

Whanganui District Snapshot 2023



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Executive summary

The purpose of this document is to outline both current and future issues which will need to be considered as we move through the 2024-2034 Long Term Plan process.

This document was prepared as an 'environmental scan' to inform Whanganui District Council's Long-Term Plan process. In line with the Local Government (Community Well-being) Amendment Act, and reflecting that the core purpose of Local Government is to promote community wellbeing, this environmental scan will outline recent changes and key areas for consideration in each of the four wellbeing domains: social, economic, environmental and cultural. A separate section has also been included on the significant reforms and legislative

changes being progressed by Central Government. The questions guiding inclusion in this document are: 'What has changed in this area recently?' and 'What is likely to change or be of significance in the coming 10 years?'.

We recognise that the pace of change is fast and some information and forecasting is quickly becoming redundant. In light of this, this document will be an iterative and evolving work, with updates and new data to be added as they become available.

Social Wellbeing

- **Population Growth** Under Infometrics high growth scenario, the district would grow by approximately 370 people and 120 households per year over the next decade. Council officers believe that Whanganui has adequate infrastructure and schooling capacity to support this level of growth. However, much like the rest of the country we are facing a housing and GP shortage.
- Housing capacity Whanganui has a high number of people on a waitlist for social housing in our district at least 321 individuals or families on the Ministry for Social Developments housing register at March 2023. There has been a steady growth in issued building consents over the past 10 years, jumping from 56 in 2013 to 186 in 2022. Although consents are slowing in our district, Infometrics project at least 99 issued building consents per year until 2028.
- Age composition Whanganui has a high dependency ratio (number of under 15 and over 65 year olds). In 2022, only 58.7% of the population was working age (15-64), while 22% of our population was 65 years or older. Over the next ten years, the 65+ and under 15 age groups are predicted to grow at 1.8% and 0.5% respectively, while the 15-64 year age bracket would grow at just 0.3% per year.

- Ethnic diversity Whanganui's ethnic diversity is projected to change, with a 4% annual average growth rate for Asian peoples, 2.5% for Māori and 3.4% for Pacific peoples. The New Zealand European ethnic group is projected to grow more slowly, with an average annual growth rate of 0.5%.
- **Deprivation** In 2018, 62.5% of the Whanganui population lived in high deprivation areas (compared to 39.9% for New Zealand), and only 10.4% in a low deprivation area (compared to 29.5% for New Zealand).
- Crime Theft and related offences have increased in the district during the 2022-2023 period, in line with a national trend.

Economic Wellbeing

- **GDP** Whanganui's economy is growing. In 2022, the estimated Gross Domestic Product for our district was \$2.279.4m, up 5.6% on 2021 and growing 3.0% per annum (p/a) over the past five years this rate of growth is above the national average.
- **Tourism** is a growth area, with employment in the tourism sector growing at 1.1% p/a (compared to 0.2% for New Zealand). Visitor spending also increased by 2.5% in 2022 (compared to 1.4% for New Zealand). The occupancy rate of Whanganui's commercial accommodation providers with 6-20 rooms in June 2023 was 81%. Whanganui has a shortage of accommodation during events and peak times.
- Household income Whanganui's average household income in 2023 was \$91,795, well below the New Zealand average of \$125,217. Out of the 66 Territorial Authorities in New Zealand, Whanganui ranks 51st for household income.
- Housing affordability Whanganui's average household income in the year to March 2023 was \$95,934, well below the New Zealand average of \$125,117. Out of the 66 Territorial Authorities in New Zealand, Whanganui ranks 45th for household income.
- Rental affordability, however, is worsening. The
 average weekly rent price (\$433) is growing
 faster than the rest of the country. In terms of
 affordability (the amount of household income
 spent on rent), Whanganui ranks 45th out of 66
 Territorial Authorities.
- **Employment growth** is an important factor for attracting and retaining new residents. Infometrics project steady annual employment growth for the district. To the year 2027, they project a growth of 120 to 310 jobs annually.
- **Skills** Higher skilled jobs can generally offer a higher salary and therefore a higher standard of living to residents. At present, low skilled jobs account for 36.7% of total employment (this is higher than New Zealand which sits at 34.9%).
- Projected changes to employment Infometrics project the primary industries and some areas of manufacturing will soften over the next decade, which may impact job growth at places like the meat works and tannery. They also project that Whanganui will see an increase in highly-skilled jobs such as professional services, public administration, education, health, arts and recreation.
- Qualifications Whanganui sits slightly above average when compared to other Territorial Authorities on the number of people with NCEA Level 2 and 3 qualifications in our district.
- Enrolment in Tertiary Education Whanganui ranks 40th out of 66 Territorial Authorities for tertiary enrolments, with only 55.6% of our

- population enrolling in tertiary education within one year of leaving secondary school (compared to 78.8% for New Zealand). Recent reductions in programme offerings at UCOL/Te Pūkenga may further limit tertiary enrolments in our district.
- **Unemployment is currently 3.9%** the lowest rate Whanganui has seen in 20 years.
- NEET The number of people in our district who are not in education, employment or training (NEET) declined from 18.1% to 15% in 2022. The national average for the same period was 11.7%.

Environmental Wellbeing

- **Climate change** is an ongoing focus for Council, with several projects completed or underway to measure and reduce emissions and plan for adaptation.
- Forestry The effects of forestry slash are becoming more evident and truck load weights associated with forestry have resulted in significant damage to roads. A study on the impacts of forestry on Council assets has been proposed for 2024/25. A review of how forestry activities are rated/charged for damage to the rural network will also need to be undertaken.
- Roading costs to maintain our roads are increasing and Waka Kotahi funding assistance rates are not rising to match these costs.

Cultural Wellbeing

- In the culture space, Whanganui recently won recognition as an internationally significant 'UNESCO City of Design'.
- Redevelopment of the Sarjeant Gallery Te Whare o Rehua Whanganui, including an addition of a new modern wing, will be opening in mid-2024.
- The Building (Earthquake-prone Buildings)
 Amendment Act 2016 requires full earthquake
 strengthening to be complete for a number of
 Whanganui heritage buildings by 2048, however,
 there is only a limited pool of funding available
 to support this work. There is an opportunity
 to convert some heritage buildings into inner city apartments during these earthquake
 strengthening upgrades.

Local Government Reforms

• Local Government is in a period of significant legislative reform, with changes being proposed to the structure and purpose of Local Government, delivery of water services, resource management, emergency management, building consent services, waste management and climate change adaptation efforts. A pending election in October of 2023 places uncertainty around when and if these reforms will occur.

