative transport and access routes. Hood Aerodrome also offers a range of wider benefits to the community, from supporting medical emergencies via life flight planes to wider economic benefits for the community via events (refer to the Wings over Wairarapa Submission) and airport activity. The Wings over Wairarapa event also supports and offers local schools' opportunities to engage in STEM (Science, Technology, Engineering and Math) activities. A Masterplan is being developed that will consider how all the various aspects of the airport best work together. This will assist in prioritising opportunities and areas of work. While there are no scheduled services currently, the Masterplan will consider what is needed to support such services.

b. Renewal of Memorial Park surface

Feedback was received that the Council provision of \$1.6 million in Year 4 of the 2021-31 LTP is more than will be needed for the surface renewal.

Considerations:

Staff have contacted the Wairarapa Multisport Stadium Trust (WMSST) to seek their advice regarding the estimated year when renewal will be needed and the estimated cost. Their advice is that 2027/28 (Year 7) is a more appropriate year to make a provision for the surface replacement. The value of the provision to be allowed can be dropped to \$1,000,000 including contingencies and provision for any other upgrades which may be required as part of the turf renewal. The funding assumption of 2/3 external, 1/3 Council remains valid, but future LTPs will allow modelling of other funding options including the use of debt.

Recommendation 9: Acknowledge the advice of the Wairarapa Multi Sport Stadium Trust and adjust the provision for turf renewal to \$1 million in Year 7 of the 2021-31 LTP.

c. Advocacy for more public toilets

Considerations:

The key consideration with regard to public toilets are whether they are located in places where people congregate. Future plans for public toilets in the Masterton District include:

- The youth enterprise hub at the skate park will incorporate two toilets.
- Council is working with the leaseholder to explore options for accessible toilet facilities at the Boatshed, noting hours may be restricted.
- A review of the Bannister Street public toilet facility is planned over the next three years. Data on that facility suggests we actually have more toilets than we need.

d. Rural Halls

A small number of submitters commented on rural halls. Comments included agreement with exploring options for the future of rural halls as outlined in the Consultation Document; a reluctance to see halls and/or associated land sold; advocacy for renting halls to the community and noting that given changes over time local communities will be best placed to comment.

Considerations:

Further discussions will take place with the communities of interest for rural halls over the next 6 months to inform/shape options for further consideration.

e. Advocacy for no increases in pool fees and free swimming in summer.

Considerations:

Fees have not increased over the past five years. Councils' contract with Belgravia requires Elected Member approval of fees.

As a point of comparison, this year Council spent \$20,000 to offer \$1 swims from 26 December to 24 January; and in 2019 spent just over \$8,000 to provide three weeks of free swimming at Lakeview School.

Offering free swimming at the outdoor pools is not straightforward as the pools do not stand alone – entry requires use of the Recreation Centre toilets and changing rooms and has impacts for Belgravia in regard to staffing levels required to maintain lifeguard to swimmer ratios. There are also impacts on operational costs such as chemicals required to balance pools under heavy usage, increased cleaning, security and administration to ensure that swimmers are properly managed. Provision of free swimming in the outdoor pool would require capital work (e.g. potential upgrades to the outdoor pool concourse to include changing sheds and toilets) to allow this to be managed independently of the indoor pool. A long term usage needs analysis of the facility is planned for 21/22 and those upgrades will be considered as part of that analysis.

Recommendation 10: Undertake early engagement in 2022/23 regarding reduced or free entry for the indoor and outdoor pools in summer to inform the level of service review for the 2024/34 Long Term Plan.

f. Query regarding utilisation of the Sports Bowl given intent to resurface.

Considerations:

There has been year on year growth from 2016 with numbers more than doubling, from 4,050 in 2016 to 9,150 in 2020. The main users of the space are Athletics Wairarapa and Wairarapa Track and Field. Other users include Special Olympics, Lansdowne Kindergarten, ACM and primary schools on an annual basis for individual, cluster and regional events. The Wairarapa secondary school's event is also a large event. The infield has also been used by Junior Football.

7. Community Services and Community Development

In addition to comments below relating to the Library and Archive, Housing, Accessibility, Aratoi, action for youth and seniors and the Youth Cafe a number of requests for funding were received from community groups. These requests are summarised in the report on Community Funding Requests.

a. Library and Archive

Most comments on the Library and Archive have been addressed in the Civic facility report. Other comments via open feedback included acknowledging the value of the Library for the community and a small number of comments advocating longer opening hours e.g. on Sundays.

Considerations:

Staff support exploring the option of opening 7 days per week in the new Civic facility. This would support utilisation of the facility to its fullest. The layout of a new library and archive, and the level of service delivered on the Saturday/Sunday, would dictate cost. At a minimum it is estimated that 6 staff would need to be in attendance.

Recommendation 11: Council explore extended Library opening hours in alignment with the move to the new Civic Facility, if confirmed.

b. Housing

A number of comments relating to public housing were received in response to consultation on the senior housing proposal and have been discussed in that report. Other comments received via the open feedback section in relation to housing included advocacy for safe spaces for homeless people; for Council to strengthen its support for public housing initiatives in Masterton; and to improve its existing housing stock. There was also encouragement for Council participation in the cross-sectoral Wellington Regional Healthy Housing Group (WRHHG).

Housing needs were reiterated at the hearings where there was also advocacy for iwi involvement in co-design of housing, and for changes to enable papakāinga development. Fab Lab also talked about work they have been doing to explore affordable housing solutions.

Considerations:

Council have been strong advocates for addressing housing needs in Masterton district, and will continue to advocate on behalf of the community. Staff have attended some meetings and receive all information from the Wellington Regional Healthy Housing Group (WRHHG). Council has a work programme for the maintenance and improvement of all Council owned housing. A night shelter is about to open which will provide a safe place for some of our homeless to sleep/ live. Council and police are working with the group setting this up to assist with coordination.

Staff have also been supporting a local community group advocating for Collective Housing Options as a part of solution to the housing crisis. The WCDP review will offer an opportunity to consider plan changes required to support papakāinga and collective housing development. Council are keen to work with Iwi on a number of priorities for our community, including housing.

c. Advocating Accessibility Action

Advocacy for a range of actions to improve accessibility for our community were received. These actions cross over a range of Council activities and included: mobility parking, accessible footpaths and roading networks, accessible buildings and senior housing; advocacy for council to revise its community outcomes to better reflect inclusion of people with disabilities; advocacy for an inclusion policy and to work with CCS on co-design of new projects; advocacy for an accessibility survey of council facilities and a recommendation to collect data on needs of people with disabilities. CCS were a strong advocate for such actions. Other advocates included Age Concern and the Girl Guides (face to face) who had undertaken an assessment of our town centre. Accessibility was also raised at a number of other face to face sessions, and views were reiterated through the hearings.

Considerations:

Accessibility assessments have commenced with reviews across all of our facilities planned over the next three years. Staff have been working with CCS Disability Action (CCS) to make ongoing improvements. All capital projects and renewal projects will ensure the final design is accessible for all community members and follows best current practice. Support at the concept stage from local community groups on how to do this better is welcomed.

The Community Facilities Activity has been progressing work that aligns with an inclusion strategy, noting this also aligns with the Positive Ageing Strategy. Other actions include: Staff liaising with community groups regarding areas of concern that are identified; footpath improvements (\$550K per annum) and mobility parking (expanded on below, noting the recommendation under Rooding to assess parking needs including mobility parking needs).

Mobility Parking: Approximately 3.45 percent of all Council parking spaces are mobility parks. This does not include any mobility spaces that are available in privately owned carparks. Mobility parking will be considered in any changes to the town centre. Council's website includes advice on using a mobility card. Information will be added to show where mobility parking spaces are located within Masterton and to promote an 'app' available through CCS called 'Access Aware'. The 'app' enables people to gather information about the location of mobility spaces and report mobility parking abuse in real time.

d. Advocating support for youth and the aged.

Comments were received advocating action for both youth and senior populations. In relation to youth, comments included that more is needed for youth, and that youth need a voice. In relation to seniors, comments included not noticing any allocation for implementation of the Positive Ageing Strategy and seeking assurance that older people will be engaged in decisions regarding community spaces and facilities.

Considerations:

The Youth café near the skate park (see expanded comment in point 'g' below) will offer a space for youth. Council events like Waifest and Hallowhere offer social opportunities for youth. The Eastside Wairua support youth development on the Eastside. A refresh of the Rangatahi Youth Strategy, and its associated implementation plan, are planned in Years 1-3 of this LTP. Council is also working with the DHB, Carterton District Council and South Wairarapa District Council to collaborate on supporting youth wellbeing. Council also supports the Youth Council.

Masterton District Council currently contributes \$10K toward the cost of the Positive Ageing Coordinator and has budget provision of \$278K over the ten years of the LTP for implementation of the Positive Ageing Strategy. Other actions, such as improved accessibility projects and building more senior housing, will also benefit our senior community.

e. Expression of disagreement with Council funding of Aratoi.

Considerations:

Aratoi contributes to community wellbeing in a number of ways. For example, by preserving and showcasing art, contributing to culture and a sense of place. Aratoi provides space for local artists

and installations to be shared with the community. The museum also collaborates with local community groups and events such as the Block Party, Conservation Week, Parks Week, Matariki etc. and it has expressed an interest in working with iwi and council to make the Matariki celebration an annual significant event.

Masterton has no other art museums and when Aratoi was established it was established as a Regional Museum for the benefit of the Wairarapa. Council funds Aratoi under MOU (and receives quarterly reports against key performance indicators). In base funding for the LTP 2021-31 funding for Aratoi has been increased to keep pace with inflation (after a period of suppression).

Refer to the report on Funding requests for further comment on Aratoi.

f. Expression of disagreement with Council funding to support a youth cafe at the Skatepark noting potential competition with other cafes.

Considerations:

The Café to be located near the skatepark is a youth led social enterprise. There will be a small counter serving very limited food and drinks as a part of this facility. The Café will not directly compete with any other cafés in town as its scope and goals are very specialised. The main purpose of the space is to provide a safe place for our young people that supports mental wellbeing and provides an opportunity for youth to be involved. Council has received significant external funding from central government towards this project, \$120k to date. The Café offers social benefits, there have been no costs to ratepayers to date and there is an expectation that it will become self-sufficient in future.

8. Regulatory Functions

Comments from submitters in relation to Regulatory Functions included:

a. Animal Services/Pound

Comments were mixed with both support for the Animal shelter and against council investment in this project. There was also advocacy for one shared pound across the Wairarapa Region and support for the Masterton District Council to engage with the other two councils to enable this. There was also a comment that Animal Services can't provide dog control services, pick up wandering dogs or reunite dogs with owners on weekends.

Considerations:

Council have already committed to investing in a new Animal Shelter that meets standards. This is needed.

The current levels of service for Animal Services is to provide 24/7 service for Priority 1 call outs (e.g. dog attacks). Wandering dogs can stray by the time staff attend so dogs are only picked up after hours and over weekends if they are contained.

The pound facility is not currently open to the public over the weekend. Offering 24/7 services for all animal service call outs and/or to provide weekend pound services would need to be costed. Increased costs would increase dog registration fees.

Council staff have continued throughout the 2020-21 year to provide Carterton and South Wairarapa District Council staff with information on our Animal Shelter, including its progress as well as collaboration options. We last offered a contract for service option (estimated cost @\$45,500 pa) in May 2021 to Carterton District Council (at their request).

Recommendation 12: Council explore options for after-hours impounding release once the new Animal Shelter is operational.

b. Freedom Camping Bylaws

Comments regarding the need for more controls/regulations around freedom camping were raised at a minimum of two face to face engagement sessions.

Considerations:

Masterton District Council does not currently have a freedom camping bylaw for the Masterton District.

The government are currently consulting on freedom camping. Results of this consultation will assist Council in considering next steps with this work, including a wider package around education and promotion. For more information on what the government are consulting on, go to:

<https://www.mbie.govt.nz/have-your-say/supporting-sustainable-freedom-camping-in-aotearoa-new-zealand/>

c. Wairarapa Combined District Plan (WCDP)

A number of comments and suggestions that are relevant to the Wairarapa Combined District Plan were raised. Comments that related to growth and water are discussed under those headings in this report. Other comments included advocacy for a change in Rural (Special) zoning to enable additional dwellings/subdivision; increased numbers of mobility carparks to respond to growth (noting this is also discussed under Accessibility); and for Council to require all major new housing developments to have universal design features that support accessibility. Civil Defence Emergency Management/Wellington Region Emergency Management Office (CDEM/WREMO) noted their interest in longer term development areas and areas to stop developing in (in the context of resilience).

Considerations:

Council will consider extending future urban growth areas, accessible parking requirements, design of housing developments and natural hazard planning, alongside many other matters, in the review of the Combined Wairarapa District Plan. At this stage, a new proposed district plan is anticipated to be notified in 2023. This timeline, along with all aspects of the plan review, is subject to decisions by the Combined Council's Joint Committee for the review.

Resource Management Act reforms being considered by the government may also influence the District Plan. The government plans to repeal the Resource Management Act 1991 and replace it with a Natural and Built Environments Act and a Strategic Planning Act, which would be complemented with another piece of legislation to address issues related to climate change adaptation and the managed retreat from areas threatened with inundation. The Wairarapa Combined District Plan budget allows for some flexibility to ensure that the Plan will be relevant in future.

d. Building Control

A small number of comments related to Council's building control activity, including advocacy for Council to promote universal design in all new housing and CDEM/WREMO interest in work that Council undertakes to reduce the risk associated with earthquake prone buildings (in the context of resilience). Housing growth was also referenced in submissions.

Considerations:

Universal design sets out information for accessible buildings. At the current time, these ideas cannot be legally enforced by Council. A link to relevant information will be added to Council's website. Council is on track to meet its EQP building identification obligations by July 2022.

9. Leadership, Strategy and Corporate Services

Comments from submitters in relation to Leadership, Strategy and Corporate Services included:

a. Iwi Priorities, Participation, Protection and Partnerships

Submissions from Iwi entities highlighted matters of particular interest and importance to Māori.

For Rangitāne Tū Mai Rā Trust (RTMRT) these included being part of Council's decision making processes and continuing to have representation at the Council table; ongoing resourcing for Iwi to support Council processes; environmental and cultural monitoring; and protection of significant sites such as Wairarapa Moana reserves and marginal strips.

RTMRT advised that they are to complete an Environmental Strategy and that Climate Change and Water Resilience will feature strongly, noting that they have also had input into the regional Water

Resilience Report providing a Māori lens. RTMRT are committed to being part of Council's water and climate change discussions.

RTMRT also noted the importance of protecting our people in the context of COVID-19 and economic recovery. There was also advocacy for ensuring that, should Māori wards proceed, all people in our community understand how this works; and for acknowledging Post Settlement Governance Entities (PGSEs) as a voice for iwi and seeking an agreement between PGSEs and Council.

Other specified areas of interest to RTMRT in relation to Council included the Wairarapa Combined District Plan Review and three waters review.

For Rangitāne o Wairarapa (ROW) areas of interest included recognition of Te Ao Māori in Council's Civic Facility and Masterton Revamp projects; advocacy for renaming or adding Māori names for any new developments and for street names; advocacy for council to work with iwi in relation to how senior housing can best meet the needs of kaumatua and asking whether there will be an allocation of homes for Māori. In the context of climate change and three waters, agreeing to disagree on some matters recognising that Council is bound by legislation. ROW also acknowledged Council for employing staff with expertise in and knowledge of Māori world views.

Considerations:

Social, cultural, environmental and economic wellbeing is important to Māori. Council is committed to having iwi representation at the governance table and to working toward more co-governance opportunities. Council currently has iwi representation, with voting and speaking rights at council committees and speaking rights at council meetings. Council adopted the establishment of Māori wards on 20 May 2021 and will provide information to the community about what this means for the 2022 local elections, and how it fits with the wider representation review that will be undertaken in 2021.

Council is committed to ongoing resourcing for iwi entities to continue to support Council to enable participation in decision making. One example of this is the provision of capacity building funding for Kahungunu ki Wairarapa and Rangitāne o Wairarapa.

Council is working with Iwi, hapū, Marae, and Hapori Māori to develop an engagement framework to ensure Māori have opportunities to have input and be part of Council decision making.

Council acknowledges the importance of water and the environment for Māori. Council are working with mana whenua to co-design a process to inform the co-development of the MDC Climate Change Action Plan. Mana whenua are also developing their own strategy alongside this process. Iwi are also represented on Council's Homebush Working Group and will be involved in the Wairarapa Combined District Plan review.

District Plan and resource consent provisions offer support for protection of sites of significance to Māori. The Wairarapa Combined District Plan review will provide an opportunity for provisions to be reviewed. Council contractors also have protocols regarding any kōiwi or other taonga found or uncovered.

In Year 1 of the 2021-31 LTP, the existing Memorandum's of Partnership with Iwi entities will be reviewed, as well as the development of initial MOPs with the two PSGEs.

Māori have been involved in plans for the Civic Facility and Masterton Revamp, and staff would welcome working with Iwi to explore how senior housing could support kaumatua.

Council's Road and Street Naming Policy includes a naming criteria that gives priority first and foremost to recognition of Māori cultural significance. Consultation with iwi also applies to any roads/streets that are located in or near an area of significance to mana whenua.

Council is committed to ensuring that there are staff at Council with expertise and knowledge of Māori world views.

Recommendation 13: Review existing Memorandums of Partnership with Iwi and develop new Memorandums of Partnership for Post Settlement Governance Entities in Year 1.

b. Climate Change

A range of comments relating to climate change were received. Comments included support for and positive feedback on work Council has undertaken in response to climate change. For example, submitters complimented the establishment of a community forum to focus on climate change and noted that Council's Parks and Open Spaces Strategy will contribute to climate change action.

There were also comments questioning what policies and approaches Council is planning, and has taken, in relation to climate change and advocating further action, investment and/or resourcing, with some seeing climate change as the overall priority.

A range of suggestions were put forward including requiring and supporting domestic water storage solutions as well as solar panels; increasing Council's electric vehicle fleet and charging stations in the town; encouraging pedestrian and cycle ways; the need for more trees in the parks and urban regeneration (discussed under Parks); ongoing education; and encouraging council advocacy for things like reducing plastic packaging and better transport.

A number of comments also related to water resilience and managing demand. These have been discussed under the Water section.

There was also advocacy for Council to use 'green build' initiatives and incorporate 'green thinking' in new projects such as senior housing and the civic facility, and to consider green design features in the Masterton Revamp, to set ambitious goals and to monitor progress through a reputable NZ certification scheme.

Considerations:

As an organisation, Council has measured its carbon footprint since 2016. Council also has an Organisational Carbon Emission Reduction Action Plan that sets out actions that Council as organisation will take to reduce our carbon footprint. The community forum that is being established will focus on actions for the district, and prioritisation of these.

This Organisational Action Plan includes actions that focus on sustainable and green building standards, energy efficiency and low carbon options when considering any new build and major refurbishment. Council will also look to reduce the footprint of new builds as much as is fiscally possible. This will include considering low carbon options, the whole of the life cycle and energy efficiency etc.

A feature of the Masterton Revamp project is 'greening it up', and sustainable environmental design to address climate impacts, water resilience and to promote walking and cycling.

All of our asset management plans consider climate change projections and assumptions.

The WCDP review also provides an opportunity to embed sustainability and nature based solutions in urban planning.

In 2017, Council announced an 'electric first' fleet purchase policy and now have three EVs. Council hopes that the central government 'electric vehicles first' policy will also be available to local government. The majority of Council's vehicle fleet are off-road vehicles servicing our roading and asset activities. We are monitoring EV developments for these types of vehicles and hope to be able to start replacing our off road fleet with fit for purpose and affordable electric vehicles in the near future.

It is expected that central government's response the Climate Change Commission Advice will give more direction and guidance in respect to waste minimisation, energy efficiency and the circular economy, for example.

c. COVID-19 and Economic Recovery

Comments related to COVID-19 and economic recovery included acknowledging the impacts of COVID-19 on our community and the unequal distribution of these impacts; commenting on the rural sector's role in the district's economic recovery; and acknowledging Council's Recovery Plan. Some commented that given COVID-19 now is not the time to invest in big projects. There was also advocacy to continue working together as a community. These views were reiterated at the Hearings.

d. Planning for Growth

A number of submitters commented on growth in the region and advocated planning for future growth to ensure we have adequate infrastructure. Many comments were in relation to growth and water and have been discussed in the water section of this report. A number of comments related to housing and development, including potential actions council could take via the district plan (e.g., changing zoning to allow subdivision; consenting high density and/or duplex buildings; and requiring developers to provide sewerage treatment capacity).

Considerations:

Growth is considered in a number of ways. For example, as part of Council's asset management planning and via the WCDP review, which will consider how the plan best supports and enables growth. The Wellington Regional Growth Framework is a 30-year spatial plan that describes a long-term vision for how the Wellington region will grow, change and respond to key urban development challenges and opportunities in a way that gets the best outcomes, and maximises the benefits across the region.

The Wellington Regional Leadership Committee has delegation to approve plans and implementation

programmes of the Wellington Regional Growth Framework and the Wellington Regional Growth Framework Implementation Plan, the Regional Economic Development Plan, and the Regional Economic Recovery Implementation Plan that all consider growth of the Masterton District and wider Wairarapa region.

e. Other Policy/Strategy Comments

A number of submitters, including Regional Public Health (RPH), offered to provide support and be involved in early direction discussions for LTP. RPH are keen to work with council on policy and planning in relation to the food environment, alcohol and smokefree and strategies relating to building food resiliency and tackling food insecurity. RPH offered public health expertise in emergency management, three waters, housing quality, public and active transport, and community development. RPH is also happy to discuss opportunities to loan staff or host MDC Council staff where there is mutual benefit.

Considerations:

The offer of assistance and opportunities for collaboration to further enhance our community outcomes have been referred to the Chief Executive and wider Senior Leadership team.

f. Other Comments

There were a number of comments that related to Council decision making and a perceived lack of transparency on some matters, in particular in relation to the site of the new Civic Facility and removal of playground equipment. There was also comment at the Hearings that Council is not consulting on the majority of expenditure, and a question from one submitter asking why some costs/projects where expenditure has increased weren't included as consultation topics.

Considerations:

Council cannot always release full details due to privacy, legal privilege, commercial sensitivity etc. Wherever possible in these situations Council does release information as soon as it is able to. The preferred location of the Civic Facility has been withheld due to commercial sensitivity and will be released once the site is confirmed.

Council's Significance and Engagement Policy guides decisions regarding proposals highlighted in the Consultation Document. Feedback is welcome on any aspect of the Long-Term Plan and supporting information.

There were also a number of comments regarding the submission process and the new online submission software. These comments will be considered as part of a review of the LTP consultation process. Further comment is included in the LTP overview report.

CONCLUSION

A broad range of comments were received from the community in response to consultation on the 2021-31 Long Term Plan. Staff comments and recommendations on key themes/issues raised have been included in this report.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

Provisions for projects within an LTP or annual plan do not constitute a commitment.

The Local Government Act 2002 provides that a resolution to adopt an LTP or an annual plan does not constitute a decision to act on any specific matter included within the plan so Council can deviate from the plan during the year for good reason if something unforeseen does arise.

Significance, Engagement and Consultation

Consultation using the Special Consultative Procedure was undertaken to inform the 2021-31 Long Term Plan.

Financial Considerations

The 2021-31 LTP includes financial budgets for all Council activities and the subsequent rates increase. This information was available as part of the Supporting information for the 2021-31 LTP Consultation Document. Financial implication for any decisions made in response to the LTP consultation process will be factored into the final 2021-31 LTP.

Treaty Considerations/Implications for Māori

Social, Cultural, Environment and Economic wellbeing are important to Māori. Water and the environment are particularly important to Māori. There are key projects planned or underway that iwi and Māori have a view and interest in (e.g. Wairarapa Combined District Plan review, water resilience initiatives and the community water storage project). Council will ensure that iwi, hapū, Marae and hapori Māori have opportunities to have input and be part of these projects. Council note that Rangitāne Tū Mai Rā have settled and that Ngati Kahungunu ki Wairarapa Tamaki Nui a Rua Treaty Settlement Trust are yet to settle.

Communications/Engagement Plan

Council decisions on the proposals included in the LTP 2021-31 Consultation Document will be communicated to submitters and the wider community.

Environmental/Climate Change Impact and Considerations

Council will assess any climate change or environmental impacts for projects that require further exploration and/or investigation.

DRAFT

**MEMORANDUM OF UNDERSTANDING
MASTERTON DISTRICT COUNCIL MUNICIPAL SUPPLY**

WAIRARAPA WATER LIMITED
MASTERTON DISTRICT COUNCIL
CARTERTON DISTRICT COUNCIL
SOUTH WAIRARAPA DISTRICT COUNCIL

PARTIES

Wairarapa Water Limited a limited liability company of 110 Dixon Street, Masterton 5840 (**WWL**)

Masterton District Council a territorial authority 161 Queen Street, Masterton 5840 (**MDC**)

Carterton District Council a territorial authority of 40 Holloway Street, Carterton 5713 (**CDC**)

South Wairarapa District Council a territorial authority of 19 Kitchener Street, Martinborough 5711 (**SWDC**)

BACKGROUND

- A The Wairarapa Region is facing climate change effects that over time will become severe. In order to address this impending crisis Wairarapa has developed a comprehensive Water Resilience Strategy that is to be launched in mid-2021.
- B Resource consent for MDC's sole drinking water source, the Waingawa River expires in 2023. In order to maintain minimum river flows during dry periods, that are expected to increase under climate change, MDC's supply must revert to its stored water as well as impose water restrictions on consumers. MDC have approximately four days of storage (c. 60,000m³) at current demand (c. 13,000m³ per day).
- C From 2024 onward MDC's stricter minimum flow consent conditions will most likely require water storage for at least 40 days of demand. MDC have planned and budgeted for a water storage upgrade (c. 420,000m³), within its 2021-32 Long Term Plan and will also be introducing water metering to manage consumer demand.
- D CDC's current water source strategy is to maximise ground water for the Carterton township potable supply. CDC has an interest in MDC's water take for the Waingawa Industrial Estate (**WIE**) potable supply, currently supplied via an MDC supply agreement that does not guarantee supply if MDC's needs preclude it.
- E SWDC have little use in urban areas and physical distance is seen as an issue; however, they do support the social, economic and environmental incentives stored water may bring to the catchment.
- F WWL is leading the Wakamoekau Community Water Storage Scheme project, a water storage and distribution scheme in the Wairarapa region (**WCWSS**). The WCWSS's likely location is adjacent to MDC's existing drinking water storage site near Kaituna. The WCWSS aims to use the region's land and water in ways that secure potable water, economic, environmental, cultural and social benefits for the Wairarapa. The WCWSS as currently designed, will supply a total of 20,000,000m³ of stored water to the region. Allocating 15% to municipal drinking, c. 3,000,000m³, equivalent to c. 150 days of storage for municipal supply at current demand (2020).
- G Changes to national freshwater and environmental standards means that the WCWSS's previous consenting pathway of offsetting wetland loss to a 'no net loss' standard will likely be unsuccessful. Following recent discussions between WWL and Greater Wellington Regional Council the most likely consenting pathway for the WCWSS is to be considered "specified infrastructure" under the National Policy Statement for Freshwater 2020 and the

Resource Management (National Environmental Standards for Freshwater) Regulations 2020.

- H Due to the narrowed consenting pathway for the WCWSS, the option of using it as a municipal supply to MDC is of limited time. If not explored as a formal option within the next 6 months, the option will lapse.

OPERATIVE PROVISIONS

1 PURPOSE OF THIS MEMORANDUM OF UNDERSTANDING

- 1.1 The purpose of this MOU is two-staged:
- 1.1.1 Stage 1 - to establish a preferred way forward for a municipal water supply to MDC and therefore to CDC customers the WIE.
 - 1.1.2 Stage 2 - Conditional to the WCWSS being the preferred way forward from Stage 1, to establish an Agreement of Supply (**Agreement**) between the parties;

2 TERM

- 2.1 The term of this MOU is 12 months from the date it is signed by all parties (**Initial Term**), unless terminated in accordance with clause 7. The parties may agree to extend the term of this MOU following the Initial Term.

3 AMENDMENTS

- 3.1 In light of the pending reforms of the '3-waters' faced by drinking water providers, the parties agree to amend this MoU to include parties of significant interest and influence to the desired outcomes pursued by the parties, as well as incorporating the strategic objectives of additional parties, as and when necessary.

4 SHARED PRINCIPLES

- 4.1 The parties agree that the following shared principles (**Shared Principles**) govern how they will progress and meet their respective obligations under this MOU:
- 4.1.1 The parties will think and work together using methods and process that give decision-makers transparency and confidence.
 - 4.1.2 The parties will work collaboratively to achieve an optimal outcome for all parties.
 - 4.1.3 The parties shall maintain a 'no surprises' policy that keeps one another informed of both potentially contentious issues and issues that may have a significant impact on the current and ongoing operations of the parties.

5 STAGE 1 - ESTABLISHING A PREFERRED WAY FORWARD FOR A WATER MUNICIPAL SUPPLY TO MDC

- 5.1 In line with the Shared Principles, the parties agree to facilitate progress towards identifying a preferred way forward for a municipal water supply to MDC:
- 5.1.1 That identifies a range of options to deliver MDC's water supply levels of service at the least whole of life costs for current and future generations.
 - 5.1.2 That short lists these options to a preferred way forward that mitigates MDC's risks of consenting, future demand, procurement, funding, affordability, management and operation for current and future generations.
 - 5.1.3 That does not exclusively include or preclude the WCWSS.

6 STAGE 2 - ESTABLISHING AN AGREEMENT OF SUPPLY

- 6.1 Conditional to the WCWSS being within the preferred way forward of Stage 1, the parties agree to facilitate progress towards establishing an Agreement of Supply in line with the Shared Principles, that:
- 6.1.1 A clear and certain commitment by WWL to supply water from the WCWSS to MDC water supply network (including to CDC customers WIE) should the WCWSS be established; and
 - 6.1.2 A reciprocal commitment on the part of MDC to take water from the WCWSS for that purpose.

7 TERMINATION

- 7.1 Any party may terminate its participation in this MOU by providing 30 days' written notice to the other parties. This MOU will terminate automatically if all but one party has given notice that it terminates its participation.

8 NON-BINDING EFFECT AND NO PARTNERSHIP

- 8.1 This MOU serves as an umbrella document between the parties indicating their intent to collaborate in relation to the WCWSS but is not legally binding on the parties in any way. Nothing in this MOU constitutes a joint venture or partnership between the parties.
- 8.2 This MOU may be superseded or supplemented by contractual arrangements agreed between the parties as the WCWSS is progressed.

9 REPRESENTATIVES

- 9.1 Each party agrees to appoint a representative to facilitate its participation in this MOU. The initial representatives are:

Wairarapa Water Limited

Name: [Name]
Address: [Address]
Telephone: [Telephone]
Email: [Email address]

Masterton District Council

Name: [Name]
Address: [Address]
Telephone: [Telephone]
Email: [Email address]

Carterton District Council

Name: [Name]
Address: [Address]
Telephone: [Telephone]
Email: [Email address]

South Wairarapa District Council

Name: [Name]
Address: [Address]
Telephone: [Telephone]
Email: [Email address]

10 COUNCILS AS REGULATORY AUTHORITIES

10.1 Given the non-binding nature of this MOU, the parties acknowledge that:

- 10.1.1 nothing in this MOU will fetter or constrain the exercise of the rights, powers or duties of MDC, CDC or SWDC as territorial authorities (including, for the avoidance of doubt, the proper exercise of their regulatory functions); and
- 10.1.2 no party will be liable to any other for loss or damage suffered as a result of another party properly exercising its rights, powers or duties.

EXECUTION AND DATE

Date:

Wairarapa Water Limited by:

.....
Signature of authorised person

.....
Name of authorised person (print)

.....
Office held

Masterton District Council by:

.....
Signature of authorised person

.....
Name of authorised person (print)

.....
Office held

Carterton District Council by:

.....
Signature of authorised person

.....
Name of authorised person (print)

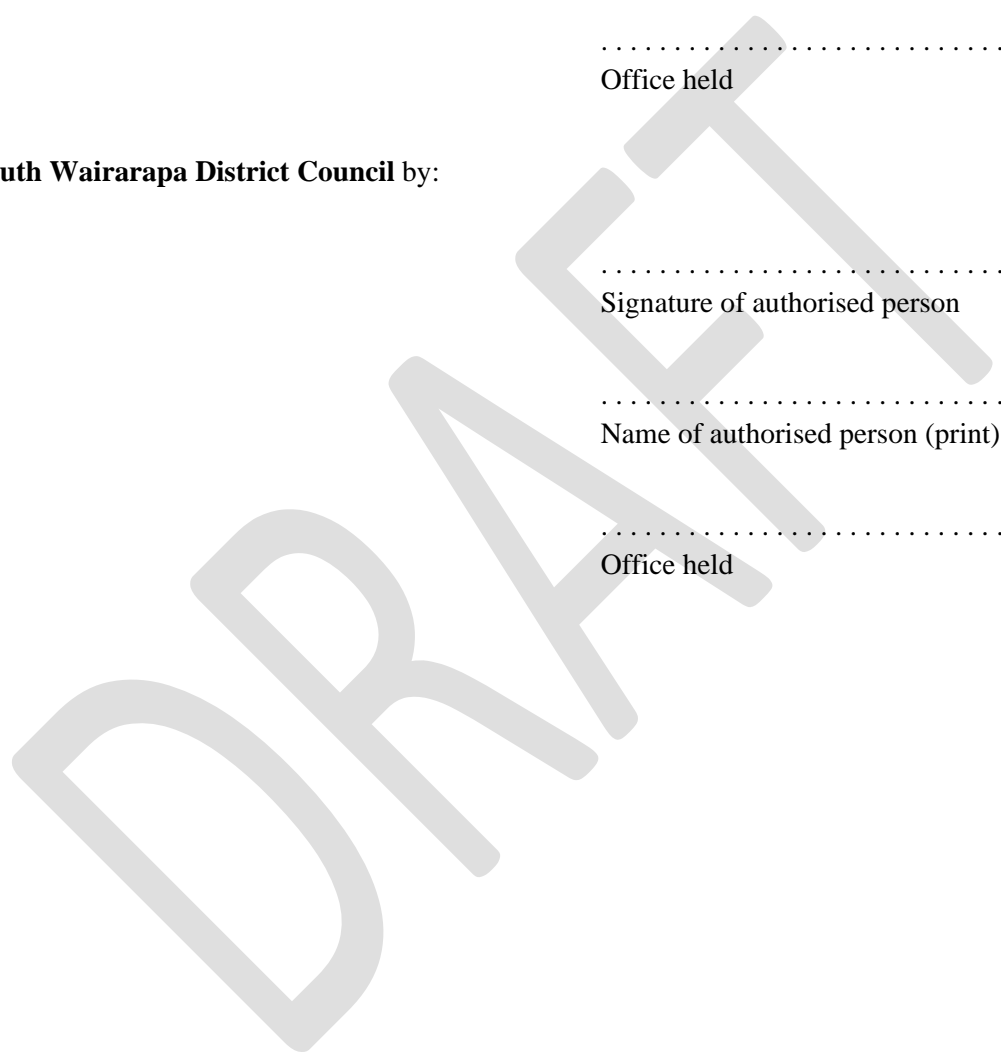
.....
Office held

South Wairarapa District Council by:

.....
Signature of authorised person

.....
Name of authorised person (print)

.....
Office held



DRAFT

Wairarapa Survey

community engagement



- Community Engagement – reputable polling entity
- Sample of n=743 people aged 18 years and over giving a margin of sample error of +/-3.58%.
- Telephone numbers were selected at random and include both landline and mobile phone
- Wairarapa-wide
 - Do you think the Wairarapa region has a problem with ongoing access to water?
 - Have you been impacted by water shortages in the past two years in any way?
 - Thinking about the next 10 years, how worried are you about supply of water for business / farmers / residents?
 - One of the solutions being explored is building a water reservoir in the hills north west of Masterton. Do you support water storage as one way of securing water for the region?
 - Government, local councils and the regional council have helped with some funding for the Wakamoekau Community Water Storage Scheme project. Do you agree water storage is important for our region and that local and regional councils should continue to support it?
- Validating results – available next week

Key Findings

1. Water Access:

- | | | |
|----|---------------------------|--------------------|
| a. | A problem for the region: | Yes - 87 % |
| b. | Personally impacted: | Yes - 83% |
| c. | Rule Awareness: | Unaware -65 |

2. Water concerns:

- | | | |
|----|------------------------|--------------------|
| a. | Concern for Business: | Yes - 75.3% |
| b. | Concern for Farmers: | Yes - 77.8% |
| c. | Concern for Residents: | Yes – 83.7% |

3. Water Challenges Facing the Region

- | | | | |
|----|---------------------------------|------------------------|-----------------|
| a. | Importance: | Agree – 85.9% | (4 % disagree) |
| b. | Economic Impact: | Agree – 83.6% | (2.2% disagree) |
| c. | Masterton Reservoir Solution: | Support – 86.5% | (5.3% oppose) |
| d. | Council Funding Support Needed: | Agree – 81.3% | (9% oppose) |
| e. | Climate Change Impact on Need: | Yes – 84% | (7.8% no) |

4. **Sample size:** n =743, +/- 3.58%; 18yr(+)

5. **All respondents:** Māori (11.6%), Pakeha/European 82%, Other 6.4% ;



To:	Your Worship the Mayor and Councillors
From:	Senior Leadership Team
Endorsed by:	Kathryn Ross, Chief Executive
Date:	2 and 3 June 2021
Subject:	Long Term Plan 2021-31 Deliberations – Fees and Charges
DECISION	
Recommendation:	
That Council:	
<ul style="list-style-type: none"> i. Approves minor additional changes to the Building and Planning Fees and Charges (refer Attachment 2 to Report 105/21); ii. Approves minor additional changes to the Cemetery Fees and Charges (refer Attachment 3 to Report 105/21); and iii. Adopts all other fees and charges increases/changes included in the Long Term Plan 2021-31 Fees and Charges Statement of Proposal (refer Attachment 1 to Report 105/21). 	

PURPOSE

The purpose of this report is to:

- 1) present Council with a summary of submitters' feedback (as expressed in submissions and at the hearings) on the Fees and Charges proposals that were included in the Long Term Plan 2021-31: Fees and Charges Statement of Proposal; and
- 2) seek a decision from Council regarding the setting of Fees and Charges for 2021/22.

CONTEXT

Fees and charges are one of the Council's sources of funding and enable us to deliver a variety of services to the community. Fees and charges are usually set on an annual basis as part of Council's Annual or Long Term Planning cycles.

The Local Government Act 2002, and some other legislation, gives Councils the ability to prescribe fees for specific areas of Council business (e.g. Dog Control Act 1996 for setting dog registration fees). Our Revenue and Financing Policy sets out how we will fund the expenditure for each service by determining the proportion of funding that will come from rates and the proportion that will come from user fees and charges.

A key driver for proposing increases to current fees and charges is to better reflect the cost of delivering the services. Costs have increased to respond to changes set by central government, to cover borrowing costs for capital projects associated with the services, to recover the costs of services more accurately, and to make adjustments for inflation.

Proposed key changes include:

- The majority of fees and charges to be increased by the rate of inflation.
- Some fees and charges will be increased by more in alignment with the cost of delivering these services, for example, swimming pool inspection fees and solid waste fees that reflect an increase in the waste levy collected by landfill operators.
- Dog registration fees will be increased to reflect the cost of the new animal shelter and costs that were absorbed last year when we did not increase fees as part of our COVID-19 recovery response.

There were no changes proposed to the fees and charges for infrastructure contributions, concession fees, library, and parking.

Council adopted the Long Term Plan 2021-31: Fees and Charges Statement of Proposal on 31 March 2021. The Long Term Plan 2021-31 Fees and Charges Statement of Proposal is included as Attachment 1.