Social Wellbeing

Projected Population and Household Growth



The Whanganui District had an estimated population of 48,700 as of 2022

Annual population growth in the district averaged 1.1% over the five years to 2022, not far behind the national average of 1.2%.

Whanganui District Council have decided to use Infometrics high growth population scenario for our 2024/34 Long-Term Plan period. The suitability of the high growth scenario will be re-assessed during our next Long-Term Plan cycle in 2026/27.

Under a high growth scenario, Infometrics project Whanganui's population would grow 0.7% on average per year until 2034. The district would have a population of 52,981 by 2034.



Understanding household growth, size and structure is important for understanding the future amounts and types of dwellings that will be needed in our district¹.

The number of households in the district under Infometrics' high population growth scenario would increase by approximately 100 households per year over the next 10 years.

Household size (the number of people per household) is expected to steadily increase towards the national average from 2023 onwards, taking Whanganui from an average of 2.37 people per household (in 2023), to 2.41 (in 2034).

In terms of the structure of Whanganui's dwellings, the district is projected to have negative growth for one-person households (-0.2%), below average growth in family households (0.4%) and the most significant growth for 'other multi-person households' (0.7%).



A strong economy with job opportunities will help a district both retain its current population and attract new residents.

Between 2023-2034, Whanganui's employment levels are expected to follow a steady annual growth pattern, growing from 21,914 jobs in 2023 to 24,382 in 2034 - this is a growth of 2468 jobs. Over the next three years, there will be a growth of approximately 120 to 310 jobs annually.

The below figure illustrates the number of extra people and households the district might expect under Infometrics high growth scenario, as well as the number of extra jobs the district is expected to grow over the next decade.

Table 1
Projected Population, Household and Employment Growth for Whanganui District, 2023-2034

Year	Total Projected Population	No. of extra people per year	Total Projected Households	No. of extra households per year	Total Projected Employment	No. of extra jobs per year
2023	48,954	-	20,298	-	21,914	-
2024	49,331	377		106	22,044	130
2025	49,707	376		107	22,293	249
2026	50,083	376		108	22,569	276
2027	50,456	373	20,730	111	22,888	319
2028	50,827	371		114	23,214	326
2029	51,196	369		125	23,544	330
2030	51,561	365	21,096	127	23,857	313
2031	51,922	361	21,222	126	24,001	144
2032	52,279	357	21,344	122	24,119	118
2033	52,633	354	21,461	117	24,246	127
2034	52,981	348	21,568	107	24,382	136

Projected Changes to Employment

Infometrics project the strongest employment growth over the 2022-2030 period will be in retail, accommodation and food services, professional services, public administration, education, health, arts and recreation services. Some of these reflect a bounce-back in tourism as New Zealand's international borders have reopened. Overall though, with seven out of 19 industries projected to grow strongly, Whanganui may see a fairly broadbased growth picture.

Of note for Whanganui - Infometrics also project that employment growth in the primary sector will soften, including adjacent industries such as manufacturing which relates to the primary sector. This softening is partially due to productivity improvements and increased efficiencies, which mean less labour force is required. Environmental regulations - such as carbon pricing and fresh water regulations - are also expected to challenge the primary industry in the coming years. For Whanganui, this may impact the level of job growth at places like the meat works and tannery.

(Infometrics, 2023)

Demographic profile

Age composition

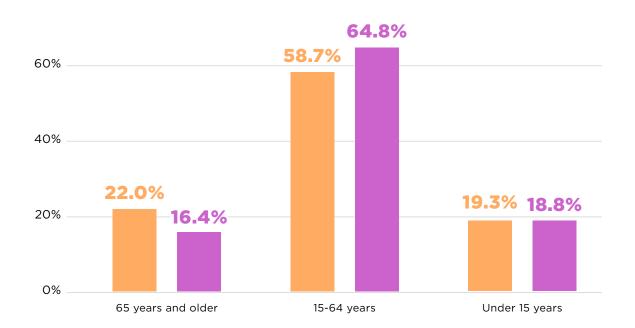
The age composition of an area's population has implications for the types of services and facilities needed in our district. For example, as a greater proportion of the population retires from work, sources of incomes change and there is likely to be an increase in demand for leisure and care-based facilities.

The below figure captures the percentage of total population in each age group for Whanganui and New Zealand at June 2022.

Figure 1
Whanganui Population by Age Group 2022



Whanganui District
New Zealand



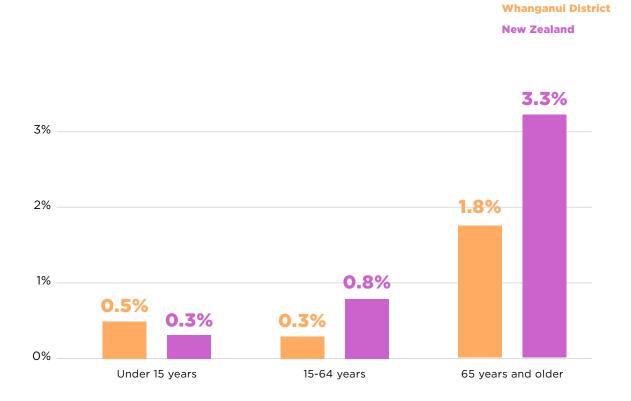
In 2022, 58.7% of Whanganui District's population was of working age (15-64). Whanganui's dependency ratio (number of 15 year olds and over 65 year olds as a ratio of the rest of the population) was 70.3% in Whanganui District, significantly higher than New Zealand's dependency ratio of 54.4%.

The median age for Whanganui in 2018 was 43 years old, or 26 years old looking at our Māori population only.

Projected Age Composition

The figure below captures the projected population growth by age group under Infometrics high growth scenario.

Figure 2
Projected Population Growth by Age Group 2022-2034



Infometrics project the 65 years and older age group would grow 1.8% per year on average until 2034. This is significantly lower than the projected growth in this age category for New Zealand as a whole (3.3%). Whanganui's under 15 years population would grow faster than the national average at 0.5% per year, and the 15-64 year age bracket would grow more slowly than the national average at just 0.3% per year.

(Infometrics, 2023)

Ethnic Diversity

The below table summarizes the percentage of peoples belonging to each designated ethnic group in the Whanganui District and New Zealand, as at 2018¹.

Table 2 Percentage of Ethnic Groups in Whanganui Population 2018

Category	Whanganui District (%)	New Zealand (%)
European	79.2	70.2
Māori	26.3	16.5
Pacific peoples	3.6	8.1
Asian	4.1	15.1
Middle Eastern/Latin American/African	0.5	1.5
Other ethnicity	1.2	1.2

In 2018 Whanganui's population was comprised primarily of people from the New Zealand European ethnic group (79.2%). Compared to the rest of New Zealand, Whanganui has a higher Māori population at 26.2%, compared to 16.5%. Asian and Pacific Peoples ethnic groups have a much lower population in Whanganui compared to nationally.

Whanganui's ethnic diversity is projected to change over the next 10 years to 2034, however, with a 4% annual average growth rate for Asian peoples, 2.5% for Māori and 3.4% for Pacific peoples. The NZ European ethnic group is projected to grow much more slowly, with an average annual growth rate of 0.5%.

Figure 3 illustrates the projected population growth by ethnicity across the 2023-2034 time period.

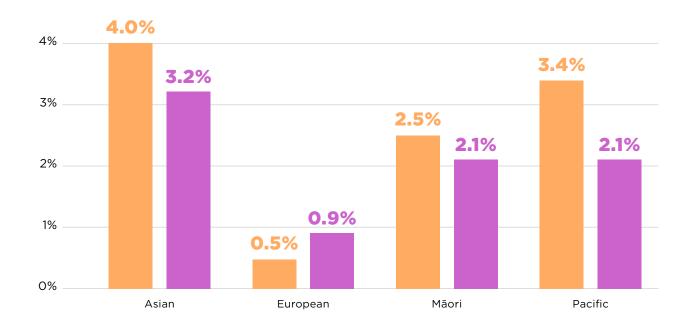
¹ NB: Figures do not add to 100% as more than one ethnic group can be selected.



Figure 3Projected Population Growth by Ethnicity

Annual average % change, 2022-2034

Whanganui District
New Zealand



(Census, 2018; Infometrics, 2023)





Infrastructure Capacity

In terms of our Three Waters network, Whanganui has enough capacity to accommodate the population growth depicted in Infometrics high growth scenario over the next 10 years.

Whanganui completed a new wastewater treatment plant in 2016 and the plant was designed with a measure of spare capacity based on projected long term growth over 100 years. However, our wastewater system remains plagued by non-compliant sources of stormwater which overwhelm its performance during wet weather events. As a result of this, Council is now considering a programme of infrastructure upgrades, including a new compliance system and an updated discharge consent in the 2024/34 Long-Term Plan period.

Hydraulic and asset condition modelling studies have been completed to plan for long term projected population growth. One future population capacity response may include trunk-main upgrades and this is being planned for with a focus on resilience of the network during natural disaster events (e.g. earthquakes).

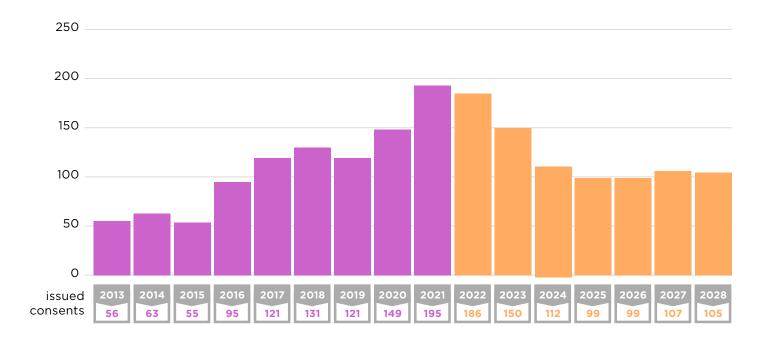
Building Consent Trends

Building consents show how quickly our supply of housing is increasing and provide an indication of our capacity to accommodate population growth.

The below graph shows Whanganui's actual issued building consents from 2013-2022, along with Infometrics projected number of building consents for 2023-28.

Figure 4
Whanganui District Actual and Projected Consent Trends 2013-2028

Issued Consents







While there was a clear peak in issued building consents in 2021, consents have now begun to slow slightly. This is likely due to macroeconomic conditions – such as increased building costs and interest rates. Infometrics project that Whanganui's building consents will still remain at 99 or above until 2028.

(Infometrics, 2023)

Housing Capacity

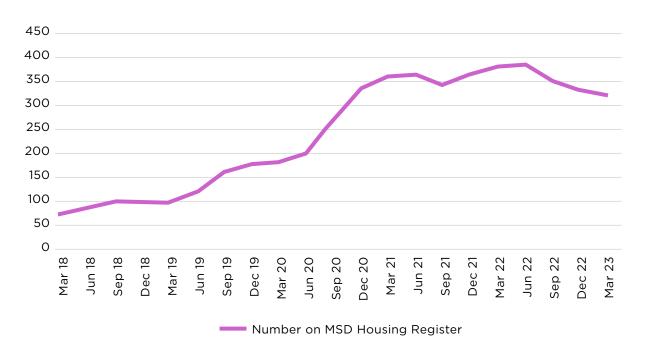
Throughout New Zealand many factors have contributed to a housing crisis, including increased demand for houses, low and poor quality supply, and the sale of state housing. In Whanganui, increased population growth coupled with a lower socio-economic community has led to more people in need of social housing options.

At March 2023 there were 321 individuals or families on the Ministry for Social Development's (MSD) Housing Register. The MSD Housing Register contains applicants not currently in public housing who have been assessed as eligible and ready to be matched to a suitable property. Figure 5, demonstrates the number of people on MSD's housing register from March 2018 to March 2023.

Figure 5

Number of Individuals or Families on MSD Housing Register for Whanganui District 2018-2023

Number on MSD Housing Resister



The number of individuals or families on MSD's housing register peaked in June 22, at 384, a significant increase on March 2018's figure of 72. While MSD's housing register figures can show us some general trends, they are unlikely to capture the full scale of people in need of social housing options for a few reasons:

- MSD's register only captures those assessed as eligible according to MSD criteria, there will be a number of people requiring social housing options who do not fit this criteria;
- There are a number of other emergency housing providers other than MSD, unfortunately, the Ministry of Housing and Urban Development does not report on the total number of people awaiting housing across all possible providers for Whanganui District specifically (instead we are grouped with a wider central North Island region);
- The housing register only captures individual applicants and does not count immediate family members of those applicants. Some of the individuals on MSD's register may also have large families awaiting accommodation.

(Ministry of Social Development, 2023).