DISCUSSION and OPTIONS

This section provides an overview of feedback received from submitters during the consultation period.

Feedback was also received through other mechanisms including face to face engagement activity, social media and at the hearings. A summary of feedback received through other mechanisms is included in the LTP Overview Report within the LTP Deliberations Agenda. This qualitative data provides valuable insights regarding the views of our community and should be considered alongside, and with equal weighting, to feedback received via submissions.

Submission Feedback: Overview

A total of 29 submissions were received in response to the Long Term Plan 2021-31 Fees and Charges Statement of Proposal. One submission was from an organisation and 28 submitted as individuals.

There were additional 10 individuals that commented on the proposed dog registration fee increase in their submissions on the 2021-31 Long Term Plan Consultation Document (LTP), and two additional comments (from LTP and Significance and Engagement consultation processes) on the proposed Building and Planning fees.

Of those submitters who indicated their support for the proposed fees and charges:

- Forty three percent opposed (28.57 percent or 8 submitters) /strongly opposed (14.29 percent or 4 submitters) the proposed changes
- Thirty two percent supported (25 percent or 7 submitters) /strongly supported (7 percent or 2 submitters) the proposed changes
- Eighteen percent (or 5 submitters) were neutral.

None of the submitters chose 'don't know' as a response and 2 submitters did not respond to this question.

Based on the response to this question combined with the commentary, the majority of opposition to the proposed changes is related to the animal services fees and charges.

Submission Feedback: Commentary

A summary of comments that were received in relation to the proposed changes to Fees and Charges is included in this section. Considerations are also included as a response to the comments provided by the community.

No comments were received for fees and charges in the following areas: Trade Waste, Concession Fees and Environmental Health and Licensing.

The proposed changes to Fees and Charges for Animal Services received the most responses (total of 24 responses). All but one response related directly to dogs. The outlier response was related to the cost of cat trap hire and seeking introduction of trap hire for rats, possums and other pests.

The analysis of commentary received as part of the consultation on fees and charges has not been included in this report. Instead, it is covered in Report 095/21 Adoption of Dog Registration and Associated Fees 2021/22 that went to Council for adoption on 20 May 2021.

Infrastructure Contributions

Two submitters provided feedback on the Infrastructure Contributions even though there are no proposed changes or increases. One submitter expressed that fees would cost less if the councils amalgamated (the three Wairarapa District Councils and Tararua District Council). The other submitter stated that all developers should carry all the cost of the infrastructure required for their development.

Considerations

The setting of Fees and Charges is decided by the council of the day. Amalgamation of councils does not guarantee that fees and charges would be any less than what they are currently, and what is being proposed.

In terms of encouraging new developments, further urban growth areas and the possibility of higher density infill subdivision and residential development are being considered as part of the review of the Wairarapa Combined District Plan.

There is a certain amount of public benefit in infrastructure provision. However, there is also always a public cost. The ongoing maintenance of any infrastructure after it is vested in the Council is a ratepayer cost, which over the 50+ year lifetime of the infrastructure asset, is typically much more than the cost of initially building the infrastructure. Developers have the opportunity to build infrastructural costs into the sale price of lots.

Building and Planning

Six submitters provided feedback on the proposed Building and Planning fees and charges.

Three submitters were happy with the proposed changes. However, with the conditions that the proposed increases did not result in a significant rates increase; and that an annual audit is conducted to ensure the ratepayers are charged fairly and in compliance with requirements.

One submitter suggested that council explore options in the planning and building area that would provide a sustainable income stream, that council should free up land for large subdivision, and partner with developers and receive income from the sale of sections, as well as ring fencing a number for affordable housing that could be sold to cost.

One submitter wanted new builds to be encouraged with the council costs kept as low as possible.

One submitter saw the increases in Building and Planning fees as adding to the housing crisis. They consider that the minor projects should be free, and no fee increase for transportable dwellings.

One submitter proposed the pool fence inspections to be done every two years.

Considerations

Fees and charges are reviewed and set on an annual basis.

Fees and charges in the planning and building area have previously been very conservative, with one of the drivers being to encourage development. The proposed changes are reflective of the need to start covering the cost of the service that council provides. For some developers, our increased fees combine with other challenges such as the complexity of modern building methods, a skills shortage in the trades sectors, and lengthy delays for materials. The proposed changes moves to a more user pays framework, with less subsidisation via rates funding. In the last 5 years the cost of building work has doubled yet fees have only shifted marginally.

Expanding urban growth areas and the possibility of higher density infill subdivision and residential development are being considered in the review of the Wairarapa Combined District Plan, which three Wairarapa Councils are currently jointly undertaking. This will provide more land for development and subdivision.

In terms of keeping costs to developers low, Council's resource management application fees and charges are amongst the lowest in New Zealand, and resource consent applicants within the Masterton District currently only pay a small portion of the actual cost of processing applications under the Resource Management Act 1991.

In relation to the feedback received about making fees for minor projects free and not increasing the fee for transportable dwellings:

- In August 2020, legislative changes were made to Schedule 1 of the Building Act 2004 (Building work for which building consent not required). A lot of the work included in the Minor Projects category is also included in schedule 1. The council must now cover the costs of assessing plans and inspecting work regardless of the simplicity of the work and the opportunity cost to the Building Consent Authority (BCA) must be recognised.
- Proposed increases are also a result of bringing a number of different types of building work

under the banner of minor projects (this was formerly garden sheds and carports level work) by introducing proprietary garages and simple agricultural buildings. The average is \$65 dollars more than the original cost of what was considered minor work.

The regularity of Council inspecting swimming pools is in accordance with the Building Act 2004. Less frequent swimming pool inspections would need to be driven via a legislative change to the Building Act 2004.

Library

Three submitters provided feedback on the Library, with two being out of scope as they relate to the service itself. These have been deferred for consideration as part of the LTP submissions. One submitter suggested that Library fees and charges be adjusted to accommodate for the changing face of the libraries and its respective users.

Considerations

There are no proposed increases to the library fees and charges. Any further adjustments will be considered as part of the review of the fees and charges in 2022.

Parking

Five submitters provided feedback on the Parking fees and charges despite there being no proposed increases for this area. One submitter is opposed to any increases and two submitters support the current fees and charges for parking. Of the five submitters, they would like to see more parking wardens to increase the revenue; new parking meters enabling electronic transactions; and free car parking in the CBD.

Considerations

Suggestions from submitters are noted. There is free car parking on the periphery of the CBD. A review of the current parking meters is scheduled to be undertaken.

Transfer Station

Five submitters provided feedback on the Transfer Station fees and charges. Generally submitters oppose the increase in fees and charges, with some concerned that it will result in an increase of illegal dumping.

One submitter proposed the council should have a free 'junk' pick up day and one submitter proposed that the responsibility for packaging disposal should lie with the producer not consumer of goods.

Considerations

Changes in government policy are driving the increases proposed for fees relating to Councils transfer station facilities. The costs of Council disposing of waste to landfill are increasing. If there are no increase to the fees, then Council will need to subsidise the cost with rates, meaning all ratepayers would have to subsidise the people and businesses generating the waste.

The Government has confirmed an increase in the waste levy taking it from \$10 per tonne to \$20 per tonne. This rate will continue to progressively increase annually, reaching \$60 per tonne on 1 July 2024. Half the revenue from the levy will be invested into waste minimisation projects and initiatives to continue a transition towards a circular economy for Aotearoa New Zealand. Half of the levy revenue will continue to be distributed to councils for waste minimisation work.

It is noted that the responsibility for packaging disposal should lie with the producer not consumer of goods.

A free 'junk' pick up day goes against Council's and the Ministry of Environment general policy of producer pays for those who generate waste. Council is also aware of problems that these initiatives have had in other districts in terms of health and safety, compliance in keeping within the specific day, and essentially causing illegal dumping of waste outside residential properties.

Water and Sewer Services

Five submitters provided feedback on the Water and Sewer Services fees and charges. Three were in favour of the increases stating that we need ongoing investment to future proof the services. One submitter was in favour, however, wanted to see the reduction in fees and charges once council starts charging for water, and one wanted fees for new connections to stay low.

Considerations

There were small increases proposed to some of the water and sewer services to reflect inflation adjustments. Comments are noted and will be considered as part of Council's scheduled Rating Review, which will take into consideration a charging regime for water meters.

Other Comments

Cemeteries and Housing for Elderly proposed fees and charges areas received one and three comments respectively. However, neither of the comments were related to the proposed Fees and Charges, were considered out of scope and transferred to be considered as part of the LTP submission feedback. In addition to this, there were also comments on the LTP consultation document and those were transferred to appropriate area under the LTP submissions.

FURTHER PROPOSED CHANGES

Minor additional changes are proposed for the following areas that were not included in the Long Term Plan 2021-31 Fees and Charges Statement of Proposal:

1. Building and Planning
2. Cemetery

The drivers for these further proposed changes were gaps identified by staff during the consultation period that are around cost recovery of advice and time. Recreation Services also provided feedback based on clarity of wording from a user perspective and reintroducing a fee that was not on the 2021/22 schedule but has been previously and is still applied.

Building and Planning Fees and Charges (See Attachment 2)

Plan Change and Resource Consents			
Proposed change	Detail	2021/22 Fee	Rationale
Addition	Add Engineer/Parks and Reserves expertise to "Senior Planner"	\$220.00 per hour	To recover the costs of the time spent by a Services Engineer and Parks and Reserves expertise to provide advice on a plan change and/or resource consent.

Additional Charges			
Proposed change	Detail	2021/22 Fee	Rationale
New	Independent Hearing Commissioner	Actual cost	To recover the costs of using an independent Hearing Commissioner (if required) for a Hearing.

It is proposed that the following two notes are also added to the Additional Charges section:

- Note: Pursuant to Section 36, 36 (1) and 36 (3) of the Resource Management Act 1991, Council may require the person who is liable to pay one or more of the below charges, to also pay an additional charge to recover actual and reasonable costs in respect of the matter concerned.
- Note: These set fees relate to the minimum administration charge only. The actual fee payable includes the cost of time taken to process each application, memorandum, consent, certificate or schedule and the cost of the inspections required.

Cemetery Fees and Charges (See Attachment 3)

Additional Charges			
Proposed change	Detail	2021/22 Fee	Rationale
Addition	Cremation Plots - Rural	\$478.00 (2 percent increase)	It was identified that these fees had been missed off the fees and charges schedule, so have been added back in.
Removal	Availability of sand for hand filling adult plots	N/A	Soil is used instead of sand for hand filling of adult plots.
Removal	Purchase of third plot (special conditions apply)	N/A	It is recommended that there is flat fee for the purchase of plots, with no discounted rate on the volume of plots purchased. The "special conditions apply" wording is no longer applicable.

Under Additional Charges, there is a fee for interments requiring attendance outside core working hours of a normal working week, with the time being 7:30am – 4:30pm. It is proposed that this timeframe changes to 7:30am – 4pm.

Minor wording amendments are proposed for clarity:

Current wording	Amended wording
Cremations Plots – Berms	Cremation Plots (Urban)
Other Charges	Additional Charges
Out of District fee - Interment	Out of District fee – Interment (this is an additional cost to the purchase of a lawn or cremation plot)
Out of District fee – Cremation	Out of District fee – Cremation (this is an additional cost to the purchase of a lawn or cremation plot)

CONCLUSION

It is recommended that the additional changes to Fees and Charges for Cemeteries and Building and are approved. The drivers for these further proposed changes were gaps identified by staff during the consultation period that are around cost recovery of advice and time. Recreation Services also provided feedback based on clarity of wording from a user perspective and reintroducing a fee that was not on the 2021/22 schedule but has been previously and is still applied.

It is recommended that Council adopts all other proposed changes/increases included in the Long Term Plan 2021-31 Fees and Charges Statement of Proposal. A key driver for increasing the fees and charges is to better reflect the cost of delivering the services. Costs have increased due to adjustments for inflation, to respond to changes set by central government and to cover borrowing costs for capital projects associated with the services.

Changes to environmental health and licensing is to better reflect the cost of delivering the service cover inflation adjustments.

Building fees are increasing to reflect inflationary adjustments and the cost of delivering the services. Some building consent fees, particularly residential new dwellings, have been realigned to match the type of building underway. In particular, the fees for the multi-unit and multi-storey apartments have been altered to reflect the level of processing and the number of inspections.

The compliance schedule amendment fee now incorporates the time for one inspection, and 12A and BWOFF administration. Any further work required by officers will be charged the appropriate officer hourly rate.

The building consent list mailer has changed from a monthly fee to an annual fee. A new relocatable transported rural road bond had been introduced to cover repairs to signs and other infrastructure.

The initial swimming pool inspection fee of \$36 has been removed as it was not covering the cost of the officer's time. The low fee had been used as an incentive in the past but as the three-yearly inspection is a legislative requirement the Council considers that all pool owners should pay the cost of this service and it should not be subsidised by the ratepayer.

In the past the planning fees have been fixed rates for each of the different categories of resource consents. However applications in each category have a wide variety of complexity and the fixed fee has been far below the true cost of the processing time involved for many of the applications. The Council is proposing to move to a deposit being charged at the time of application with further invoicing to cover the total hours involved in processing. The schedule now includes the hourly rates for the planning officers. Most councils across New Zealand charge resource consents on a deposit and time taken basis. This enables the truest match in recovering the cost of processing the applications.

There are small increases proposed for fees relating to our transfer station facilities because the costs of Council disposing of waste to landfill are increasing. If we do not increase these fees, we would have to subsidise the cost with rates, meaning all ratepayers would have to subsidise the people and businesses generating the waste.

The Government has confirmed an increase in the waste levy taking it from \$10 per tonne to \$20 per tonne. This rate will continue to progressively increase annually, reaching \$60 per tonne on 1 July 2024. Half the revenue from the levy will be invested into waste minimisation projects and initiatives to continue a transition towards a circular economy for Aotearoa New Zealand. Half of the levy revenue will continue to be distributed to councils for waste minimisation work.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

Fees and charges assist Council to fund the various services and activities that it offers. The level of rates funding versus user pays for each activity is included in the Revenue and Finance Policy. Council seeks to recover the cost of services, not to make a profit. Affordability is also a key concern and priority for Council.

Provisions for projects within a long term plan or annual plan do not constitute a commitment. The Local Government Act provides that a resolution to adopt a long-term plan or an annual plan does not constitute a decision to act on any specific matter included within the plan so Council can deviate from the plan during the year for good reason if something unforeseen does arise.

Significance, Engagement and Consultation

Council consulted on the Fees and Charges as part of the wider Long Term Plan 2021-31 consultation process.

Financial Considerations

Proposed changes and increases to Council's Fees and Charges are included in this report and the Long Term Plan 2021-31 Fees and Charges Statement of Proposal (Refer Attachment 1).

Treaty Considerations/Implications for Māori

Any proposed changes or increases to our fees and charges will have an impact on residents and ratepayers, including hapori Māori.

Communications/Engagement Plan

Fees and Charges adopted by Council for the 2021/22 financial year will be communicated to, and made available to residents and ratepayers.

Environmental/Climate Change Impact and Considerations

No environmental/climate change considerations have been identified for the recommendations put forward to council for decision.

LONG-TERM PLAN 2021-31: FEES AND CHARGES

STATEMENT OF PROPOSAL

We're reviewing our fees and charges as part of the development of the Masterton District Council's Long-Term Plan 2021-31, and we're seeking your feedback on our proposed changes.

WHAT ARE FEES AND CHARGES?

Fees and charges are one of the Council's sources of funding and enable us to deliver a variety of services to the community. Fees and charges are targeted at people who benefit directly from using Council services and can be easily and efficiently identified for payment. Examples include services that Council is required to oversee or monitor such as owning a dog, owning a hairdressing business, or building or making alterations to a house and services that involve operating a facility like the cemetery fees, transfer station fees and infrastructure services. Fees and charges are usually set on an annual basis as part of Council's Annual or Long Term Planning cycles.

Our fees and charges cover the following areas:

Animal Services	Building and Planning
Infrastructure Contributions	Library Fees
Cemetery Fees	Parking
Concession Fees	Trade Waste
Environmental Health and Licensing	Transfer Station
Housing for the Elderly	Water and Sewer Services

FOR MORE DETAIL

Further detail on the drivers for these proposed changes are detailed from **page 2** of this Statement of Proposal.

A full list of the proposed changes are included in this Statement of Proposal on **page 5**.

A copy of the current 2020-21 Fees and Charges are available here:
https://mstn.govt.nz/wp-content/uploads/2020/07/Schedule-of-Fees_2020-2021.pdf

HOW YOU CAN HAVE YOUR SAY!

We want to hear what you think about the changes we're proposing.

Submissions are open until **4pm on Monday, 3 May 2021**.

Check out **page 4** of this document for details on how you can have your say.

WHY DO WE HAVE FEES AND CHARGES AND WHAT ARE THEY USED FOR?

We raise the majority of our funding from rates and through fees and charges¹.

The Local Government Act 2002, and some other legislation, gives Councils the ability to prescribe fees for specific areas of Council business (e.g. Dog Control Act 1996 for setting dog registration fees).

Our Revenue and Financing Policy sets out how we will fund the expenditure for each service by determining the proportion of funding that will come from rates and the proportion that will come from user fees and charges. A copy of Council's current Revenue and Financing Policy is available here: <https://mstn.govt.nz/wp-content/uploads/2018/07/Revenue-and-Financing-Policy.pdf>

WHAT CHANGES ARE PROPOSED?

As part of the draft Long-Term Plan 2021-31 process, we are proposing to increase some of our fees and charges. If these proposed changes are adopted by Council, they will come into effect from 1 July 2021. A key driver for increasing the fees and charges is to better reflect the cost of delivering the services. Costs have increased due to adjustments for inflation, to respond to changes set by central government and to cover borrowing costs for capital projects associated with the services.

More detail on the specific drivers for the proposed changes in each of the fees and charges areas are included in this section.

Animal Services

The proposed increases to fees associated with the animal services activity area reflect:

- inflation adjustments
- borrowing costs for the replacement of the animal shelter facility
- the level of work involved with impounded animals
- the inflationary adjustments that were not passed on last year when we chose not to increase dog registration fees as part of our COVID-19 response (the cost was funded by reserves).

Infrastructure Contributions

There are no changes proposed for the infrastructure contributions.

Cemetery Fees

The small, proposed increases to cemetery fees reflect inflation adjustments.

Concession Fees

There are no changes to concession fees as part of the draft Long Term Plan 2021-31 process.

Environmental Health and Licensing

The proposed increases to food premise verification fees better reflect the cost of delivering the service cover inflation adjustments.

Housing for the Elderly

Council sets fees for its senior housing stock at Panama Village, Laurent Place, Bodmin Flats, and Truro Flats. Rental fees are proposed to increase \$2 per week to cover inflation adjustments.

¹ Other ways councils can raise funding includes investments, central government subsidies (e.g. roading), and funding opportunities.

Building

Building fees are increasing to reflect inflationary adjustments and the cost of delivering the services. Some building consent fees, particularly residential new dwellings, have been realigned to match the type of building underway. In particular, the fees for the multi-unit and multi-storey apartments have been altered to reflect the level of processing and the number of inspections.

The compliance schedule amendment fee now incorporates the time for one inspection, and 12A and BWO administration. Any further work required by officers will be charged the appropriate officer hourly rate.

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The initial swimming pool inspection fee of \$36 has been removed as it was not covering the cost of the officer's time. The low fee had been used as an incentive in the past but as the three-yearly inspection is a legislative requirement the Council considers that all pool owners should pay the cost of this service and it should not be subsidised by the ratepayer.

Planning

In the past the planning fees have been fixed rates for each of the different categories of resource consents. However applications in each category have a wide variety of complexity and the fixed fee has been far below the true cost of the processing time involved for many of the applications. The Council is proposing to move to a deposit being charged at the time of application with further invoicing to cover the total hours involved in processing. The schedule now includes the hourly rates for the planning officers. Most councils across New Zealand charge resource consents on a deposit and time taken basis. This enables the truest match in recovering the cost of processing the applications.

Library Fees

There are no proposed increases to library fees and charges.

Parking

There are no proposed increases to parking fees and charges.

Trade Waste

There are small increases proposed to trade waste fees to reflect inflation adjustments.

Transfer Station

There are small increases proposed for fees relating to our transfer station facilities because the costs of Council disposing of waste to landfill are increasing. If we do not increase these fees, we would have to subsidise the cost with rates, meaning all ratepayers would have to subsidise the people and businesses generating the waste.

The Government has confirmed an increase in the waste levy taking it from \$10 per tonne to \$20 per tonne. This rate will continue to progressively increase annually, reaching \$60 per tonne on 1 July 2024. Half the revenue from the levy will be invested into waste minimisation projects and initiatives to continue a transition towards a circular economy for Aotearoa New Zealand. Half of the levy revenue will continue to be distributed to councils for waste minimisation work.²

Water and Sewer Services

There are small increases proposed to some of these services to reflect inflation adjustments.

² <https://www.wasteminz.org.nz/2021/03/govt-confirms-timeline-for-changes-to-waste-levy/>

HAVE YOUR SAY

Submissions are welcome from any person or organisation who wishes to give feedback. Submissions close at **4pm on Monday, 3 May 2021**.

Written Submissions

Written submissions can be made using either our submission form, sending us an email or writing a letter.

Hardcopy submission forms are available at our Council office, 161 Queen Street, Masterton or from the Masterton District Library.

You can submit them in the following ways:

- Email: send to submissions@mstn.govt.nz with 'Draft Long Term Plan 2021-31: Fees and Charges' in the subject line
- Post: 'Draft Long Term Plan 2021-31: Fees and Charges', Masterton District Council, Freepost 112477, PO Box 444, Masterton
- Hand deliver: 'Draft Long Term Plan 2021-31: Fees and Charges', Masterton District Council, 161 Queen Street, Masterton

Online Submissions

Complete your submission here: www.mstn.govt.nz/current-consultations

WANT MORE INFORMATION?

Further information is available on our Council website. Alternatively, you can contact us on 06 370 6300 to request copies to be sent out to you.

TIMELINE

- Thursday, 1 April 2021: Submissions open.
- Monday, 3 May 2021: Submissions close.
- May/June 2021: Hearing and Deliberations.
- Wednesday, 30 June 2021: Council adoption of the Fees and Charges.

PROPOSED 2021/22 FEES AND CHARGES SCHEDULE

		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
HOUSING FOR THE ELDERLY RENTAL	(Nil GST)				
Panama Village					
25 Bedsitter		\$100.00	2	\$102.00	2%
15 One Bedroom		\$106.00	2	\$108.00	2%
4 One Bedroom (double)		\$112.00	2	\$114.00	2%
Laurent Place					
8 Bedsitter		\$96.00	2	\$98.00	2%
4 One Bedroom		\$103.00	2	\$105.00	2%
6 One Bedroom house (double)		\$113.00	2	\$115.00	2%
Bodmin Flats					
8 Bedsitter		\$96.00	2	\$98.00	2%
Truro Flats					
4 One Bedroom		\$103.00	2	\$105.00	2%
4 Garage		\$12.00	2	\$14.00	17%
BUILDING CONSENT AUTHORITY AND PIM FEES	(GST inclusive)				
Description	PIM Fee (if applying prior or with building consent application) (Additional to BC fee)	Building Consent (BC) only Fee (excluding PIM fee, BRANZ and DBH levies)			
Minor Work					
Swimming pools > 1,200 mm above ground and spa pool and swimming pool fences	N/A	\$125.00	5	\$130.00	4%
Residential demolition (Rate Per Hour)	\$47.00	\$245.00	-40	\$205.00	-16%
Solid fuel heater	\$47.00	\$350.00	20	\$370.00	6%
Peripheral Plumbing and Drainage work e.g. minor alterations, septic system renewal, wet area shower- items outside the scope of Sch 1 - 1 inspection	\$47.00	\$395.00	20	\$415.00	5%
Project Drainage work, e.g. new minor subdivision services, and common drains (up to 10 lots)	\$47.00	\$990.00	50	\$1,040.00	5%
Minor Projects - Garden sheds/Retaining walls/Carports/Decks/Conservatories/ Inground Pools/ Proprietary garage or storage Agricultural Buildings Re-piling - 2 inspections	\$47.00	\$585.00	65	\$650.00	11%
Larger farm buildings (covered yards, wool sheds), incl Plumbing and Drainage	\$94.00	\$1,055.00	45	\$1,100.00	4%
Garages, simple design, single level with plumbing and drainage and/or firewall. If self-contained use dwelling fee.	\$94.00	\$1,350.00	70	\$1,420.00	5%
Residential New Dwellings					
Single Storey value <\$500k		\$3,950.00	250	\$4,200.00	6%
Complex -Single Storey value >\$500k and Multi storey		\$4,450.00	350	\$4,800.00	8%
Transportable dwelling (yard built - to be transported to another district)	\$94.00	\$2,857.00	343	\$3,200.00	12%

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		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Single storey multi-unit apartment (First unit)	\$373.00	\$2,203.00	1997	\$4,200.00	91%
Single storey Subsequent Units		\$425.00	1675	\$2,100.00	394%
Complex/ Multi storey multi-unit apartment (First Unit)	\$561.00	\$2,576.00	2224	\$4,800.00	86%
Complex Multi Storey Subsequent Units		\$708.00	1692	\$2,400.00	239%
Residential Dwelling Additions & Alterations					
Alterations (minor) up to 3 inspections including processing time		\$1,062.00	58	\$1,120.00	5%
Alterations (major) up to 8 inspections including processing time		\$2,478.00	122	\$2,600.00	5%
Transportable/Relocated Residential Dwellings					
Transportable/Relocated residential dwelling - urban (Resource Consent required for relocated dwellings)	\$561.00	\$1,681.00	119	\$1,800.00	7%
Transportable/Relocated residential dwelling - rural (Resource Consent required for relocated dwellings)	\$561.00	\$1,979.00	121	\$2,100.00	6%
Note; If relocation includes additions or alterations add Additions & Alterations rate.					
Commercial / Industrial					
Commercial demolition	\$47.00	\$585.00	0	\$585.00	0%
Minor commercial work e.g. signs/shop fronts/minor					
Fit outs (no plumbing and drainage)	\$187.00	\$765.00	35	\$800.00	5%
Single tenancy shop fit outs	\$94.00	\$1,204.00	46	\$1,250.00	4%
Use Commercial rate for large subdivision services					
Commercial/Industrial <\$50,000	\$301.00	\$2,278.00	122	\$2,400.00	5%
Commercial/Industrial \$50,001 - \$100,000	\$449.00	\$3,174.00	176	\$3,350.00	6%
Commercial/Industrial \$100,001 - \$150,000	\$598.00	\$4,071.00	209	\$4,280.00	5%
Commercial/Industrial \$150,001 - \$250,000	\$747.00	\$4,966.00	234	\$5,200.00	5%
Commercial/Industrial \$250,001 - \$350,000	\$896.00	\$5,862.00	338	\$6,200.00	6%
Commercial/Industrial \$350,001 - \$500,000	\$1,045.00	\$6,759.00	341	\$7,100.00	5%
Commercial/Industrial \$500,001 - \$1,000,000	\$1,045.00	\$7,356.00	394	\$7,750.00	5%
Commercial/Industrial/Agricultural >\$1,000,000	\$1,045.00	\$7,356.00	394	\$7,750.00	5%
Complexity per \$100,000 over \$1 million		\$421.00	29	\$450.00	7%
Note; Development levies may apply to commercial building consents. Check with Council					
Building Consent Officer Hourly Rate				\$205.00	
Team Leader Hourly Rate				\$245.00	
Re-Inspection, for failing to build to plan, revisiting incomplete work, consent documents not on site.	per hour	\$195.00	10	\$205.00	5%
Amendment to Building Consent (Reassessment of amended plans). Charges will also apply if the amendment involves additional inspections.	per hour	\$195.00	10	\$205.00	5%
COMPLIANCE / TA FUNCTIONS					
Swimming pool initial inspection fee		\$36.00		N/A	
Swimming Pool Inspection fee		\$151.00	9	\$160.00	6%
Certificate of Acceptance - Building Consent fee for the applicable building work plus actual costs at hourly rate (including inspections), payable prior to issue of certificate.	per hour	\$195.00	10	\$205.00	5%

		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Compliance Schedule Amendment (includes one inspection, and 12A and BWOF administration) any additional time charged at BSO hourly rate		\$148.00	122	\$270.00	82%
BWOF Annual Renewal Fee		\$104.00	6	\$110.00	6%
BWOF Technical Audit				\$270.00	
Earthquake Prone Building Report Review/ Status Confirmation	2 hours			\$320.00	
Discretionary Exemption from Building Consent Assessment, Schedule 1(2) of the Building Act		\$281.00	14	\$295.00	5%
Application for Certificate of Public Use (CPU) includes inspection		\$195.00	75	\$270.00	38%
Application for a modification or waiver to a building, consent (per hour, inspections may incur additional charges	per hour	\$195.00	10	\$205.00	5%
Building Services Officer (BSO) Hourly Rate				\$160.00	
Team Leader Hourly Rate				\$245.00	

BUILDING ADMINISTRATION					
Building Administrator Hourly Rate				\$100.00	
Certificate of title		\$25.00	5	\$30.00	20%
BRANZ levy for work of \$20,000 or more	Charge is per \$1,000 or part thereof	\$1.00	0	\$1.00	0%
MBIE Levy - GST inclusive for work of \$20,444 or more	Charge is per \$1,000 or part thereof	\$1.75	0	\$1.75	0%
Administration - Printing Charge for Issued Consents (Optional)		\$50.00	5	\$55.00	10%
Processing hardcopy certificate applications		\$94.50	5.5	\$100.00	6%
Property search fee (Includes download, scanning documents, email, or writing to disc)		\$20.00	5	\$25.00	25%
Annual Building consent list mailer (Annual charge -emailed)		\$10.00	110	\$120.00	1100%
Notice to fix- Inspections and Administration per hour		\$195.00	10	\$205.00	5%
Relocatable Transported Rural Road Bond				\$2,000.00	
Infrastructure Protection Bond (vehicle crossing bonds)				\$800.00	
Road Damage Bond as set by Road Assets	minimum	\$520.00	0	\$520.00	0%
Photocopying:					
Black - up to A3	each	\$2.00	0	\$2.00	0%
Colour - up to A3	each	\$5.00	0	\$5.00	0%
Black - up to A0	each	\$20.00	0	\$20.00	0%

PLANNING					
Land Information Memorandum (LIM)	(GST inclusive)				
LIM - Standard - 10 days		\$250.00	50	\$300.00	20%
LIM - Urgent - 5 days		\$350.00	100	\$450.00	29%
Certificate of title		\$25.00	5	\$30.00	20%

Resource Consent Fees					
	(GST inclusive unless stated)				
LAND USE OR SUBDIVISION CONSENTS					
Activity		Fixed		Deposit	
Controlled		\$555.00		\$1,000.00	

		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Restricted Discretionary – Non Notified		\$555.00		\$1,200.00	
Restricted Discretionary – Limited Notified		\$950.00		\$1,500.00	
Discretionary		\$950.00		\$1,500.00	
Non Complying		\$1,500.00		\$2,000.00	
Heritage Items *	Free for heritage work only				
PLAN CHANGE & RESOURCE CONSENTS					
Planner	Per hour	\$148.00	32	\$180.00	22%
Senior Planner				\$220.00	
Manager Planning				\$260.00	
Administration				\$100.00	
Plan Change deposit		\$5,100.00	400	\$5,500.00	8%
Deemed Permitted Boundary/Marginal Activities					
Permitted Boundary Activity (PBA)		\$306.00	9	\$315.00	3%
CERTIFICATION					
S223 Certificate		\$255.00	5	\$260.00	2%
S224 Certificate		\$300.00	10	\$310.00	3%
S226 – Existing Use Rights		\$350.00	10	\$360.00	3%
Certificate of Compliance (Permitted activity pursuant to Resource Legislation Amendment Act 2017) and Deemed Permitted Boundary/Marginal Activities		\$350.00	0	\$360.00	0%
Additional Charges					
Public Notification		\$714.00	16	\$730.00	2%
Limited Notification		\$357.00	8	\$365.00	2%
Pre Hearing		\$500.00	10	\$510.00	2%
Hearing		\$1,020.00	30	\$1,050.00	3%
External Consultancy		Actual cost		Actual cost	
Post Decision – Requested changes		\$350.00	50	\$400.00	14%
Post Decision – Minor changes		\$150.00	30	\$180.00	20%

Reserve & Roading Contributions					
These will not be inflated as they are set in the District Plan					
Reserve Contributions		Rural 2% of land value (plus GST) Urban 3% of land value (plus GST)		Rural 2% of land value (plus GST) Urban 3% of land value (plus GST)	
Roading Contributions		Rural 3% of land value (plus GST) Urban 2% of land value (plus GST)		Rural 3% of land value (plus GST) Urban 2% of land value (plus GST)	

		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Transfer Station Charges – Nursery Road					
Waste to landfill prices include the Waste Levy at \$20 per tonne - the scheduled increase from \$10 per tonne from 1 July 2021 is built into the proposed new prices.		(Including GST unless stated)			
Domestic Prices – Load Size	Green Waste to Composting				
Car boot or SUV (up to 100kg)	per load*	\$5.00	0.50	\$5.50	10.0%
Small Trailer, Van, Ute (up to 1.8m x 1.2m x 0.4m high or up to 250kg)	per load*	\$12.00	1.50	\$13.50	12.5%
Large Trailer, Van, Ute (up to 1.8m x 1.2m x 0.8m high or up to 500kg)	per load*	\$16.00	2.00	\$18.00	12.5%
Large truck (up to six tonne) - Weigh In/Out (Min \$20 charge per load)	per tonne (+ GST)	\$55.00	5.00	\$60.00	9.1%
* Council reserves the right to weigh any loads	Refuse to Transfer Station				
Official Masterton District Council 'Blue Bag'	Prepaid	no charge at gate			
Bags – any other bag (up to 30kg)*	per bag	\$6.00	0.50	\$6.50	8.3%
Car boot or SUV (up to 100kg)*	per load	\$22.00	1.50	\$23.50	6.8%
Small Trailer, Van, Ute (up to 1.8m x 1.2m x 0.4m high or up to 250kg)*	per load	\$51.00	4.00	\$55.00	7.8%
Large Trailer, Van, Ute (up to 1.8m x 1.2m x 0.8m high or up to 500kg)*	per load	\$66.00	6.00	\$72.00	9.1%
Large truck (up to six tonne) - Weigh In/Out	per tonne (excl GST)	\$185.00	13.70	\$198.70	7.4%
* Council reserves the right to weigh any loads and charge per tonne, minimum charge \$20					
Council Bags – recommended retail price	per bag	\$3.20	0.20	\$3.40	6.3%

Commercial Prices	(excluding GST unless otherwise stated)	2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
General Refuse	per tonne	\$185.00	13.70	\$198.70	7.4%
Construction/demolition refuse	per tonne	\$185.00	13.70	\$198.70	7.4%
Tyres (more than 4 tyres)	per tonne	\$540.00	15.00	\$555.00	2.8%
Tyres (car & 4WD only)	each incl GST	\$3.00	1.00	\$4.00	33.3%
Tyres (car & 4WD, on rims)	each incl GST	\$4.00	1.00	\$5.00	25.0%
Tyres Truck	each incl GST	\$6.20	1.30	\$7.50	21.0%
Grease Trap & Special Waste (for burial)*	per tonne	\$185.00	13.70	\$198.70	7.4%
Sump Waste	per tonne	\$50.00	1.00	\$51.00	2.0%
Sawdust	per tonne	\$185.00	13.70	\$198.70	7.4%
Septic tank waste (to sewer) liquid	per tonne	\$68.00	1.50	\$69.50	2.2%
Poultry (e.g.) waste (to sewer)	per tonne	\$610.00	12.00	\$622.00	2.0%
Cleanfill (weighed)	per tonne	\$6.00	0.20	\$6.20	3.3%
Recyclable materials	No charge		No charge		
E-Waste	No charge		No charge		

Rural Recycling Transfer Station Facilities		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Load Size	(Including GST)				
	Green Waste				
Car boot or SUV (up to 100kg)	per load	\$5.00	1.00	\$6.00	20.0%
Small Trailer, Van, Ute (up to 1.8m x 1.2m x 0.4m high or up to 250kg)	per load	\$12.00	1.50	\$13.50	12.5%

		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Large trailer (up to 500kg) /medium truck (less than 2 tonne)	per tonne	\$65.00	7.00	\$72.00	10.8%
Large truck (up to six tonne) Min \$20 charge per load	per Cu mtr	\$55.00	5.00	\$60.00	9.1%
Refuse to Transfer Station					
Load Size					
Official Masterton District Council Bags	Prepaid	No charge at gate			
Bags - any other bag (up to 30kg)	Per bag	\$6.00	1.00	\$7.00	16.7%
Car boot or SUV (up to 100kg)	per load	\$22.00	2.00	\$24.00	9.1%
Small Trailer, Van, Ute (up to 1.8m x 1.2m x 0.4m high or up to 250kg)	per load	\$51.00	5.00	\$56.00	9.8%
Large trailer (up to 500kg) /medium truck (less than 2 tonne)	per tonne (estimated)	\$213.00	17.00	\$230.00	8.0%
Large truck (up to six tonne)	per cubic mtr (estimated)	\$79.00	7.00	\$86.00	8.9%

Water & Sewer Services Charges					
Activity	(Excluding GST)				
*Joint connection	}				
20mm water and 100mm sewer					
*Drainage	}				
Sewer connection 100mm					
Sewer connection over 100mm					
Keeping sewer connection in repair					
*Water Supply	}				
20mm water connection					
Larger than 20mm connection		*Contract Price			
Renewing 20mm connection		Plus \$165.90 processing and			
*Renewing larger than 20mm connection		inspection fee for each application			
*Keeping service pipe in repair					
Disconnection of water supply					
Reconnection of water supply					
*Installing water meter					
*Connection work may include (but is not limited to) pipe work, testing and disinfection, manifold (back flow preventer), service box (toby), water meter, flow control system (if required), attendance by the Council's contractor at the time of connection to the water mains, a NZ Transport Agency permit for trenching (if required), a Corridor Access Request for reinstatement of the road and other disturbed infrastructure, relocation of any other services, and any other related work.	}				

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		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Water	(Including or excluding GST as stated)				
Up to 50,000 litres per 3 months	excl GST	\$50.00	2.00	\$52.00	4%
	incl GST	\$57.50	2.30	\$59.80	4%
50,000 to 100,000 litres per 3 months per 1,000 litres	excl GST	\$1.22	0.05	\$1.27	4%
	incl GST	\$1.40	0.06	\$1.46	4%
Over 100,000 litres per 3 months per 1,000 litres	excl GST	\$1.57	0.06	\$1.63	4%
	incl GST	\$1.80	0.07	\$1.87	4%
2,000-20,000 litres in same load (tanker) per 1,000 litres	excl GST	\$1.91	0.09	\$2.00	5%
	incl GST	\$2.20	0.10	\$2.30	5%

	(Including or excluding GST as stated)				
Bylaws					
Corridor Access Request / Work Access Permit	excl GST	\$39.00	1	\$40.00	3%
	incl GST	\$44.00	1	\$46.00	3%
Additional inspections for permits, consultation etc	excl GST	\$89.00	2	\$91.00	2%
	incl GST	\$102.00	2	\$104.65	2%
No Parking sign hire (per day)	incl GST	\$15.00	0	\$15.00	0%
Administration charge max of 1 hour	incl GST	\$25.00	5	\$30.00	20%