Whanganui District Council Housing Strategy 2019

In 2019 the Council developed a housing strategy to provide a framework to address housing issues. It focuses on the issues of homelessness, declining home ownership rates, increasing rents and increasing need for government assistance. The plan recognises that the housing shortage in Whanganui requires urgent and long-term action.

The Council's work to address housing needs in Whanganui includes:

- Planning for sustainable residential growth that matches infrastructure growth and Whanganui's needs,
- Promotion of infill housing and urban consolidation, including initiatives such as our Town Centre Regeneration Project and support for residential conversion of town centre buildings,
- Increasing housing land supply by looking at under-used land for development,
- Future proofing Council housing stock for older people,
- Working collaboratively with social support agencies to support social housing options and initiatives for people experiencing chronic and complex homelessness,
- Working with Government and Iwi to advance housing initiatives in Whanganui.

Housing for our Ageing Population

Council currently owns a portfolio of 16 complexes to provide housing for older people who have low to moderate financial means and can live independently. There is a total of 275 units across the portfolio, consisting of 234 single units (including 3 accessible units), and 41 double units.

A 2021 report by Turley and Co estimated that a further 184-194 housing units will be needed by 2050 for Council to continue to provide its current market share of housing for our ageing population.

You can view the report here: Turley & Co Report 2023

(Turley & Co, 2023)



Housing Quality in Whanganui

The Census 2018 provided an indication of the level of dampness, mould and heating in Whanganui's dwellings. Whanganui fared slightly worse than the national average, with 3.3% of people reporting their homes are always damp (compared to 3% of New Zealand) and 4.7% of people reporting consistent mould which exceeds the size of an A4 sheet of paper (compared to 4.3% of New Zealand).

Whanganui Dwellings also relied significantly more on gas heaters as their main type of heating (30.8%, compared to 11.7% for New Zealand), and only 27% of Whanganui dwellings had heat pumps in 2018 (compared to 47.3% for New Zealand). Heat pumps are generally considered the most energy efficient and safe heating source for homes.

(Census, 2018)



In 2022, Council collaborated with EcoBulb to get funding from The Ministry of Business, Innovation and Employment to deliver 600 home assessments and install energy efficient lightbulbs in low-income households. This project aimed to reduce both power bills and carbon emissions from energy. The Council is currently investigating further actions that contribute to both our housing and climate change goals.

Residential Spatial Plan

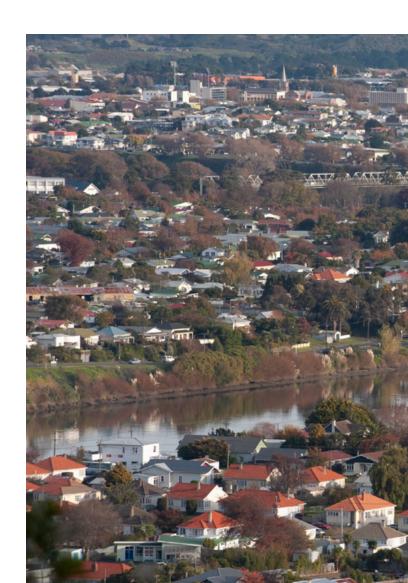
Whanganui, like many other towns and cities in New Zealand, is grappling with how to provide more affordable housing. Local Government New Zealand (LGNZ) has identified spatial planning as a vital and necessary tool to advance housing affordability objectives. Spatial planning should provide the necessary conditions for abundant choice in urban land and housing markets (thereby putting downwards pressure on house prices), while also being cognisant of constraints such as future climate change adaptation.

Council is currently in the early stages of developing our own residential spatial plan. This involves researching the existing capacity of our urban area through modelling of residential capacity, as well as collating information on known hazards and infrastructure servicing constraints.

The next stage of plan development will involve working with lwi/Hapū/community on the anticipated needs for housing and infrastructure required to support it. This stage will also assess the potential impacts of loss of highly productive land, as a result of providing for housing growth.

The Residential Spatial Plan will then lead into work around the residential tranche of a District Plan Review.

(LGNZ, 2021)



Education Capacity GP Capacity

Whanganui is considered to have adequate capacity to meet the needs of students over the next decade to 2030. The Whanganui catchment can cater for approximately 8000 learners each year. There are 45 schools/kura in the catchment.

(Ministry of Education, 2022)

A 2021 report produced for the Royal New Zealand College of General Practitioners states that the general practitioner (GP) workforce is in crisis. The number of GP's per 100,000 people has declined, impacting on quality of care for patients. A 2019/20 New Zealand Health Survey indicated that close to one million people were unable to obtain an appointment at their usual medical centre within 24 hours. GP workforce shortages are projected to worsen if urgent action is not taken - with 50% of the 2021 GP workforce indicating they intend to retire within the next ten years.

The Whanganui Regional Health Network's (WRHN) Annual Report 2021/22 states that as at June 2022 only three practices were offering enrolments to people new to Whanganui with no GP. The lack of GPs and long wait times has led to additional pressure on the Whanganui Accident and Medical

(Allen & Clarke, 2021; Griffiths, 2021; WRHN, 2022)



Health

DHB changes

In 2021 District Health Boards were disestablished and their functions merged into a new health system – Te Whatu Ora. It was reasoned the district based models (DHBs) led to too much variation and inequity between areas. Each region now works with their local offices to develop and implement plans, based on local needs.

In July 2022 a new statutory entity 'Te Aka Whai Ora – Māori Health Authority' was also established. This entity is responsible for ensuring the health system works well for Maori.

(Te Whatu Ora, 2023)

Life Expectancy

For life expectancy (average length of life) Whanganui District ranks 54th equal out of 66 territorial authorities².

(Infometrics, 2023)

Suicide Rate

Suicide rate refers to the number of suicides per 10,000 residents. Whanganui has a suicide rate of 2.0. Whanganui District ranks 56th equal out of 66 territorial authorities on this measure. 7.4% of our population accessed specialist mental health services in the past financial year.

(Infometrics, 2023)

Smoking

At the 2018 census, 17.8% of the Whanganui population were regular smokers. The number of regular smokers in Whanganui has decreased since 2006. 25.5% of people in Whanganui identified as regular smokers in the 2006 census, and 19.3% were regular smokers at the 2013 census. The 2023 Census may reveal changes to this downward trend, however. Unfortunately the 2023 Census did not include any questions about vaping.