Environmental Health and Licensing	(GST inclusive)				
New Application for registration of food control plan based upon: a template issued by MPI or a new business subject to a national programme	Fixed fee includes up to 2 hr to process registration	\$134.00	16	\$150.00	12%
	per hour for every additional hr	\$67.00	8	\$75.00	12%
Application for registration/renewal or amendment of food control plan based upon: a template issued by MPI or a renewal or amendment of business subject to a national programme	Fixed fee includes up to 1 hr to process registration	\$67.00	23	\$90.00	34%
	per hour for every additional hr	\$67.00	23	\$90.00	34%
Application for proposed new registered licensed premises (offensive trade, camping ground, funeral director, hairdresser and beauty therapists, tattooists, skin piercers)		\$142.00	8	\$150.00	6%
Annual registration beauticians, Nail technicians, tattooists and Skin piercers fees:					
Secondary business activity (chemists/beauty therapy services in conjunction with another activity)		\$56.00	4	\$60.00	7%
Sole business activity e.g. Beauty Therapy Clinics		\$156.00	4	\$160.00	3%
Annual registration - Camp ground		\$180.00	0	\$180.00	0%
Annual registration - Hairdressers		\$156.00	4	\$160.00	3%
Annual registration - Offensive trades		\$156.00	4	\$160.00	3%
Annual registration - Funeral directors		\$120.00	40	\$160.00	33%

		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Transfers/change of operator (offensive trade, camping ground, funeral director, hairdresser and beauty therapists, tattooists, skin piercers)		\$150.00	0	\$150.00	0%
Administration charge minimum 1 hour - e.g. on invoice and requests	Hourly rate	\$25.00	20	\$45.00	80%
Verification					
Verification food premises including booking of appointments, checking prior history, travel time, actual on-site time, completing reports and recording system entries. Also covers any follow up verification site visits to check remedial action	fixed fee up to 3.5 hrs	\$235.00	35	\$270.00	15%
	For every additional hour	\$67.00	23	\$90.00	34%
Verification - Out of routine hours					
Verification food premises including booking of appointments, checking prior history, travel time, actual on-site time, completing reports and recording system entries. Also covers any follow up verification site visits to check remedial action	Fixed Fee up to 3.5 hours	\$321.00	84	\$405.00	26%
	For every additional hour	\$124.00	16	\$140.00	13%
Compliance and Monitoring					
Complaint driven investigation resulting in issue of improvement notice by Environmental Health officer					
Application for review of issue of improvement notice					
Monitoring of food safety and suitability	Hourly rate for each compliance and monitoring activity (minimum ½ hour charge)	\$134.00	16	\$150.00	12%
Failure to comply with corrective action request within agreed timeframe					
Premises Transitioning to Food Act 2014	Transfer fees on a pro rata basis to the Food Act registration				
Food businesses transitioning from the Food Hygiene Regulations 1974 to the Food Act 2014					
Inspection fee		\$138.00	0	\$138.00	0%
Hourly rate above programmed work		\$88.00	2	\$90.00	2%
<p>Further notes</p> <p>Application for refund of an annual registration fee must be in writing, 50% of total fee retained for administration/inspection, 50% to total fee refunded on a monthly pro-rata basis.</p> <p>The initial verification fixed fee is based on an initial estimate of time. The actual officer time will be subject to the size, complexity, level of compliance and the readiness of the business.</p> <p>The registration frequency for national programmes (NPs) is every two years.</p> <p>Food registration periods may be extended as per section 51(1)(b) and charged pro-rata for the extended portion.</p>					

		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
The verification frequency for high performing operators on FCP may extend to every eighteen months, further reducing compliance costs for food operators. Verification for businesses on national programme may also be extended to twenty four months. Businesses on national programme one (businesses such as coffee carts) will only need to be verified once if there are no changes to the operation. Any verification activities outside of the Masterton district will be charged at actual cost incurred i.e. no rates contribution.					
Licences	(GST inclusive)				
Application for Gambling Venue consent	plus charges	\$306.00	44	\$350.00	14%
Hawker's licence and mobile shops (including inspection fee) per annum		\$108.00	22	\$130.00	20%
Itinerant trader (including inspection fee) per annum		\$283.00	7	\$290.00	2%
Duplicate licence		\$25.00	0	\$25.00	0%
Street stall - licence	per week	\$25.00	10	\$35.00	40%
Taxicab stand	per annum	\$117.00	13	\$130.00	11%
Pie cart stand - site licence	per week	\$40.00	10	\$50.00	25%
Boarding House	per annum	\$66.00	9	\$75.00	14%
Event application processing fee - 5 stalls where food is for sale and the public are attending both on private and public land, excluding charity events		\$89.00	61	\$150.00	69%

Resources					
Food Act 2014 Resources		Actual cost plus 15%	0	Actual cost plus 15%	0%
Noise Control					
Noise control charges (Return of seizure equipment) - (Per Callout to Property)		\$73.00	7	\$80.00	10%
Security/ Fire alarm disconnection		Actual cost plus 10%	0	Actual cost plus 10%	0%

Bylaws	(GST inclusive)				
Grazing permit (3 months)		\$29.00	0	\$29.00	0%
Removal of refuse		actual cost plus 10%		actual cost plus 15%	
Rural Rapid Property numbering - Initial		\$29.00	16	\$45.00	55%
- Replacement		\$17.00	0	\$17.00	0%

Return of seized skateboard					
First offence	7 day impoundment				
Second offence	7 day impoundment plus \$46.00 return fee				
Third and subsequent seizures	7 day impoundment plus \$86.00 return fee				

Abandoned vehicles					
Removal urban		\$204.00	46	\$250.00	23%
Additional charges for storage and costs for rural collection		Actual Cost		Actual Cost	

		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Parking					
Parking Meter Charges	(GST inclusive) per hour	\$1.00	0	\$1.00	0%

Parking Offence Infringements	(No GST)				
P101 Parked within an intersection		\$60.00	0	\$60.00	0%
P102 Parked on or within 6 metres of an intersection		\$60.00	0	\$60.00	0%
P104 Parked on or near a pedestrian crossing		\$60.00	0	\$60.00	0%
P107 Parked on broken yellow lines		\$60.00	0	\$60.00	0%
P108 Parked on area reserved for hire or reward		\$60.00	0	\$60.00	0%
P113 Double parking		\$60.00	0	\$60.00	0%
P117 Inconsiderate parking		\$60.00	0	\$60.00	0%
P105 Prohibited area		\$40.00	0	\$40.00	0%
P109 Parked within 6 metres of bus stop		\$40.00	0	\$40.00	0%
P110 Parked across a vehicle entrance		\$40.00	0	\$40.00	0%
P111 Parked near a fire hydrant		\$40.00	0	\$40.00	0%
P112 Parked between fire hydrant and road marking		\$40.00	0	\$40.00	0%
P114 Incorrect kerb parking – left side of the road		\$40.00	0	\$40.00	0%
P115 Parked on footpath		\$40.00	0	\$40.00	0%
P119 Parked on loading zones or EV charging		\$40.00	0	\$40.00	0%
P120 Incorrect angle parking		\$40.00	0	\$40.00	0%
P969 Parked on disabled car parks with permit not		\$150.00	0	\$150.00	0%
P821 Parked across a line marking a space		\$40.00	0	\$40.00	0%
Meter/ Time Limit Infringements					
Not more than 30 minutes		\$12.00	0	\$12.00	0%
More than 30 minutes but not more than 1 hour		\$15.00	0	\$15.00	0%
More than 1 hour but not more than 2 hours		\$21.00	0	\$21.00	0%
More than 2 hours but not more than 4 hours		\$30.00	0	\$30.00	0%
More than 4 hours but not more than 6 hours		\$42.00	0	\$42.00	0%
More than 6 hours		\$57.00	0	\$57.00	0%

Trade Waste Charges					
<p>These charges are split into three types:</p> <ul style="list-style-type: none"> • An application fee • An annual consent fee and • Fee based on flow and strength if discharges reach the trigger point as defined in schedule 1 of the council's trade waste bylaw. <p>All trade waste charges are additional to the sewerage rates paid.</p>					
Application Fees	(GST exclusive)				
Small discharges		\$188.00	0	\$188.00	0%
Medium discharges		\$355.00	0	\$355.00	0%
Large discharges		\$688.00	0	\$688.00	0%

		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Trade Waste Consent Fees					
Small (controlled)		\$235.00	4	\$239.00	2%
Small (conditional)		\$479.00	7	\$486.00	1%
Medium (controlled)		\$802.00	12	\$814.00	1%
Medium (conditional)		\$1,293.00	19	\$1,312.00	1%
Large (controlled)		\$1,724.00	26	\$1,750.00	2%
Large (conditional)		\$2,440.00	37	\$2,477.00	2%
Large (users over Schedule 1 triggers) charged per flow strength and solids as follows:					
Flow (per cubic m)		\$0.74	0	\$0.76	3%
Biological Oxygen Demand (BOD)(kg)		\$2.19	0	\$2.23	2%
Suspended Solids (SS)(kg)		\$2.00	0	\$2.00	0%
Additional inspections		\$102.00	2	\$103.50	1%
Septage waste (to sewer) per tonne		\$68.00	2	\$70.00	3%

Infrastructure Contributions					
<p>The figures below are payable by property owners who are taking up new connections to the various sewerage and water supply services in the Masterton district</p> <p>The contribution is the 'buy in' price for new joiners that connect to the services.</p> <p>All contributions are payable prior to connection.</p>					
New connection to Masterton urban services	Water plus GST	\$2,000.00	0	\$2,000.00	0%
	Sewer plus GST	\$3,000.00	0	\$3,000.00	0%
<p>This contribution is payable by subdividers/developers under the Wairarapa Combined District Plan, as part of issuing resource consents for new lots. The charge is effectively a joining fee to join the existing network services. For all other new connections the contributions are payable by the owner prior to connection</p> <p>Developers may be required to pay additional contributions depending on their development's assessed impact on the future network upgrade needs, as detailed below:</p> <p>The process for remission or waiver of these charges is detailed in section 23 of the combined district plan in accordance with the RMA</p>					
Lansdowne (water capacity)	plus GST per lot	\$1,108.00	0	\$1,108.00	0%
Stormwater Cashmere	plus GST per lot	\$220.00	0	\$220.00	0%
Sewer Cashmere	plus GST per lot	\$612.00	0	\$612.00	0%
Solway Crescent	plus GST per lot	\$591.00	0	\$591.00	0%
Taranaki Street	plus GST per lot	\$252.00	0	\$252.00	0%
South Belt (sewer)	plus GST per lot	\$900.00	0	\$900.00	0%
Upper Plain - water (trickle feed off urban supply)	plus gst	\$3,150.00	0	\$3,150.00	0%
Plus connection costs (restriction valve, backflow valve etc)					
Other Rural - (metered) connection to Masterton	plus gst	\$2,250.00	0	\$2,250.00	0%
Plus connection costs (restriction valve, backflow valve etc)					
Rural - connection to Masterton urban sewer	plus gst	\$3,225.00	0	\$3,225.00	0%

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		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Airport – additional cost recovery for Hood Aerodrome water and wastewater lines	Water additional plus gst	\$3,467.00	0	\$3,467.00	0%
	Wastewater additional plus gst	\$4,655.00	0	\$4,655.00	0%
Airport – new leases, additional cost recovery for water, wastewater and power	plus GST	\$20,000.00	0	\$20,000.00	0%
Tinui wastewater	plus gst	\$9,308.00	0	\$9,308.00	0%
Tinui water supply	plus gst	\$3,340.00	0	\$3,340.00	0%
Castlepoint wastewater	plus gst	\$4,800.00	0	\$4,800.00	0%
Tauweru water supply	plus gst	\$4,264.00	0	\$4,264.00	0%
Riversdale Beach: wastewater - original Scheme Area		\$24,585.00	0	\$24,585.00	0%

Animal Services (including Dog fees)	(GST inclusive)	Current Fee	Proposed Change	Proposed new Fee	% change
Urban entire		\$136.00	33	\$169.00	24%
Urban neutered		\$82.00	21	\$103.00	26%
Responsible Owner (discount 25%)	urban neutered	\$61.50	16	\$77.00	25%
Rural 1st dog, incl working		\$82.00	21	\$103.00	26%
Rural 2nd & sub incl working		\$22.00	6	\$28.00	27%
Permit holder		\$82.00	21	\$103.00	26%
Dangerous neutered		\$126.00	32	\$158.00	25%
Seeing eye dogs		\$0.00	0	\$0.00	0%
Application for RDO		\$20.00	0	\$20.00	0%
Sustenance fee (per day)		\$15.00	0	\$15.00	0%
Poundage Fee: First impounding		\$70.00	5	\$75.00	7%
Second impounding		\$125.00	5	\$130.00	4%
Third & subsequent impounding (within 12 months)		\$160.00	20	\$180.00	13%
Surrender a dog for euthanasia (acceptance must be on prior approval)	actual cost plus 15%				
Micro-chipping of Masterton registered dog		\$20.00	0	\$20.00	0%
Permit – keep more than two dogs in urban area		\$55.00	5	\$60.00	9%
Breeder permit holder urban registration per dog		\$82.00	0	\$82.00	0%
Replacement registration tag		\$5.00	0	\$5.00	0%
Collars, apparel and worming tablets	actual cost plus 15%				
Costs and expenses relating to impounding and Securing impounded dog	actual cost plus 15%				
Rehoming fee for impounded dog		No charge to adopt but pro rata registration applies			
Hire of bark collar	2 week higher, plus bond	\$10 + 20 bond		\$20+ \$20 bond	
Hire of cat trap	2 week higher, plus bond	\$10 + 20 bond		\$20+ \$20 bond	

Stock Impounding Fees	(GST inclusive)				
Poundage fee for every horse, mare, gelding, colt, filly, foal, mule, ass, ox, bull, cow, steer, heifer or calf		\$77.00	0	\$77.00	0%

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		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Sustenance fee for every horse, mare, gelding, colt, filly, foal, mule, ass, ox, bull, cow, steer, heifer or calf		\$13.00	0	\$13.00	0%
Poundage fee for every ram, ewe, wether, lamb or goat		\$51.00	4	\$55.00	8%
Sustenance fee for every ram, ewe, wether, lamb or goat		\$8.00	0	\$8.00	0%
Poundage fee for every boar, sow or pig		\$51.00	4	\$55.00	8%
Sustenance fee for every boar, sow or pig		\$13.00	0	\$13.00	0%
For the second and subsequent impounding in one year of the stock of any particular owner, the above poundage fees are increased by 50%.					

Fees for Giving Notice of Impounding					
For writing and delivering of any notice or sending any notice by post		\$26.00	0	\$26.00	0%
For inserting any notice in one or more newspapers		\$41.00	0	\$41.00	0%
Charge for leading, driving or conveying stock:					
Actual cost incurred, with a minimum charge of		\$77.00	3	\$80.00	4%

Library Charges	(GST inclusive)				
Service	Rental Charge				
Hot Picks	3 week loan	\$2.00	0	\$2.00	0%
Inter-loans		\$10.00	0	\$10.00	0%
Photocopying & Printing	A4 black	\$0.10	0	\$0.10	0%
	A4 colour	\$1.00	0	\$1.00	0%
	A3 black	\$0.20	0	\$0.20	0%
	A3 colour	\$2.00	0	\$2.00	0%
Fax - New Zealand	first page	\$2.00	0	\$2.00	0%
	each additional page	\$1.00	0	\$1.00	0%
Fax - International	first page	\$3.10	0	\$3.10	0%
	each additional page	\$1.00	0	\$1.00	0%
Scan and email		\$1.00	0	\$1.00	0%
Laminating	A4	\$1.50	0	\$1.50	0%
	A3	\$3.00	0	\$3.00	0%
Service	Late Returns				
Hot Picks	per day	\$1.00	0	\$1.00	0%
Books lost or not returned		Replacement cost		Replacement cost	

Cemetery Charges	(GST inclusive)				
Plot Fees					
Lawn Cemetery Plots					
Child no more than 12 mths old		\$192.00	3	\$195.00	2%
Child more than 12 mths but less than 10 yrs		\$362.00	5	\$367.00	1%
All others		\$1,126.00	17	\$1,143.00	2%
Cremations Plots - Berms		\$276.00	4	\$280.00	1%
Interment Fees					

		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Lawn Cemetery					
Child no more than 12 mths		\$189.00	3	\$192.00	2%
Child more than 12 mths but less than 10 yrs		\$588.00	9	\$597.00	2%
All others - Urban cemeteries		\$1,175.00	18	\$1,193.00	2%
- Rural cemeteries		\$1,431.00	21	\$1,452.00	1%
Cremations Plots- Berms		\$383.00	6	\$389.00	2%
Other Charges					
Out of District fee- Interment		\$920.00	14	\$934.00	2%
Out of District fee- Cremation		\$383.00	6	\$389.00	2%
Breaking/Removing stone work, concrete		Actual costs			
Interments on Saturday, Sunday & Statutory holidays (this fee is additional to regulation charges)		\$491.00 or actual cost whichever is greater	3	\$498.00 or actual cost whichever is greater	1%
Interments requiring attendance outside core working hours of normal working week (i.e. 0730 - 1630 hours). These charges are additional to regulation fees		Actual costs plus admin fee			
Disinterment		Actual costs			
Availability of sand for hand filling adult plots		\$388.00	6	\$374.00	2%
Availability of soil for hand filling adult plots		\$460.00	7	\$467.00	2%
Purchase of third plot (special conditions apply)		\$1,840.00	28	\$1,868.00	2%
Removal of headstones and foundation structures		Actual costs			
Construction of concrete floor, covers or renovation		Actual costs			
RSA - No charge for Plot or Out of District Fee		Interment Fee Only			

Concession Fees	(GST inclusive)				
Airport Events					
Airport event requiring closure of airfield	per event	\$7,500.00	0	\$7,500.00	0%
	(e.g. Wings Over Wairarapa)				
Airport event restricting airfield use	per event	\$750.00	0	\$750.00	0%
	(e.g. TVA airshow)				
Airport events allowing normal use of airfield	per event	\$250.00	0	\$250.00	0%
Bonds					
Commercial & non-commercial	Dependent on level of impact and displacement to other users as assessed by Council of its agents	\$200 to \$2,000		\$200 to \$2,000	

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		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Concession for use of area/ space reservation in Reserve* (Mobile traders/ Hawkers/ Vendors/ Amusements)	application fee	\$50.00	0	\$50.00	0%
	plus per day or part thereof for up to 10sqm area	\$20.00	0	\$20.00	0%
* Extended area by negotiation Extended time (Lease/ Licence) by negotiation Open Tender for competing concessionaires					
Commercial Filming/ Photography in Reserve	day or part thereof	\$250.00	0	\$250.00	0%

ATTACHMENT 2: ADDITIONAL CHANGES TO BUILDING AND PLANNING FEES AND CHARGES

		2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
PLAN CHANGE & RESOURCE CONSENTS					
Planner	Per hour	\$148.00	32	\$180.00	22%
Senior Planner/Engineer/Parks and Reserves technical expertise				\$220.00	
Manager Planning				\$260.00	
Administration				\$100.00	
Plan Change deposit		\$5,100.00	400	\$5,500.00	8%
Deemed Permitted Boundary/Marginal Activities					
Permitted Boundary Activity (PBA)		\$306.00	9	\$315.00	3%
Additional Charges					
Public Notification		\$714.00	16	\$730.00	2%
Limited Notification		\$357.00	8	\$365.00	2%
Pre Hearing		\$500.00	10	\$510.00	2%
Hearing		\$1,020.00	30	\$1,050.00	3%
External Consultancy		Actual cost		Actual cost	
Independent Hearing Commissioner				Actual cost	
Post Decision – Requested changes		\$350.00	50	\$400.00	14%
Post Decision – Minor changes		\$150.00	30	\$180.00	20%

Note: Pursuant to Section 36, 36 (1) and 36 (3) of the Resource Management Act 1991, Council may require the person who is liable to pay one or more of the below charges, to also pay an additional charge to recover actual and reasonable costs in respect of the matter concerned.

Note: These set fees relate to the minimum administration charge only. The actual fee payable includes the cost of time taken to process each application, memorandum, consent, certificate or schedule and the cost of the inspections required.

ATTACHMENT 3: ADDITIONAL CHANGES TO CEMETERY FEES AND CHARGES

Cemetery Charges	(GST inclusive)	2020/21 Fee	Proposed Change (\$)	2021/22 Fee	% change
Plot Fees					
Lawn Cemetery Plots					
Child no more than 12 mths old		\$192.00	3	\$195.00	2%
Child more than 12 mths but less than 10 yrs		\$362.00	5	\$367.00	1%
All others		\$1,126.00	17	\$1,143.00	2%
Cremations Plots - Berms		\$276.00	4	\$280.00	1%
Interment Fees					
Lawn Cemetery					
Child no more than 12 mths		\$189.00	3	\$192.00	2%
Child more than 12 mths but less than 10 yrs		\$588.00	9	\$597.00	2%
All others - Urban cemeteries		\$1,175.00	18	\$1,193.00	2%
- Rural cemeteries		\$1,431.00	21	\$1,452.00	1%
Cremations Plot (urban)		\$383.00	6	\$389.00	2%
Cremation Plots (rural)				\$478.00	2%
Additional Charges					
Out of District fee- Interment (this is an additional cost to the purchase of a lawn or cremation plot)		\$920.00	14	\$934.00	2%
Out of District fee- Cremation (this is an additional cost to the purchase of a lawn or cremation plot)		\$383.00	6	\$389.00	2%
Breaking/Removing stone work, concrete		Actual costs			
Interments on Saturday, Sunday & Statutory holidays (this fee is additional to regulation charges)		\$491.00 or actual cost whichever is greater	3	\$498.00 or actual cost whichever is greater	1%
Interments requiring attendance outside core working hours of normal working week (i.e. 0730 – 1600 hours). These charges are additional to regulation fees		Actual costs plus admin fee			
Disinterment		Actual costs			
Availability of sand for hand filling adult plots	-	\$268.00	6	\$274.00	2%
Availability of soil for hand filling adult plots		\$460.00	7	\$467.00	2%
Purchase of third plot (special conditions apply)	-	\$1,840.00	28	\$1,868.00	2%
Removal of headstones and foundation structures		Actual costs			
Construction of concrete floor, covers or renovation		Actual costs			
RSA – No charge for Plot or Out of District Fee		Interment Fee Only			

To:	Her Worship the Mayor and Councillors
From:	Senior Leadership Team
Endorsed by:	Kathryn Ross, Chief Executive
Date:	2 and 3 June 2021
Subject:	Long Term Plan 2021-31 Deliberations – Financial Impacts and Budgets
DECISION	
Recommendation:	
That Council:	
<ul style="list-style-type: none"> i. Adopts the budget changes explained within Report 106/21; ii. Approves the following additional budget provisions recommended by staff: <ul style="list-style-type: none"> a. \$128,400 salary provision for water treatment cadet and Māori engagement/development support iii. Notes that the net impact of the recommendations contained in this and other deliberations reports will mean the year 1 rates increase can be held at 5.5% average (after growth) and year 2 and beyond will be adjusted to achieve the smoothed rates increase effect at close to the levels that were included in the draft budgets. 	

PURPOSE

The purpose of this report is to:

- 1) present Council with a summary of submitters' feedback (as expressed in submissions and at the hearings) on financial and funding topics that were raised outside of the key Long Term Plan 2021-31 (LTP) Consultation Document proposals; and
- 2) provide Council with information about changes that are recommended to the draft budgets that formed the underlying financial information for the Consultation Document and supporting documents.

CONTEXT

The 2021-31 Long Term Plan (LTP) Consultation Document was supported by the Council's Infrastructure Strategy, Financial Strategy, asset management plans, forecasting assumptions and forecast financial statements (Council's draft budgets) and underpin the forecast rates increases, asset values and debt levels. Submitters were able to comment on any aspect of the plans and budgets for the full range of Council activities for the next ten years.

DISCUSSION and OPTIONS

This report is split into two parts:

1. The first part is an overview of submitter's feedback as provided (received via the LTP consultation process), specifically in relation to financial topics, with advice and proposed recommendations on these topics.
2. The second part details those changes proposed to the draft budgets as a result of submissions/feedback and as better information has emerged since the draft LTP was prepared in February 2021.

Themes from the Submission Analysis

a. Affordability, Rates and Financials

Affordability continues to be a concern for our community. Key reasons given for this included that incomes are not increasing at the same rate as other costs (e.g. housing); that Masterton has a number of people on low and fixed incomes; concern for families and concern regarding potential future costs that could be associated with water given uncertainty. There was also advocacy for Council to prioritise essentials and comments that the timing is not right for the large projects.

There were a small number of comments suggesting other revenue sources be sought e.g. through central government.

With regard to loan funding, there were mixed views with some advocating council should borrow more for infrastructure while rates are low given costs are likely to increase.

Other comments included Council amalgamation to spread costs; advocacy for value for money; comments that housing valuations have impacted; questioning why increases are more than inflation; querying whether Council divides charges into UAGC noting rating act allows 30%; and advocating urban ratepayers pay more towards the new civic facility and Masterton Revamp.

A number of comments were received relating to Council's Revenue and Finance Policy and advocating changes in this. A submission was also received advocating changes to Council's Development & Financial Contributions Policy.

There was also advocacy for Council to explore incentives for medium to large businesses such as rates rebates to encourage more industry and better paying jobs in the region.

Considerations:

Affordability of rates is a concern for Council. Council seeks to maximise any external income sources before increasing rates. Cost increases in the roading activity in particular have meant rates have needed to increase. The Council's costs are not increasing at the same rate as the CPI. Materials in the roading and pipe asset areas are rising at higher rates.

Also last year, due to expected impacts of COVID-19, rates increases were held to a minimum. In year 1 of this LTP we are in catchup mode and across the ten years we have looked to smooth the rates increases we need.

Some of the rates increases in the LTP are driven by the costs of new and improved facilities and amenities. The Council is looking to enhance the place we live, work, shop and play.

Debt has been chosen as the way we will pay for a number of our larger projects. It means those receiving the benefits (future ratepayers) will be contributing. The Council uses debt as a funding tool because it means future generations help to pay for the long-life assets which they receive benefits from – a concept known as intergenerational equity. Currently we can lock in forward interest rates at very low levels, however in future years we anticipate the interest rates to rise.

Debt reduction is a key aspect of the financial strategy. All debt is budgeted to be progressively repaid.

Council will try to seek the best value in all areas of expenditure. Our procurement policy seeks best value, which may not always be lowest cost.

Growth in the rating base has been factored into the financial model. The extra rates that new properties generate will benefit all existing properties. The LTP anticipates the effect of the growth to be 1.5% in year 1.

The uncertain environment in which the Council has prepared the LTP has been acknowledged. Council will consider options and impacts of the 3 waters reforms as more information becomes available.

The Wairarapa community voted against amalgamation in the 2017 poll. Amalgamation may be considered in future, noting the significant potential changes that are on the horizon e.g. 3 waters reforms, the recently announced local government review and resource management reforms.

The revaluation of properties for rating purposes will take effect from 1 July 2021. The impact of those new values will vary as there have been some large variations in the revaluations. Some property types and sectors have seen value increases well below average, while others are higher than the average movements. The Council's draft budgets indicated 5.5% increase in rates was the average impact, but the new valuations will translate into some properties paying less than that and some paying more.

The current Revenue & Financing Policy (R & F Policy) is to be reviewed in the 2021/22 year. Currently it has 20.6% of all rates collected by way of targeted uniform charges. That percentage in the rural area is higher. Services such as libraries and parks are allocated to the rural area based on population share and spread across properties as part of the rural Targeted Uniform Charge.

The R & F Policy review will include consideration of the new Civic Facility's user pays charging policy. It will also include an assessment of the broader community benefits and what funding tools are most appropriate to match those benefits. The review will also incorporate consideration of how Masterton revamp costs are allocated across the rating base. The current policy is for urban and rural to share in the debt funding costs for this upgrade using population split as the allocation basis.

The resourcing of the R&F Policy review is budgeted to be completed largely in-house, with a small provision for external resourcing to support it.

The Development and Financial Contributions Policy is based on the provisions in the Wairarapa Combined District Plan which is currently undergoing a review. The level of contributions that are payable by developments is one of the key aspects being addressed in that review. The Council is not intending to move to setting development contributions under the LG Act.

The R&F Policy review will take account of the comments in the submissions relating to how the Council distributes the rates and the Development & Financial Contributions Policy will be considered as part of the District Plan review.

Forecasting assumptions

Staff have not received any new information since the 24 February 2021 Council meeting, when the forecasting assumptions were adopted, that would suggest a need to change any of the forecasting assumptions that underpin the budgets for the Long Term Plan.

The continued trends for consent applications since February has given staff confidence to recommend an increase in the revenue (\$100,000 across the three revenue types) from consenting for 2021/22 with the forecast growth assumptions holding for the term of the plan.

Financial Analysis and Changes

The Supporting Information for the Consultation Document included proposed budgets for the ten years of the LTP, including operating revenue and expenditure, capital expenditure and proposed funding and balance sheet forecasts (assets and debt). These budgets are developed using a financial model that has been subject to scrutiny by our auditors. One of the key outputs of the budget is the revenue that is required from property rating. The Draft LTP indicated an average increase of rates revenue of 5.3% (after the impact of growth in the rating base) was required over the ten years.

The following information updates the Council on what changes are recommended to be made to the budgets.

- Some changes are required as a result of requests that have come through the LTP consultation process and are incorporated as recommendations in other deliberations reports (eg grants)
- Some changes have come about from better estimates and new information for the costs and revenue streams and timing of expenditure (eg DHBs no longer sharing election costs; timing of roading projects to match subdivision growth; consenting revenue for Year 1; additional resources and expenditure funded by external funding; increase in external funding).
- Capital expenditure forecasts to 30 June 2021 have been updated and the associated loan funding has been updated in the financial model and includes the re-forecasting of the capital expenditure programme for 2020/21 where works will now occur in Year 1.

Changes in Revenue

External revenue estimates have been adjusted based on revised forecasts and new information.

The Government has confirmed the doubling of the waste levy. It is expected to double the funds the Council receives back to fund waste minimisation initiatives (+\$90k). This was not anticipated in the draft LTP budgets and reduces the rating contribution required for the Solid Waste activity.

The estimated revenue from building and planning consent fees and LIM fees have been consistently running above prior year levels. The draft LTP budgets included a conservative estimate of this revenue. The sustained levels this year and market predictions give staff confidence to propose an increase in the 2021/22 estimated revenue of \$100k across the three revenue types.

The revenue the Council recovers from industrial users of water and sewer services in the Waingawa area has been re-estimated and increased by \$30k (10%).

MSD employment subsidy has been secured to fund the temporary staff for the digitising project (more details are below).

External funding has been secured to fund a new Community Development team role – the project is known as Welcoming Communities. There is no rates impact, but staff costs increase.

The election cost recovery budget has been reduced (Council's share increased) to reflect that DHBs will not be part of the 2022 local body elections.

Roading Capital Expenditure Programme – growth driven

The timing of roading developments in Millard Avenue, Andrew Street, Gordon Street, Kitchener Street and Chamberlain Road have been anticipated in the LTP, but some of these are moving faster than was anticipated in January 2021. Building on these subdivisions is very quickly following the construction needed for the subdivision.

The Council's share of the costs for these roading upgrades (that are the result of development) need to be moved forward into years 1 and 2 (previously budgeted between years 1 and 4). The Roothing contributions that are generated from subdivision and development will pay for the work, but the roading contributions reserve may be in deficit for a number of years as the drawdown is expected to be more than the sums currently anticipated to be available.

Water

Budget provision is recommended for the inclusion of a second water treatment cadet role to provide some resilience for our water treatment team. This will allow the team to cope with leave provisions and any incidents that require higher resourcing. Cadets are being re-introduced as a means of building up skilled resources that will enable more flexible arrangements for retirement transitions and ultimately as replacement resource for our ageing workforce.

Economic Development (including tourism)

Council included a budget of \$585,272 for economic development and tourism in the supporting documents for the Long Term Plan 2021-31.

Staff do not recommend a change to the overall amount allocated to this activity throughout the plan, but highlight that the way in which the activity is delivered is likely to change in the first year of the plan.

Reducing or increasing the amount is not justified at this stage as the review of the delivery of economic development and tourism/marketing in the Wairarapa is not yet complete. In addition, a review and refresh of the Wairarapa Economic Development Strategy and Action Plan will commence in July 2021.

See more detail in Attachment 1 regarding the progress made with establishing how economic development should be delivered in the Wairarapa.

Community Development

Staff recommend the allocation of 3 year grant funding to a number of community organisations (see Funding Requests Report) and recommend to increase some of the grants. If adopted, the impact on rates is an additional \$28,557pa.

The outcome of the S17a review of Community Development amalgamated the Council's staffing with the resources previously provided by Connecting Communities Wairarapa. Budget provision is recommended for an additional 0.5 FTE position to support Māori engagement and development.

Supporting information on the scope of Community Development and delivery is attached in Attachment 2.

Animal Control & other cost increases

Council has decided to set dog control fees using a funding allocation of 20% of costs funded by rates. An additional \$30,000 is needed from rates revenue to fund the activity.

The Other Issues report includes recommendations to provide funding of \$30,000 x 2 to progress the Riversdale Beach management plan and the Queen Elizabeth Park management plan.

Information Management

The draft LTP budget included a provision of \$120,000 to undertake a digitisation and archiving project to ensure the security of Council's documents. The project has since been scoped, approved and initiated. The project included relocating documents from the earthquake prone civic building to a rental facility set up with scanning equipment. Staff have been engaged under a subsidised employment scheme with the expectation that the digitising project will be completed within 12 months.

The cost of the project in 2021/22, including supervision and premises rental and net of wage subsidies, is estimated at \$300,000 in year 1. It is proposed to fund the extra \$180,000 from Reserves, with that sum being repaid over the following 5 years from rates. The effect of this funding solution is the project can be completed without needing to increase rates any more than the draft budget allowed for.

The digitising and archiving project is addressing a legacy issue that has been in existence for over a decade and also rectifies health and safety concerns with having staff continually accessing the old civic building. Loan funding this project is appropriate to spread the impact of the costs involved. The in-house project will deliver a much more cost-effective solution than using an external provider and there are social benefits in providing local employment and training.

Staffing Budgets

A number of Council roles are in high demand across the country. Building staff, engineers and planners, in particular, are roles that we are competing to secure and retain against other councils and the private sector. Our building accreditation, our ability to deliver on legislative planning timeframes, our ability to continually provide safe drinking water and manage our roading network are all at risk if we cannot maintain an adequately qualified workforce across these positions.

Council management is committed to ensuring all staff remuneration reaches market rates and has recently undertaken an exercise of job sizing and market rate comparisons. The resulting adjustments can be accommodated within the 2021/22 salary budgets by utilising the full 2020/21 salary provision.

Roberts Road walkway

Council recently decided not to sell land at Roberts Road. As a result, Council now need to consider including provision in the LTP to clear that land and form an accessway (estimated at \$70K-\$110K) that will ensure legal public access from Alamein Court to Roberts Road. The land that Council owns has no 'right of way' (ROW) access over neighbouring private land titles. This means members of the public are legally trespassing on private property if they move off the 1.6 metre strip of land that is owned by Council.

Council can consider adding a \$110,000 in Year 2, to form an accessway from Alamein Court to Roberts Road (funding can come from the General Capital reserve) or can choose to accept the legal risk and any future consequences associated with the status quo. Staff have assumed based on the Council's previous decision that the status quo remains and that public walkways will be considered as part of the Parks and Open Spaces Strategy and any implementation plan for it.

CONCLUSION

A broad range of comments were received from the community in response to consultation on the 2021-31 Long Term Plan. Staff comments and recommendations on key themes/issues raised have been included in this report.

Key budget changes have been described in the above. Further detail will be made available prior to the deliberations meeting. Full financial reports have not been prepared as further budget changes may come out of the deliberations meetings. Staff are working on trying to produce a budget which requires no more rates than was indicated in the Consultation Document and supporting information.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

Provisions for projects within a long term plan or annual plan do not constitute a commitment. The Local Government Act provides that a resolution to adopt a long term plan or an annual plan does not constitute a decision to act on any specific matter included within the plan so Council can deviate from the plan during the year for good reason if something unforeseen does arise.

Significance, Engagement and Consultation

Consultation using the Special Consultative Procedure was undertaken to inform the 2021-31 Long Term Plan. This report summarises and discusses the views of submitters related to Council's Leadership, Assets and Operations functions that were received in response to the 2021-31 Long Term Plan consultation process.

Financial Considerations

The 2021-31 Long Term Plan (LTP) includes financial budgets for all Council activities and the subsequent rates increase. This information was available as part of the Supporting information for the 2021-31 LTP Consultation Document. Financial implication for any decisions made in response to the LTP consultation process will be factored into the final LTP.

Treaty Considerations/Implications for Māori

Water and the environment have particular significance for Māori. Māori will have a view on projects such as the Wairarapa Combined District Plan review, water resilience initiatives and the community water storage project. There will be opportunities to explore Māori views as projects progress.

Of the 2021-31 Long Term Plan submitters who indicated their ethnicity 5.8% identified as Māori.

Communications/Engagement Plan

Council decisions on the proposals included in the Long Term Plan consultation document, and reasons for those decisions, will be communicated to submitters and our community.

Environmental/Climate Change Impact and Considerations

No environmental or climate change implications other than what has been discussed in the report have been identified in relation to the report decision. Some of the projects that it is recommended Council further explore could have environmental implications. These would be considered as the project is explored.

ECONOMIC DEVELOPMENT (INCLUDING TOURISM)

Review of the delivery of economic development and tourism / marketing

The review commenced in January 2020 but had interruptions due to COVID-19 (see attachment 1a). In March 2021 a combined council workshop considered what had been produced up until that point:

- there was agreement that economic and tourism activities need to be combined
- the status quo had been rejected
- a Council Controlled Organisation was not on the table
- the new entity could not be an expanded Destination Wairarapa economic development and tourism were not moving in-house to one or more of the Wairarapa councils, and
- the model would not be embedded within Wellington NZ.

The following economic development priorities were also identified:

- Economic strategy coordination and programme management, including priority projects and a refresh of the WEDSAP - HIGH
- Destination marketing and management - MEDIUM
- Skills and talent support - MEDIUM
- Industry development and business development support - MEDIUM

There was support at the workshop for further conversations on the contract for service model with WellingtonNZ. A combined Wairarapa tourism and economic development office would utilise funding from the regional rate for economic development; the combined budgets for economic development and tourism of the three Wairarapa councils; and the skills and experience sitting within Destination Wairarapa.

The discussion acknowledged the skilled people in Destination Wairarapa and their close relationship with WellingtonNZ, which was particularly evident in their joint response to support businesses and communities affected by COVID-19. The need for employees of Destination Wairarapa to have certainty about their future employment was also acknowledged.

The proposed next steps were to advance the case for change to the contracting model, including governance arrangements, levels of service, funding levels, staffing, setting up a Wairarapa combined office, and considering whether a separate Regional Tourism Organisation (RTO) for the Wairarapa could still be maintained (including branding). Discussions at the Chief Executive/General Manager level with Destination Wairarapa have indicated a desire for certainty and an appetite for working with WellingtonNZ to achieve greater synergy and efficiencies. There is also a desire to utilise the skills and expertise within the current staff at Destination Wairarapa on broader economic and tourism activities for the benefit of the Wairarapa region.

For various reasons there has been a delay to commissioning the preparation of a report into the risks and benefits of the contract for service with WellingtonNZ model. Funding has been secured from regional funds to do the work urgently and before the end of the financial year, noting that is after Council's deliberations.

In the interim, there are ongoing issues with Destination Wairarapa's ability to fund corporate overheads from within their existing budgets, such as administration and financial services. Destination Wairarapa staff have now moved into the i-site premises to reduce rental expense. In response to COVID-19 Destination Wairarapa put a freeze on all membership fees during 2020. This freeze will lift after 30 June 2021. Membership income dropped from \$69,000 in (pre-COVID) 2019, to \$55,000 during 2020/21.

Destination Wairarapa have continued to deliver because Councils retained their funding at anticipated levels (\$470,080), Trust House continued to provide grant funding, and \$400,000 was received from the Government's Strategic Tourism Assets Protection Programme (STAPP). The STAPP funding also enabled Destination Wairarapa to progress the development of the Wairarapa destination management plan. It also enabled industry capacity building, product development and domestic marketing. At the end of the March quarter Destination Wairarapa reported to Council that this STAPP funding was significantly underspent (by \$281,895) "due to a lack of people resource". This is an issue that could be resolved if a different delivery model was pursued, however without the completion of the above report, it is too early to conclude that with certainty. Further STAPP funding will be available in future.