(Census, 2018)

Activity limitations

In 2018, 9.7% of people living in Whanganui had 'a lot of difficulty' or 'cannot do at all' one or more of the following activities: walking, seeing, hearing, cognition, self-care, and communication. By comparison, 6.5% of the New Zealand population had one or more activity limitations.

Looking at the spread of these activity limitations across age groups, the 65 years+ age group had the most significant limitations, with 20.1% of the district's population experiencing one or more activity limitations.

Table 3One or More Activity Limitations at 2018 Census by Age Group

Category	Whanganui District (%)	New Zealand (%)
Under 15 years	4	3
15-29 years	4.5	3.5
30-64 years	7.7	4.8
65 years and over	20.1	17.7

(Census, 2018)

² NB: Infometrics only provides comparative data for 66 Territorial Authorities".

Physical activity in the district

According to our draft 2023 Community Views Survey, 36% of respondents self-reported as exercising 3-5 days each week, 29% as 6-7 days per week and 28% as 1-2 days a week. Only 7% reported themselves as not exercising at all. These results were fairly similar to those seen in 2022 although there has been an increase in the proportion of respondents who exercise 6-7 days per week.

The New Zealand Health Survey 2017-2020 also showed improvements in the amount of the district's population who are physically active. 62.5% of the population reported themselves as physically active (an increase of 11.7% since the 2014-2017 Health Survey) and 54.9% reported themselves as highly physically active (this is an increase of 9.2% since the 2014-2017 survey).

By contrast, only 11.8% reported themselves as engaged in little or no physical activity, this is a decrease of -8.4% since the 2014-2017 year.

(Whanganui District Council Community Views Survey, 2023; New Zealand Health Survey 2014-17; 2017-2020)



Deprivation

This section provides information on socioeconomic deprivation, using the New Zealand Index of Deprivation (NZDep).

Higher levels of socioeconomic deprivation are associated with poorer health. There are also connections between socioeconomic deprivation and environmental risks. For example, higher socioeconomic deprivations areas:

- may not be able to afford good quality housing or adequate housing for their family;
- may not be able to afford to heat their house adequately or insulate it;
- may not have a car to drive to health care services, or to move away from a flood or environmental risk;
- may live closer to environmental hazards such as industrial sites or main transport routes.

Deprivation scores are based on measures from the census 2018. The NZDep estimates relate to socioeconomic deprivation for mesh block areas, not households, and assigns decile scores ranging from 1-10. Those in deciles 1, 2 and 3 are considered to be living in low deprivation areas, those in 4, 5, 6, 7 are medium and those in 8, 9, 10 are high deprivation.

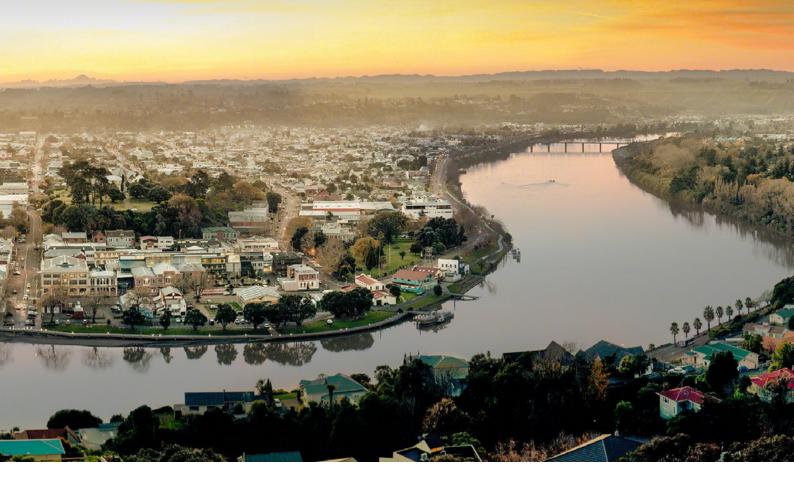
The below table outlines the 2018 decile ratings for suburbs in the Whanganui District, ranked from lowest to highest².

² Note: these decile rating averages were taken at a suburb, rather than mesh block level.

Deprivation Ratings by Suburb

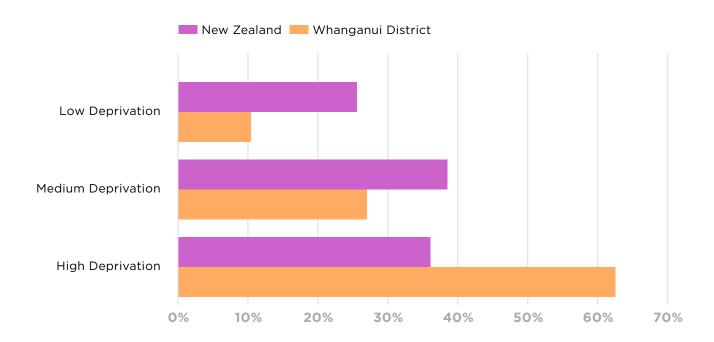
SUBURB	NZDEP2018 DECILE RATING (1-10)
Springvale North	1
Otamatea	2
Brunswick Papaiti	3
Mowhanau	3
St John's Hill (East and	West) 5
Bastia Durie Hill	5
Putiki	5
Kaitoke-Fordell	6
Springvale (East and We	est) 6
College Estate	7
Gonville South	8
Gonville North	8

SUBURB NZDEP2018 DECILE RATING (1-10)	
Whanganui East	9
Upper Aramoho	9
Whanganui Central	9
Upper Whanganui	9
Lower Aramoho	10
Titoki (Castlecliff)	10
Castlecliff (East and West) 10
Gonville West	10
Balgownie (Gonville)	10
Wembley Park (Whangani	ui East) 10
Cornmarket (Whanganui (Central) 10
Laird Park	10



The below graph indicates the percentage of our population living in low, medium and high, deprivation areas compared to New Zealand. 10.4% of Whanganui's population is considered low deprivation, 27.1% medium deprivation and 62.5% high deprivation.

Figure 6
Percentage of Whanganui Population across deprivation categories



(Census, 2018; Environmental Health Intelligence New Zealand, 2018)

Crime

For the crime rate indicatorⁱⁱ, Whanganui District ranks 56th out of 66 territorial authorities (where a ranking of 1 is the best performing territorial authority).

The most common types of crime in 2019-2023 in Whanganui were as follows:

- 1. Theft and Related Offences
- 2. Unlawful Entry with Intent/Burglary, Break and Enter
- 3. Acts Intended to Cause Injury.

Across these three types of crime, theft and related offences have had the most noticeable and significant increase in recent years. Theft and related offences were twice as high in 2022/23 as they were in 2019. The below figure illustrates the increase in theft and related offences from 2019-2023.

Figure 7
Theft and Related Offences in Whanganui from June 2019 to May 2023

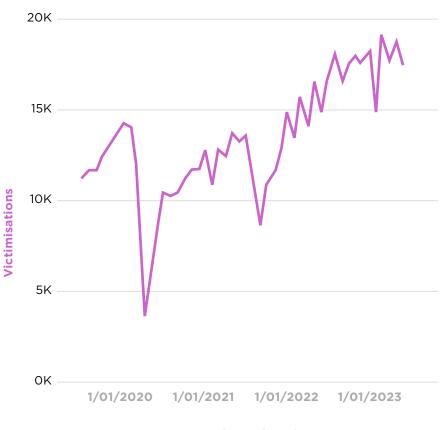


Reported Month and Year

Of the thefts depicted above, the majority were from retail premises (2,013 instances), followed by theft (excluding motor vehicles) (1,848) and illegal use of a motor vehicle (1,181 instances). Theft from a person (38), of a motor vehicle (60) or illegal use of property (73) were comparatively rare.

The increase in theft and related offences in 2022/23 compared to 2019, can also be seen nationally (see figure 8 right).

Figure 8
Theft and Related Offences in New Zealand from June 2019 - June 2023



Reported Month and Year

Perception of Safety in the District

According to our Council's draft 2023 Community Views Survey, 91% of respondents reporting feeling safe most or all of the time in our CBD.

In the evening, feelings of safety are lower, with 53% of respondents feeling safe most or all of the time, while 27% feel safe some of the time and 20% feel safe seldom or never.

Over the past ten years, feelings of safety in the CBD during the day have remained consistently high, with a low of 91% (this year) and a high of 97% (2018). In contrast, feelings of safety within the CBD during the evening peaked in 2018 (67%) but have slowly declined since, reaching 53% this year.

(New Zealand Police, 2023; Whanganui District Council Community Views Survey, 2023)

Emergency Preparedness

Whanganui has a history of flooding, particularly around the Whanganui, Whangaehu and Mangawhero Rivers. In future, climate change is expected to bring more frequent storm-related events of a greater magnitude, and increased rainfall intensities. This will increase the flooding risks to our district. In addition to flooding, emergencies and natural disasters like earthquakes, tsunami, volcanic eruptions, hazardous chemical spills or influenza pandemic could occur at any time.

Helping the community prepare for emergencies is as important as being ready to respond when they occur. This remains a key area of focus for our emergency management staff in the coming years.

Community Views Survey 2023 - Emergency Preparedness

In 2023, 43% of respondents to Council's draft Community Views Survey had an emergency kit. Respondents over the age of 70 years were more likely to have an emergency kit in their home (57%). Ownership of emergency kits has varied over the years, with percentages ranging from a high of 60% in 2018 to a low of 39% in 2021.

(Whanganui District Council Community Views Survey, 2023)



Iwi Partnership

The Council partners with Tangata Whenua, Hapū and Iwi to build community and promote wellbeing. This approach is especially important for project or decisions in infrastructure planning, environmental management and community development. The Council's policy direction and planning processes supports effective engagement with Hapū and Iwi entities as well as marae and whānau.

Hapū have indicated that they wish to be specifically engaged in relation to activities within their rohe, in addition to engagement with the lwi or Runanga body at large. This will ensure the voice of Hapū to be heard at the decision-making table and the values and impacts to be considered locally. Hapū hold their own mana motuhake within their rohe and legislated lwi and Crown entities will not impede or interfere in this Hapū sovereign right.

Strategic engagement

The formal partnership agreement between the Council and Te Rūnanga o Tūpoho is guided by the relationship document Te Whakarauhitanga o te Tangata. This document is currently under review.

The Tamaupoko Relationship Document Framework guides the formal partnership agreement between the Council and Te Rūnanga o Tamaupoko. This document is due for review in 2025. The Council meets separately with both Rūnanga, with a focus on all levels – political, social, economic, environmental, and cultural – for the benefit of the whole district.

Council also has a memorandum of partnership (MOP) with Ngā Paerangi Iwi (NPI). NPI have maintained a consistent presence in the lower reaches of the Whanganui River for over a thousand years.

Te Awa Tupua Act

The enactment of the Te Awa Tupua (Whanganui River Claims Settlement) Act 2017 has provided legislative responsibilities for the Council, including an appointment to the strategy group, Te Kōpuka. The Council also attend regular hui of the Te Awa Tupua Technical Advisory Group (TAG) that contributes to the provision of support to Te Kōpuka. There is an ongoing commitment towards an organisational understanding of the Te Awa Tupua Act, the intrinsic values Tupua te Kawa through Te Pūwaha – Port Revitalisation Project, and the relationships being built with Iwi.





Te Tomokanga ki te Matapihi

Of significance is the treaty settlement being negotiated between the Whanganui Land Settlement Negotiations Trust (WLSNT) and the Crown. While the Council is not directly involved in the negotiation, it has provided Council the opportunity to support WLSNT in some of their settlement aspirations as well as continuing to build on our relational trust. Te Tomokanga ki te Matapihi guides our commitment to each other and establishes meaningful ways for Hapū / Iwi to better connect to local decision-making.

Post settlement government entities

The Council has endeavoured to strengthen and develop its strategic relationships with Māori through Māori statutory entities including Ngā Tāngata Tiaki o Whanganui, Te Kaahui o Rauru, Te Rūnanga o Ngā Wairiki Ngāti Apa, and Ngāti Rangi.