Wairarapa Economic Development Priorities

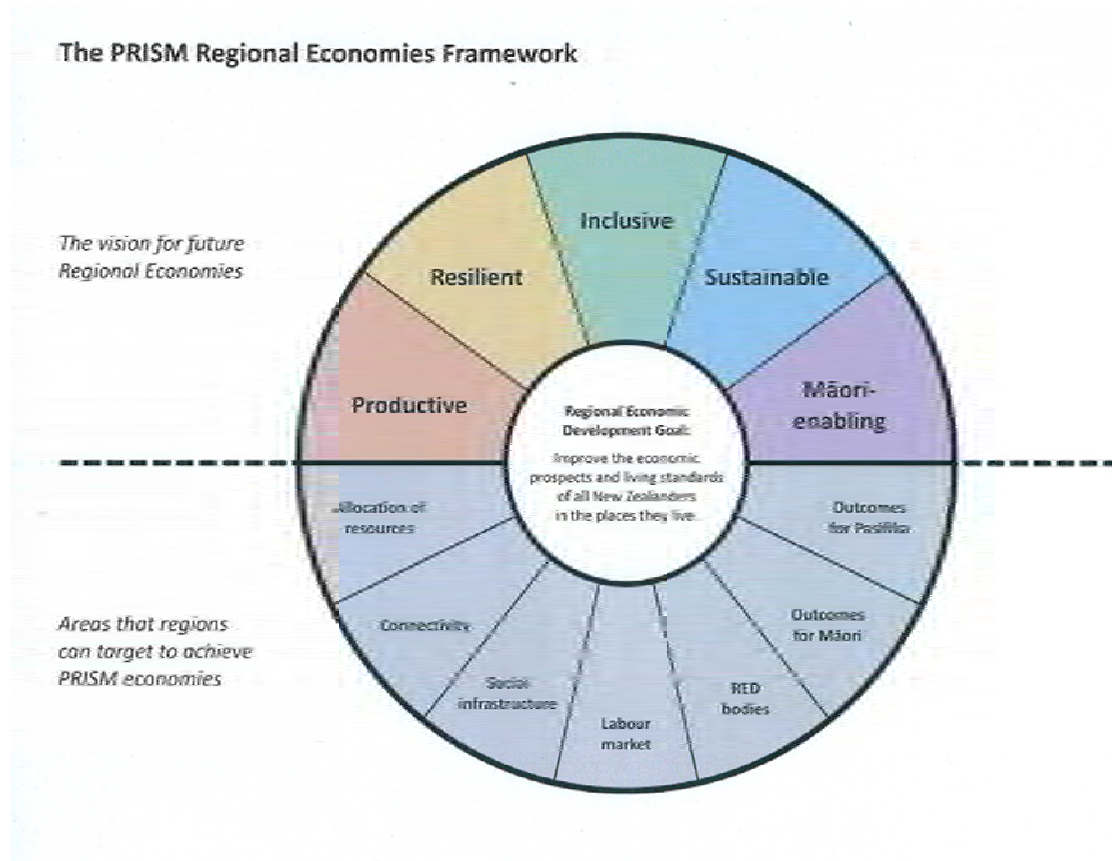
All councils in the Greater Wellington region have agreed to be part of the new Regional Leadership Joint Committee. One of its responsibilities is to prepare a Regional Economic Development Plan.

WellingtonNZ have been asked to play a lead role in updating the regional economic development plan and to actively work to bring together all Councils and stakeholders in this process. The first phase of this process (almost complete) is to review the current landscape and documents and to provide a framework for the completion of the plan itself. The second phase will focus on developing the regional plan itself.

The Wairarapa Economic Development governance group have been discussing the review of the Wairarapa Economic Development Strategy and Action Plan (WEDSAP) for some time. The combined council workshops identified the WEDSAP review as a priority (HIGH).

There is a strategic opportunity to align the development of the Regional Plan with the review of the WEDSAP. Regional funding has again been offered to assist the Wairarapa region to complete this task.

This would position Wairarapa well to potentially take advantage of the replacement for the Provincial Growth Fund, the \$200 million Regional Strategic Partnership Fund that has been set up in Budget 2021 to provide seed funding for regional economic development plans. We have been advised that the following framework should be used in reviewing the current WEDSAP to ensure alignment with the Regional Strategic Partnership Fund.



There is also funding of \$200 million available to drive a recovery and reset of the tourism sector. However, particular focus will be on the regions most affected by COVID-19, as well as Māori Tourism operators (which will be deployed by New Zealand Maori Tourism).

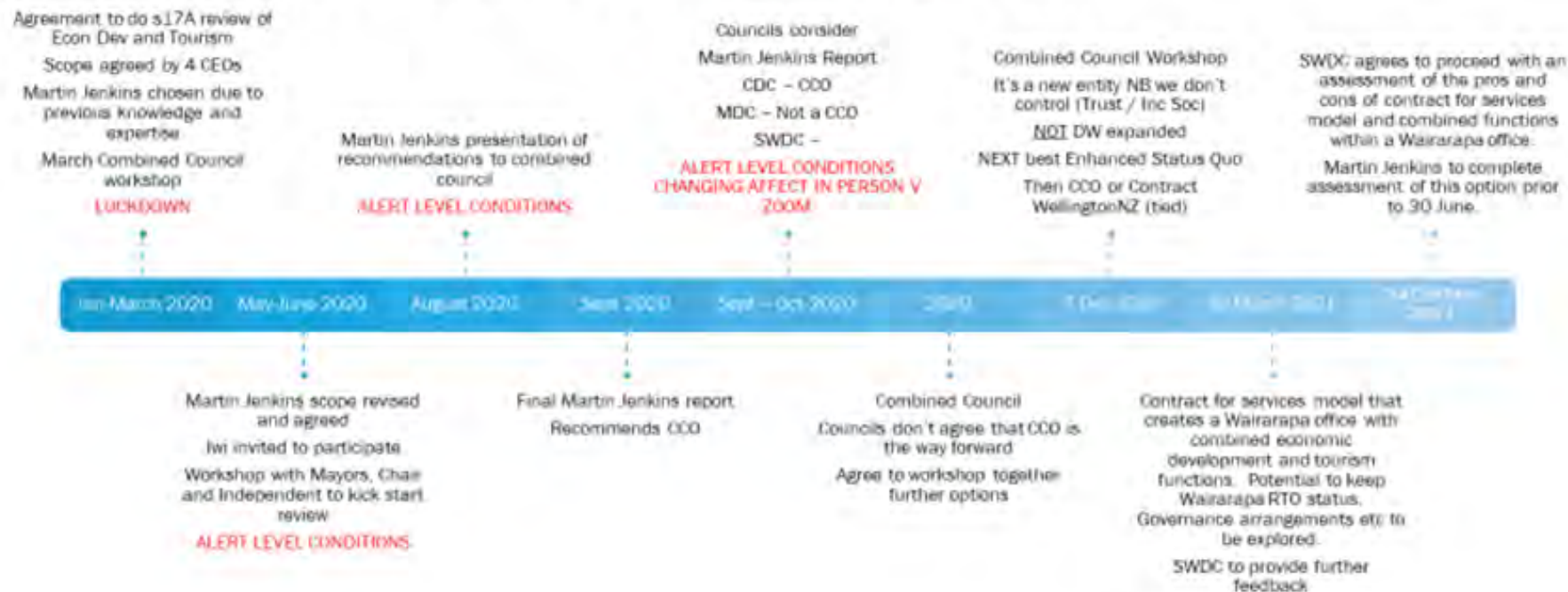
The review of the WEDSAP will cover, amongst other things:

1. Establishment / confirmation of priorities for action (immediate, short term and medium term) for a refreshed WEDSAP 2021-24 and for inclusion in the Wellington Regional Economic Plan
2. An assessment of progress against the current priorities, what is in flight, what is missing, and what needs to change.
3. Changes in the operating context, including central government policy, current reform, funding opportunities, economic performance of Wairarapa, business and private investment opportunities, and central government funding.

The methodology is being developed.

As the priorities are not yet identified, nor the potential investors and partners, it is not possible to quantify the investment Council should make. However, maintaining the current budget provision would enable prudent investment to occur.

ECONOMIC DEVELOPMENT - THE JOURNEY TO DATE



COMMUNITY DEVELOPMENT

WORKSHOP October 2020

Current Levels of Service



QUALITY

CURRENT:

- Distribute grants funding
- Advisory for grants
- Event management
- Support neighbourhood planning groups
- Placemaking
- Capacity building
- Supporting community-led initiatives
- Facilitating partnerships
- Deliver school holiday programmes

SLIDE 6

RELIABILITY/
RESPONSIVENESS

CURRENT:

- Multiple grant rounds per year
- Funding applicants are notified of results within 8 weeks of the round closing.
- 3 school holiday programmes delivered
- A number of events held
- Limited resources to meet community demand



ACCESSIBILITY

CURRENT:

- Grants open to all district based organisations and delivered to Masterton recipients
- Flagship events led by council are open to all district
- Some events are delivered in different parts of the district to make them more accessible (geographically, culturally)



RISK MANAGEMENT

CURRENT:

- Reputational risk to council
- Contracting services – not sustainable
- H&S at events and programmes we deliver
- COVID-19 support
- Resourcing vs expectations

Proposed Levels of Service



QUALITY

PROPOSED:

- Provide security for our partners and community groups
- Provide support for key special interest groups
- Manage placemaking
- Build capacity in our community to deliver community led projects
- Increase equity in our community

SLIDE 7



RELIABILITY/ RESPONSIVENESS

PROPOSED:

- Nimble with the ability to respond to current environment
- Provide security and sustainability for our partners and community groups in delivering services – applies to both event management, neighbourhood groups, and community support services



ACCESSIBILITY

PROPOSED:

- Our own event management considers accessible locations for all events



RISK MANAGEMENT

PROPOSED:

- No changes

Community Development at Masterton District Council

What we said we would do:

- Support the Community Wellbeings
- Build capacity in our community to deliver their projects
- Foster and develop placemaking
- Increase equity in our community
- Support community groups to independence and beyond
- Deliver high quality accessible council events and support the community to deliver their events

How:

- The role of Community Development at Masterton District Council is to
 - empower the community (holistic approach to people and place). We do this by:
 - **Facilitating connections with people and place and removing barriers**
 - Our Community Activators do this
 - Our Neighbourhood Support Coordinator does this
 - Our Welcoming Communities advisor does this
 - **Connecting people with place**
 - Our Community Placemaker leads this
 - **Key actions are:**
 - Community Plans (2 per year developed)
 - Positive aging implementation
 - Supporting community groups and communities to success
 - Placemaking support of Town Centre Revamp and neighbourhood development
 - **Support our rangatahi to develop and grow**
 - Through partnerships with key partners like Shift and through our Community Activator – Youth
- **Key actions are:**
 - Youth council / Youth groups
 - Rangatahi strategy refresh
 - Establish Youth Led Social Enterprise (Youth Hub)
 - Holiday programme

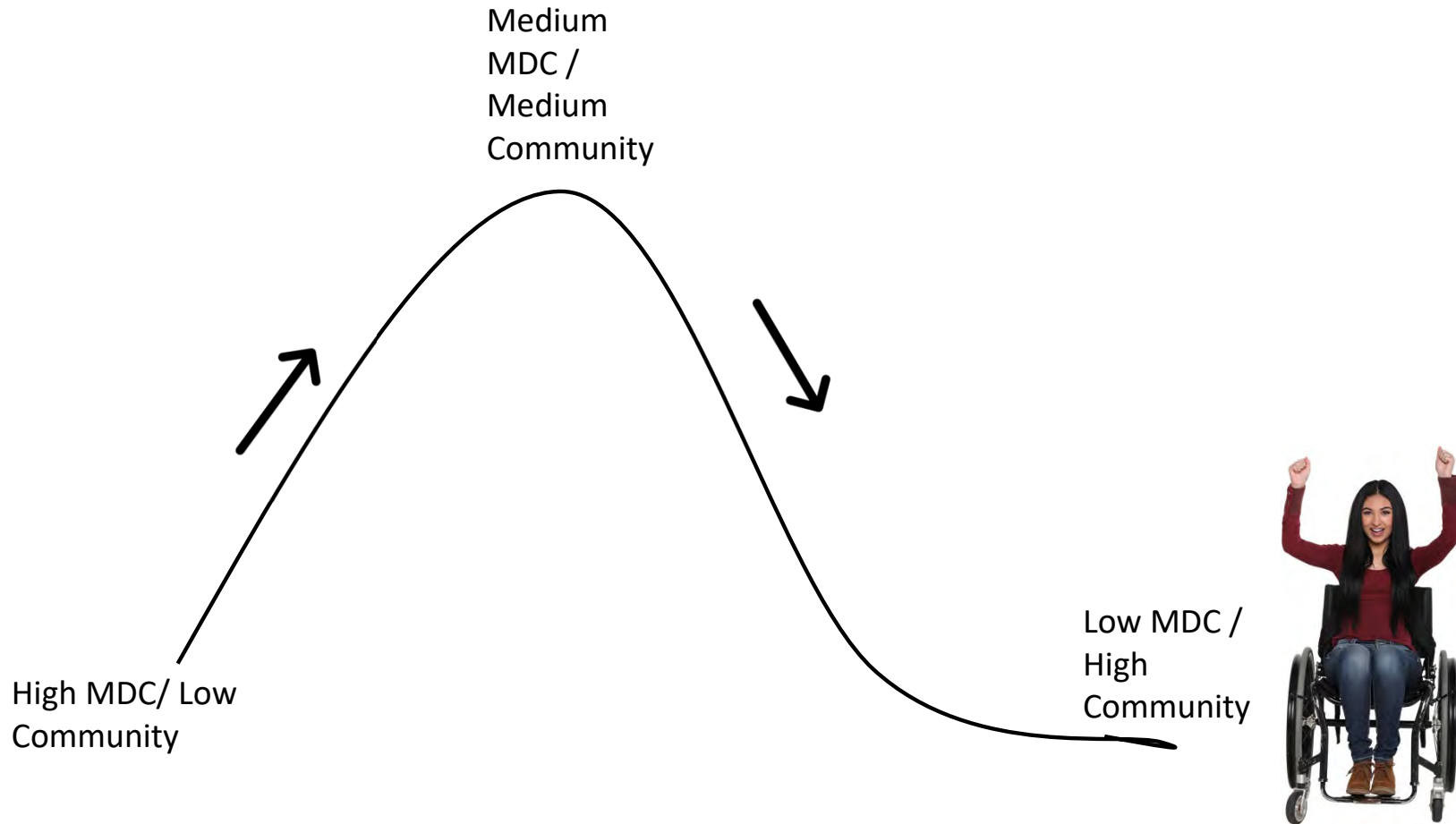
How:

- The role of Community Development at Masterton District Council is to
 - to deliver key council events and support the delivery of community events
 - Our Community Activators do this by supporting event organisers to navigate regulatory and wider council processes to successfully deliver their event.
 - **Key actions are:**
 - Process for engaging with and supporting external event organisers
 - Promotion and support for zero waste events
 - Planning key council events
 - to help the council engage with the community for successful outcomes for all
 - Examples:
 - support for roading to achieve a positive outcome in Eastside Community by empowering the community group to design the solution speeding in the neighbourhood.
 - Dogs in Togs event creating positive engagement for animal control with the community
 - Facilitated increased uptake of the free learn to swim programme by identifying champions in schools

How:

- Everything we do is to support and empower the community to achieve their goals and be self sufficient.
- We do this by a combination of internally resourced support which is aimed to empower the community and provide the skills they need to succeed without direct support and funding to enable external delivery of projects and programmes.
- Where it makes more sense for support and/or programmes to be delivered by external parties we enable this to happen.

The Lifecycle for Community Development Support



Internally funded and delivered

- Community activation (includes working with marae, hapu, community groups and the wider community to build capacity and support community planning)
- Neighbourhood support (working with existing networks and enabling new neighbourhood support groups. Liaison with police)
- Placemaking (working with local community to design develop and deliver public spaces which support wellbeing)
- Event delivery or support (includes Christmas, Matariki, WaiFest)
- Youth development (focus on youth to deliver development opportunities and enable civic participation. Includes youth focused projects and initiatives)

Externally funded and/or delivered

- Holiday program – outsourced, budget provision \$15,000
- Shift programme (co-designed and delivered physical activity, wellbeing and leadership programmes and services with young women aged 12-20) - externally funded (2 x FTEs)
- Welcoming Communities – externally funded (0.5 FTE)
- Facilitated connections between community groups

Where does the mahi go?

To deliver on the things we said we would do our internal resources are spread like this:

- 140 hrs per week for community activation (includes community development, events, neighbourhood support, placemaking, the support of the development of community plans, refugee resettlement) – funded in LTP
- 40 hrs per week for youth community activation/development - funded in LTP
- 80 hrs per week for Shift programming delivery – externally funded
- 20 hrs per week for Welcoming Communities – externally funded
- 60 hrs per week for liaison and support to Māori, marae, hapu and iwi – funded in LTP
- 30 hours per week for grants administration – funded in LTP
- 8 hours per week Positive Ageing coordinator
- 15 hours per week Support for Council initiatives and programs e.g. Town Centre Revamp
- Other staff resources across the Council are used to support community development staff to meet key deliverables e.g. Parks support for events, Finance advising and supporting community groups, holding funds etc.

To support the community to achieve their aims we provide funding

Community plan-based funding	Eastside, Solway, Upper Plain, Riversdale Beach, Castlepoint, Lansdowne	\$3,000 per community group annually
Events grants (incl Waifest)	Includes \$40k internal staff costing to support and deliver	\$186,516 annually
Community wellbeing	Contestable grants	\$90,000 annually
Community wellbeing - multi year funding to specific groups	Proposed in LTP 2021-31	\$280,717 annually
Māori – capacity funding	Currently 2 iwi	\$20,000 annually
Marae development fund	Central govt funding till Year 3	\$30,000 Yr 3
Youth support	Development initiatives and Rangitahi Refresh and Implementation Plan	\$65,000 Yr 1, \$30,000 Yrs 2-3
Creative Communities grants	Combination of external funding and internal	\$30,500 ex Creative NZ annually \$12,000 ex rates annually
Mayoral Fund	Discretionary	\$4,000 annually
Community Grant application support	Funding to engage external resource	\$20,000
Specific projects	Youth Café seed funding	\$10,000 Yrs 2-3

To:	Her Worship the Mayor and Councillors
From:	Senior Leadership Team
Endorsed by:	Kathryn Ross, Chief Executive
Date:	2 and 3 June 2021
Subject:	Adoption of the Significance and Engagement Policy
DECISION	
<p>Recommendation: That Council:</p> <ol style="list-style-type: none"> i. Notes that the Significance and Engagement Policy was reviewed in 2020/21; ii. Notes that consultation on the draft Significance and Engagement Policy was undertaken alongside the Long Term Plan 2021-31 consultation period (1 April – 3 May 2021); and iii. Adopts the Significance and Engagement Policy as contained in the Statement of Proposal (Attachment 1 to Report 107/21). 	

PURPOSE

The purpose of this report is to seek Council adoption of the Significance and Engagement Policy (Attachment 1).

CONTEXT

Under the Local Government Act 2002, Masterton District Council (the Council) is required to maintain a policy on significance and engagement. That is, how we determine the importance (significance) of an issue, proposal or decision, and how we go about engaging the community as part of decision-making. This policy is reviewed every three years as part of the Long-Term Plan process.

When adopting or amending the Significance and Engagement Policy, Council is required to consult in accordance with section 82 of the LGA unless it considers on reasonable grounds that it has sufficient information about community interests and preferences to enable the purpose of the Significance and Engagement Policy to be achieved.