A long-standing Treaty grievance for mana whenua was addressed in February 2022 when the New Zealand Geographic Board Ngā Pou Taunaha o Aotearoa formally changed Maxwell to Pākaraka. The Council worked alongside Ngāti Maika of Ngaa Rauru Kītahi to undertake consultation to inform their application to the Geographic Board. The Ngaa Rauru Deed of Settlement encourages conversations between Ngaa Rauru and the Council in relation to the naming and renaming of streets and place names, and specifically refers to Maxwell (Pākaraka)

Partnerships and relationships

The Council engages with Iwi and Hapū across the district as part of normal business activities. This includes (but is not limited to) the following:

- A formal relationship with Hapū and Iwi through the Te Matapihi ki Tangaroa Accord with a focus on protecting the marine environment.
- The joint Council-Tūpoho Whānau Trust-Sustainable Whanganui partnership that operates the Whanganui Resource Recovery Centre.
- The Rōpū Kaitiaki group that was formed to work on matters of importance to Whanganui Iwi relating to the Sarjeant Gallery Redevelopment Project. Likewise a Pukenga Toi was appointed to manage and facilitate the Iwi design component with the gallery's new wing.
- Provision of Council support to the Whanganui Māori Regional Tourism Organisation for its Pūanga programme in 2021 and Whakawhanake (Waitangi Day) although the latter event was not held in 2021 following a decision by Iwi and community leaders.
- Te Mata Pūau, a collective of local Hapū leading community engagement and supporting Te Pūwaha, Ngā Tāngata Tiaki and the Whanganui Land Settlement Trust. They are leading the project partners to a greater understanding of the obligations to Te Awa Tupua and instructing an abundance framework of Mouri Ora Mouri Awa Mouri Tangata.

Environmental Wellbeing

Open Spaces, Parks and Reserves

Whanganui District Council currently owns and/or administers 155 reserves (open spaces) in the district.

The increased role for local government in supporting community wellbeing, as well as Council's relatively recent strategies for housing, climate change, open spaces and heritage, all influence what the key priorities might be for parks, open spaces, and the sporting and recreational activities they support. There are opportunities to develop suitable parks, reserves and open spaces in the district in ways which would assist the Council in delivering on its different legislative and strategic objectives.

Additionally, the introduction of the Te Awa Tupua legislation in 2017 now acknowledges the Whanganui River as an indivisible whole and protects the environmental, social, cultural and economic health and wellbeing of the river. The open space network and sport and recreational activities in the district should uphold the objectives of Te Awa Tupua and support decision-making that protects the health and wellbeing of the Whanganui River. There are also opportunities to better support the community's connection with the Awa.

Investment in Recreational Physical Activity

There is a growing body of research supporting the contribution that physical activity can make to wellbeing outcomes, including improved health, better social connections and higher levels of social inclusion. A recent study on the Social Return on Investment of Recreational Physical Activity commissioned by Sports New Zealand found that for every \$1 invested in recreational physical activity, there was a social return of \$2.12. The report concludes that recreational physical activity is a cost-effective investment and an effective way to impact community wellbeing outcomes.

You can view the report here: Social Return on Investment (SROI) Report

Open Spaces and Physical Activity Strategy

In response to the opportunities mentioned above, the Open Spaces and Physical Activity Strategy was introduced in 2022. This strategy sets long-term goals for public open spaces, sport, recreation and play in the district. An action plan for the strategy has been developed and \$60,000 has been allocated towards its implementation in the 2023/24 Annual Plan.

You can view the Open Spaces and Physical Activity Strategy here: Open Spaces Strategy

Climate Change

Our response to climate change is guided by the national and international context. This is a space of rapid shift and there have been a number of developments since the last Environmental Scan in 2020, not least the adoption of the Council's own Climate Change Strategy.

This climate change scan provides an overview of some of these key developments, both local and national, and the state of play for Whanganui.

Whanganui climate projections

Whanganui is already feeling the effects of climate change. Our climate is getting warmer and wetter, and we are facing more frequent extreme weather events and flooding. This is projected to continue and accelerate, though the worst effects can be mitigated by a rapid global reduction in greenhouse gas emissions.

Temperature •



- To rise by 0.8°C by 2031-2050
- » To rise by 1.8"C by 2081-2100



- » More hot days :>25°C
- » Greatest warming in summer/autumn



- » Earlier spring melt
- >> Fewer frost days

Rainfall -



- » Wetter conditions with annual precipitation up 1% and winter rainfall up 6% by 2031-2050
- Winter rainfall up 11% by 2081-2100



The frequency and magnitude of storm-related events will increase



- » Increased high country erosion
- » Increased flooding risks and river sedimentation

Planning for sea level rise



» Increased coastal erosion and flooding



- » A rise of 0.3-1.0m by 2100
- » 0.2-0.5m by 2060

Regionally, the areas most at risk from a 1-in-100 year storm tide event and sea level rise are in Horowhenua and Whanganui.

Climate change risks for Whanganui

The <u>Manawatū-Whanganui Regional Climate Change Risk Assessment</u> was completed in 2021. It is a prioritised report of physical and social vulnerabilities across the region and districts, and provides a common foundation for each Council's adaptation planning.

The below snapshot shows the key risks facing Whanganui. **Risk to biodiversity** Risk to social capital due to flooding, erosion and landslides, heatwaves, and ecology due to higher extreme weather events, and ongoing sea level temperatures, drought, increased rise. Areas in the Whanganul District have fire weather, and change in some of the highest rates of social deprivation rainfall, Whanganui National Park in the region, is the second largest lowland forest in the North Island. **Risk to freshwater** ecosystems (particularly the Whanganul River) due to higher temperatures, change in rainfall, drought, inland flooding. Whanganui Risk to freshwater recreation due to drought, inland flooding and river Risk to seaport due to extreme erosion. The Whanganui River is well known weather events, and inland and coastal for freshwater recreation activities including

Whanganui's Emissions

flooding. There is currently one seaport

the Whanganui River.

within the region, located at the mouth of

Horizons commissioned a greenhouse gas audit for the Whanganui District in 2020. The audit shows that our main source of emissions comes from agriculture (51%), followed by transportation (27%). Central Government is leading action with the agriculture sector and this is generally outside Council's scope. The main things that Council can influence for district emissions are energy, transportation and waste.

In Horizon's 2020 audit, stationary energy made up 16% of the district's emissions, with 9% coming from natural gas, 4% from electricity consumption and 1% from petrol and diesel. Transportation made up 27% of the district's emissions, with 13% coming from on-road petrol, 12% from on-road diesel and 2% from off road diesel. Waste comprised 3% of emissions, with 2% coming from solid waste and 1% from wastewater treatment and discharge.

There are a number of actions underway in these areas to reduce emissions and there is a big push from Central Government and the community to do more.

canoeing, fishing and swimming at various

locations along it's entire extent.

Council's Climate Change Work

Current climate change projects include:

Anzac Parade flood resilience strategy;

Living with Uncertainty: Pūtiki case study. This
is being led by Massey Researchers funded by
the Deep South National Science Challenge and
the Pūtiki community, with support from WDC
officers:

Regional Climate Action Joint Committee and Regional Climate Change Action Plan;

- Support for the Coastal Action Plan;
- Mitigation projects: community climate action fund (second round opened 3rd July 2023);

Council carbon emissions measurement and reduction planning; Te Ngaru The Tide high frequency bus route; active transport promotion and improvement; Streets for People; recycling and food waste collection; home energy assessments and LED bulb project (now complete - 600 homes were included);

- Better off fund initiatives currently in scoping stage: a rainwater tank project and an energy futures study;
- A localised climate change risk assessment.
 The first iteration of this will focus on Council managed assets and infrastructure.