REVIEW OF SIGNIFICANCE AND ENGAGEMENT POLICY

A review of the current Significance and Engagement Policy commenced in November 2020. Revisions to the draft Significance and Engagement Policy were informed by feedback received from Council (via workshops held in November 2020 and February 2021), Iwi, Hapū, Marae and Hapori Māori representatives (hui in December 2020), the Senior Leadership team (meeting in January 2021), and an internal working group (throughout the duration of the review).

The current review has focused on ensuring that Council's Significance and Engagement Policy appropriately reflects how the Council communicates and engages with the community in a way that reflects the importance of issues, proposals or decisions being considered.

The review focused on the following areas:

- Engagement to best meet the needs of both the community and the Council;
- Review of the strategic assets list;
- Update to reflect legislative changes;
- Improved alignment with other relevant Council documents; and
- Reformatting to improve clarity and readability.

Engagement to best meet the needs of both the community and the Council

There are different ways that we currently engage our community. Once we know how significant an issue is, and the extent that our community should be engaged, we will consider the methods to be utilised. As a general rule, an issue with low significance will have a less intensive method of community engagement. In every case, we will work to ensure the community is sufficiently informed to understand the issue(s) or proposal, options and impacts and has time to respond, so they are able to actively participate in any engagement opportunities.

Review of the strategic assets list

There are assets held by the Council that have been identified as strategic assets if they are necessary to maintain the capacity of Council to achieve or promote any outcome determined to be important to the current or future well-being of the community.

Achieving these outcomes may require the Council to hold assets that are needed to maintain roads, water, wastewater and stormwater collection. It may also include reserves and other recreational facilities and community amenities, and assets needed for libraries or museums. For example, a book in the library is not a strategic asset, but historic documents in the Archives can be considered as such.

A number of assets in the current Significance and Engagement Policy are being proposed for removal from the strategic assets list, with the main driver now to reflect that the assets on the list are more about the asset itself rather than the service it provides. Any significant change to these services will still trigger a high level of significance and community engagement before a decision can be taken by the Council.

The following changes are proposed for the strategic assets list in the revised Significance and Engagement Policy:

- Transfer Station to be removed. We own the site but not the activity, the site itself is not strategic;
- Library to be removed. The building is not strategic, and the library asset of books is effectively rolling stock;
- Archives Assets to become a stand-alone item, reflecting that the assets are historically important and thus strategic;
- Cemeteries to become a stand-alone item, aligning with models from other councils;
- Council Reserves Network to replace Council Parks, Sports fields and Cemeteries (noting that Cemeteries will be stand-alone). This will align with models from other councils, and reflects assets covered by the Reserves Act 1977;
- District Building and Town Hall to be removed. These assets have not been utilised to deliver any Council services for the past four years. The assets are therefore not considered necessary

to meet the essential needs of the community or to achieve or promote any of the Council outcomes. Community engagement, via a resource consent process, is necessary should a future decision be considered that included demolishing the District Building is listed within the Wairarapa Combined District Plan as a heritage item for the protection of the exterior of the building.

Update to reflect legislative changes

Many of the Council's decisions are prompted or guided by particular legislation, and some of the legislation will dictate the process for consultation and decision-making.

There are a number of decisions that can only be made if they are explicitly provided for in the Council's Long-Term Plan as set out by the Local Government Act 2002. This includes a decision to significantly alter the intended level of service for any significant activity undertaken by or on behalf of the Council, including a decision to commence or cease any such activity.

A significant activity is now proposed as being an activity (or group of activities) where the annual operating expenditure for the current financial year is equal to or greater than \$5 million.

Improved alignment with other Council documents

The policy has been updated to improve alignment with key relevant Council documents, such as the Communications and Engagement Strategy and the upcoming Iwi, Hapū, Marae, Hapori Māori Engagement Framework.

Reformatting to improve clarity and readability

The policy has been updated to improve clarity and readability; streamlined to make it more user friendly; and is formatted to align with current best practice models used across local government in New Zealand. This includes amended definitions that are in plain English, and updated examples of when and how this policy has been applied previously.

CONSULTATION

The Council adopted the draft Significance and Engagement Policy Statement of Proposal and the draft Significance and Engagement Policy for consultation on 31 March 2021.

Consultation was undertaken alongside the Long Term Plan 2021-31 consultation period (1 April – 3 May 2021).

A total of 13 submissions were received. Of these 13 submissions, 8 submitters provided comments, with the majority relating to the Long Term Plan rather than the Significance and Engagement Policy. Of the 13 submissions, 54 percent of submitters indicated support for the Significance and Engagement Policy, with 30 percent neutral and 15 percent noted 'don't know'.

RECOMMENDED OPTION

Staff recommend adoption of the Significance and Engagement Policy that was consulted on in April – May 2021 with no further changes.

Feedback from input received to date, as well as considerations from the review of other similar policies, has resulted in a draft revised Significance and Engagement Policy that should be clearer and easier to understand for both the community and council staff.

SUPPORTING INFORMATION

Strategic, Policy and Legislative Implications

Masterton District Council is required, under section 76AA of the Local Government Act 2002 (LGA), to maintain a policy on significance and engagement.

The Significance and Engagement Policy aligns with Council's Wellbeing Strategy *He Hiringa Tangata, He Hiringa Whenua* and community outcomes, especially the community outcome and Wellbeing Strategy vision statement of the Masterton district being an engaged and empowered community.

Significance, Engagement and Consultation

A decision on the Significance and Engagement Policy, was considered a significant decision. The Council consulted in accordance with Section 82 of the Local Government Act alongside consultation on the Long-Term Plan 2021-31 (1 April – 3 May 2021).

Financial Considerations

The review of the Significance and Engagement Policy and its implementation will not have any impact on operational budgets.

Implications for Māori

The Significance and Engagement Policy will be guided by an Iwi, Hapū, Marae, Hapori Māori Engagement Framework being co-designed by Council and Mana Whenua.

Environmental/Climate Change Impact and Considerations

The adoption of the Significance and Engagement policy will have no negative environmental/ climate change impacts.

Next Steps

Following Council adoption, the Significance and Engagement Policy will be made available on Council's website and will be promulgated to staff. Information sessions on the revised policy will also be made available to staff.

SIGNIFICANCE AND ENGAGEMENT POLICY 2021



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Adopted by:	Council
Review Date:	June 2024

POLICY STATEMENT

The Masterton District Council (the Council) is committed to the local community being involved in making decisions about things that affect their lives. To do this, we aim to genuinely engage the community in a way that reflects the importance of issues, proposals or decisions being considered.

PURPOSE

Under the Local Government Act 2002 (LGA), Council is required to develop a policy on significance and engagement. That is, how we determine the importance (significance) of an issue, proposal or decision, and how we go about engaging the community as part of decision-making.

SCOPE

This policy applies to all Council decisions and activities.

PRINCIPLES

This policy is guided by the following principles:

- Engagement with Māori is based on the commitment to establish relationships that go beyond legislative commitments.
- The Council will use a consistent approach to establish the significance of a matter requiring a decision.
- How we engage, and the extent that we engage on matters, will be tailored to reflect the level of significance.
- Our community will be able to easily understand the different ways we, as Council, will seek to engage them on matters.
- Engagement is proactive, inclusive, accessible, a two-way dialogue, and people are aware of and understand the final decisions taken.
- Our decision-makers are well informed, aware of and take into account the community's views.
- Decision-making and engagement processes are clear and transparent.

ENGAGING WITH MĀORI

Engagement with Māori will be guided by an Iwi, Hapū, Marae, Hapori Māori Engagement Framework, being co-designed by Council and Mana Whenua. The framework will take into account any co-governance or co-management arrangements established by legislation (including Treaty of Waitangi claim settlement legislation) and/or the relationship of Māori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.

HOW WE DETERMINE SIGNIFICANCE AND LEVEL OF ENGAGEMENT

We will follow a three-step process to determine the significance of a matter under consideration, and how we will engage on that matter, including the extent of the engagement:

1.	Determine significance	We will use agreed criteria to decide if a matter is of higher or lower significance.
2.	Link level of significance to level of engagement	The level of significance will link to a corresponding level of engagement to be undertaken ¹ .
3.	Deciding how we will engage	Different methods may be used for different levels of engagement ² .

1. Determine Significance

We will assess the importance of (therefore, the significance of) an issue, proposal or decision by considering how much it could impact people, either people expected to be most affected, or those that have an interest in the matter. We will also consider whether there is any impact on our ability to perform our role, or the costs involved in us performing our role.

We will think about the following things when determining the significance of an issue, proposal or decision. The greater the impact, the more significant the issue, proposal or decision will be:

- Number of people affected and/or with an interest;
- Level of impact on those people affected;
- Level of community interest already apparent for the issue, proposal or decision; or the potential to generate community interest;
- Level of impact on Māori, Māori culture and traditions;
- Likely impact and consequences on the current and future social, economic, environmental, or cultural well-being of the district or region;
- Possible costs/risks to the Council, ratepayers and wider community of carrying out the decision;
- Possible benefits/opportunities to the Council, ratepayers and wider community of carrying out the decision;
- Level of impact on the capacity of the Council to carry out its role and functions;
- Whether the impact of a decision can be easily reversed;
- Whether the ownership or function of a strategic asset(s) is affected.

2. Link the level of significance to level of engagement

The significance of the issue, proposal or decision will influence how, and to what extent, we engage the Masterton community. That includes how much time, money and effort we will invest in exploring and evaluating options and seeking thoughts and feedback. An important part of this process is ensuring the costs of engagement are appropriate for the level of significance of an issue/matter.

We will think about the best ways to engage people in the conversation, relevant to the issue under consideration, while also considering the extent that community engagement is able to influence the

¹For example, a highly significant issue will prompt more engagement, while a matter of low significance may prompt limited, or targeted engagement.

²For example, for a limited or targeted engagement, advertising and website updates may be used. Meanwhile, a more extensive engagement may include mailbox drops, face to face community meetings, and/or Council stalls at community events.

decision - therefore the value of investing in engagement (e.g. if there is only one or very limited viable options such as a specific change required by new legislation).

We use the International Association of Public Participation engagement spectrum (Appendix One) to help guide the extent of engagement, and the best ways to engage. Typically, the more significant an issue, the higher the level of engagement, as outlined from left to right in the IAP2 spectrum. This is a baseline, and there will be times when we decide to engage with our community at a higher level, even if not indicated by this policy.

3. Deciding how we will engage

There are different ways that we can engage our community. Once we know how significant an issue is, and the extent that our community should be engaged, we will consider the ways that we might do this.

We will build on existing relationships and networks with people and communities and look to extend the range of parties involved in the community engagement as appropriate.

Differing levels and forms of engagement may be needed during the varying phases of consideration and decision-making on an issue or proposal, and for different community groups or stakeholders. Throughout the process, we will review whether the way we're seeking to engage the community is still effective, or whether other methods might work better.

As a general rule, an issue that is determined to be of lower significance will have a less intensive method of community engagement. This might be because it only relates to a small subsection of the community or is at the more operational end of the Council's activities. However, even for these less significant items the Council may still choose to engage widely, or over a longer time via several different engagement methods.

In every case, we will work to ensure the community is sufficiently informed to understand the issue(s) or proposal, options and impacts and has time to respond, so they are able to participate in engagement processes with confidence.

A more detailed explanation of the engagement matrix is provided in Appendix Two as well as some examples of how we have applied this policy previously in Appendix Four.

URGENCY AND CONFIDENTIALITY

Sometimes the nature and circumstances of a decision could mean that we can't seek community feedback before making a decision. It could be that we need to act quickly, or there are commercial sensitivities involved.

The health and safety of people or the immediate need to protect property are reasons for making urgent decisions, as well as to avoid missing out opportunities that may help us achieve our strategic objectives.

Confidential decision-making may be required when engagement is likely to considerably increase the cost of a commercial transaction to the Council.

In these situations, we will either not engage at all, or we may tailor engagement to suit the circumstances.

STRATEGIC ASSETS

An important objective of the Council is to achieve or promote outcomes that are important to the current or future well-being of our community. Achieving these outcomes may require the Council to hold assets that are needed to maintain roads, water, wastewater and stormwater collection. It may also include reserves and other recreational facilities and community amenities, and assets needed for libraries, archives – for example, a book in the library is not a strategic asset, but an historic document in the Archives may be.

Council-owned assets that allow or provide these services are considered to be of strategic value and the Council has determined they need to be retained to help meet its objective. These assets must be listed in this policy.

A decision to transfer the ownership or control of a strategic asset cannot be made unless it is explicitly provided for in the Council's Long-Term Plan (LTP) and the public is consulted through the Special Consultative Procedure (SCP).

The Council's strategic assets are set out in Appendix Three to this policy.

LEGISLATIVE CONSIDERATIONS

Many of the Council's decisions are prompted or guided by particular legislation and some of the legislation will dictate the process for consultation and decision-making.³ This includes how the public should be informed, how public submissions are considered, and how decisions are made.

Even if a decision is clearly a significant one, this policy does not apply to the requirements for decision-making prescribed in any other enactments, such as the Resource Management Act 1991 and the Biosecurity Act 1993 on the following matters:

- resource consents or other permissions
- submissions on plans
- decisions required when following the procedures set out in Schedule 1 of the RMA
- references to the Environment Court
- decisions about enforcement under various legislation including bylaws (unless these are specifically included in this policy).

There are a number of decisions that can only be made if they are explicitly provided for in the Council's LTP as set out by the LGA. These are:

- to significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council, including a decision to commence or cease any such activity;
- to transfer the ownership or control of a strategic asset to or from the Council.

In addition, the Council is required to use the Special Consultative Procedure set out in section 83 of the LGA (with the modifications set out in section 93A) in order to adopt or amend an LTP. If the Council is carrying out consultation in relation to an amendment to its LTP at the same time as, or combined with, consultation on an Annual Plan, the Special Consultative Procedure must be used for both matters. There may be other situations where the Council deems it appropriate to use a Special Consultative Procedure.

³ Examples of such legislation are the Resource Management Act 1991, the Biosecurity Act 1993, the Civil Defence Emergency Management Act 2002, or the Land Transport Act 1998.

DEFINITIONS

TERM	MEANING
Community	A group of people living in the same place or having a particular characteristic in common. Includes interested parties, affected people and key stakeholders.
Consultation	A subset of engagement; a formal process where people can present their views to the Council on a specific decision or matter that is proposed and made public.
Decisions	Refers to all the decisions made by or on behalf of Council, including those made by delegation.
Engagement	The process of seeking information from the community to inform and assist decision-making. There is a continuum of community involvement.
Significance	The degree of importance (of the issue, proposal, decision, or matter) as assessed by the Council. This includes consideration of its likely impact on or consequences for the current and future well-being (social, economic, environmental, or cultural) of the district or region, any people or groups who are likely to be particularly affected by or interested in the matter, the capacity of the Council to perform its role, and the financial and other costs of doing so (as described by section 5 of the Local Government Act).
Significant Activity	Is an activity (or group of activities) where the annual operating expenditure for the current financial year is equal to or greater than \$5 million.
Special Consultative Procedure (SCP)	<p>Describes the minimum requirements for a formal consultation process (as per section 83 of the Local Government Act) that must be met when consulting on particular matters prescribed by legislation.</p> <p>The special consultative procedure may be supplemented by the Council, for example, by expanding the timeframes for feedback and providing multiple opportunities to seek clarification and voice feedback in person. The minimum requirements, in summarised form are:</p> <ul style="list-style-type: none"> • Councils must prepare a statement of proposal setting out the issue or decision to be made; • the community must be made aware of the issue and how they can make submissions on it; • every submitter must be given a reasonable opportunity to be heard, if requested.
Strategic Asset	An asset, or group of assets, that the Council needs to retain if it is to maintain the capacity to achieve or promote any outcome determined to be important to the current or future well-being of the community (as described by section 5 of the Local Government Act).

RELATED DOCUMENTS

- Masterton District Council Iwi, Hapū, Marae, Hapori Māori Engagement Framework (in development)
- Masterton District Council Communications and Engagement Strategy

REFERENCES

- IAP2 Spectrum of Engagement
- Local Government Act 2002

REVIEW

This policy will be reviewed every three (3) years as part of the Long-Term Plan process.


APPENDIX ONE: IAP2 SPECTRUM OF ENGAGEMENT

The table below is the IAP2 public participation spectrum is a guide that can be used to define roles in engagement processes.

IAP2'S PUBLIC PARTICIPATION SPECTRUM

The IAP2 foundation has developed the Spectrum to help groups define the public's role in any public participation process.

The IAP2 Spectrum is quickly becoming an international standard.

INCREASING IMPACT ON THE DECISION 

	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL	To provide the public with balanced and objective information to assist them in understanding the problems, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision. We will seek your feedback on drafts and proposals.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced decision.	We will work together with you to formulate solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

APPENDIX TWO: EXAMPLES OF ENGAGEMENT ACTIVITIES

The table below includes examples of engagement activities and have been adapted based on the IAP2 spectrum of engagement.

ENGAGEMENT LEVEL	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
What does it involve?	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
Examples of the tools Council might use (NB: These tools may be applicable across many levels of engagement)	Email newsletter to local communities and networks; Information flyers to neighbourhoods; Public notices/info in Community newspapers, website	Formal submissions and hearings or the Special Consultative Procedure; Focus groups; Community meetings; Online opportunities to submit ideas/ feedback	Workshops Focus/ stakeholder groups' meetings; Public meetings; drop-in sessions; Online surveys/ forums	External working groups (involving community experts) Community Advisory Groups (involving community representatives) Forums	Binding referendum in Local body elections; Delegation of some decision-making to a community
Examples of matters	<ul style="list-style-type: none"> • Annual Report • Infrastructure upgrades • Results of hearings 	<ul style="list-style-type: none"> • Rates reviews • Bylaw reviews 	<ul style="list-style-type: none"> • Long-Term Plan development • Infrastructure projects that impact on people 	<ul style="list-style-type: none"> • Resource consents • Shared services issues 	<ul style="list-style-type: none"> • Local body elections • Locally based policies, bylaws and initiatives
When the community is likely to be involved	Once a decision is made and is being implemented.	Once the Council has determined an initial preferred position it would endeavour to provide the community with sufficient time to participate and respond.	The community or specific communities could be engaged throughout the process, or at specific stages of the process as appropriate.	The community or specific communities will be engaged from the outset, including the development of alternatives to the identification of the preferred solution.	The community or communities will be engaged throughout the process to ensure ownership of the development of alternatives, identification of the preferred solution(s) and delegated decision-making on the preferred solution.

APPENDIX THREE: LIST OF STRATEGIC ASSETS

The following assets held by the Masterton District Council have been identified as strategic assets if it is to maintain the capacity to achieve or promote any outcome determined to be important to the current or future well-being of the community:

- Utility Networks (as a whole)
- Urban Water Supply Network
- Wastewater Treatment and Reticulation Network
- Roothing Network
- Stormwater Network
- Archives Assets
- Hood Aerodrome
- Senior Housing
- Cemeteries
- Council Reserves Network (including parks, reserves, walkways and sports fields under the Reserves Act 1977)
- Recreation Centre (including the War Memorial Stadium)
- Mawley Park Campground

APPENDIX FOUR: EXAMPLES OF ENGAGEMENT UNDERTAKEN BY THE COUNCIL

Examples of how the Council has applied the Significance and Engagement Policy previously:

Smokefree Policy	<ul style="list-style-type: none"> • Significant as there was likely to be community interest and would affect a particular demographic (smokers) • Low-moderate significance as community interest was expected to be minor and the policy is easily reversible • Engagement methods: informal consultation with interested community groups and food premises with outdoor dining, informing the community via our website.
Long-Term Plan 2018-28	<ul style="list-style-type: none"> • The Local Government Act 2002 requires council to consult with the community, using the Special Consultative Procedure. • Hearing and Deliberations processes held. • Engagement methods: radio and newspaper advertising, hardcopy and online submission process, website information, email promotion, pop up stalls at different locations in the district, attending meetings held by community organisations.
Senior Housing Policy	<ul style="list-style-type: none"> • Significant as it is related to a strategic asset and affects a particular demographic (seniors) • Low significance as there was no impact on the asset itself, the community impact was minor and the policy is easily reversible • Engagement methods: informal consultation with interested community groups (e.g. Age Concern), informing the community via the website.