Food Insecurity

Global food insecurity is rising and global warming contributes partly to it. Climate change is contributing to more storms, heat waves, heavy rainfall, and droughts. These impact food production and supply. According to the World Bank rising food prices since 2021 have been a major factor in pushing approximately 30 million additional people in low-income countries toward food insecurity.

Recently, Cyclone Gabrielle devastated crops in a number of regions around the country, with experts predicting that it could take years to return to normality. Consequently, there are serious concerns about food supply and prices within New Zealand. Here in Whanganui our Council has provided funding for a number of food rescue and growing initiatives through our Community Contracts programme and Community Climate Action Fund.

(Infometrics, 2023; The World Bank, 2022; Yates, 2023)



Agricultural emissions

Agricultural emissions account for 51% of the district's carbon footprint. In 2022 the Climate Change and Agriculture Ministers published a report on a proposed new system for pricing agricultural emissions. The proposed pricing system is based on the farm-level split-gas levy designed by key representatives of the agriculture sector and the Federation of Māori Authorities as part of He Waka Eke Noa - Primary Sector Climate Action Partnership.

In our submission on the agricultural emission's pricing consultation, Council emphasized the importance of farming and food production to the district's economy, as well as the large rural population and high socioeconomic deprivation in our district. The proposed changes could lead to the loss of a number of jobs in our district, including at two of our largest employers – the tannery and freezing works.

Our submission requested that Central Government clarify what Local Government's role would be in supporting the community through the proposed changes (if they were to go ahead). We also requested that funding be made available to support vulnerable communities and those who would be most impacted by these changes.

Cabinet are yet to make final decisions on the new system. However, Infometrics projects that national direction on pricing agricultural emissions and other legislation aimed at regulating or reducing emissions from the agricultural sector could have the effect of reducing agriculture intensity, and encouraging forestry, with resultant reduction in on-farm and off-farm (e.g. dairy and meat processing) employment.

(Ministry for the Environment, 2022; Infometrics, 2023)

Transport Emissions

Transport accounts for 27% of the Whanganui District's total emissions. Nationwide, it's responsible for 17% of New Zealand's gross emissions.

In May 2022, Central Government introduced an Emissions Reduction Plan. In relation to transport, this plan outlines key actions to enable New Zealand to decarbonise its transport system, these include: reducing reliance on cars and supporting people to walk, cycle and use public transport, rapidly adopting low-emissions vehicles and beginning to decarbonise heavy transport and freight.

You can see the plan here:
Emissions reduction plan | Ministry for the
Environment

(Ministry for the Environment, 2023)



Impacts of forestry

The effects of slash on our Council assets are beginning to be noticed and funding assistance has been required in the case of Culvert 49 Kauarapaoa Road to repair damage it has caused. A study into the scale of harvesting and the vulnerable downstream Council assets is proposed to commence in 2024/25 and is expected to take one to two years to complete. This study will inform maintenance strategies for those assets.

Forestry related truck load weights have increased significantly in recent times, and the resulting damage on rural roads absorbs a large amount of rural road maintenance costs. A review of how forestry activities are rated/charged for damage to the rural network will need to be undertaken.

Roading

Roading is an area where costs are increasing significantly and where further investment is required to ensure the safety and resilience of our assets. Waka Kotahi's funding assistance rate for road maintenance is currently at 62%. Roading as a result of growth continues to be funded by developers or by development contributions.

The following areas are expected to be a challenge in the roading area over the coming years:

- Emergency works are causing issues in the network and require on-going investment to repair.
- The costs of undertaking maintenance and construction in relation to roading have increased significantly due to inflation, raw material costs, plant and labour costs. This has impacted the ability to maintain the current levels of service and condition of the roads. These costs are not forecast to decrease, so additional funding will be required to maintain current levels of service.
- The impact of forestry harvesting continues to put pressure on our maintenance budgets with significant damage to roads being recorded during maintenance inspections. These effects are not expected to decrease in coming years.
- Underinvestment in sealed pavement renewals and reseal budgets over the past decade has seen a deterioration in road condition. Funding will need to increase in future years to maintain these assets.
- Climate change resilience has seen the need for increased investment in drainage and resilience projects and will continue to require increased levels of funding.
- Footpath condition continues to be a priority within the urban area and increased funding is required to maintain the existing asset base in a safe condition.

Coastal Action Plan

Council is drafting a Coastal Action Plan for Whanganui's coastline. The plan will improve coastal features, protect and restore the native plants and species that remain along our coastline and provide longer term solutions to the unique challenges in Whanganui's coastal environment. Initially the plan will address two key areas - Castlecliff and Mowhanau / Kai Iwi Beach. South Beach will also be investigated for future inclusion in the plan.

The plan will address Castlecliff and Kai Iwi Beach separately, as the challenges faced at each site are starkly different. Castlecliff is an accreting coastline with windblown sand issues and poor management of vehicle/pedestrian use of dunes. Kai Iwi beach is a retreating coastline with naturally high erosion rates that are likely to be further exacerbated by climate change.

Engagement on the Castlecliff portion of the Coastal Action Plan is being led by Ngā Ringaringa Waewae. Ngā Ringaringa Waewae are a community and Hapū co-operative made up of Progress Castlecliff and Te Mata Pūau (a collective of Hapū who are also working on the port revitalisation project - Te Pūwaha). This engagement will incorporate the rejuvenation of the North Mole.

At Kai Iwi Beach, a report has been commissioned by Tonkin and Taylor to review a series of management options which were proposed by Kai Iwi Beach residents.

Economic Wellbeing

National and International Economy

International Trade Outlook

The World Trade Organisation's 2023 outlook states that while global economy has improved slightly since October 2022, growth of trade expansion in 2023 is still expected to be weighed down by persistently high inflation, the ongoing war in Ukraine and tighter monetary policy/financial uncertainty.

National Economic Picture

New Zealand's economy shrank 0.1% in the March 2023 quarter and the country officially entered recessionⁱⁱⁱ. IMF state that while New Zealand initially recovered faster than most countries from the Covid-19 pandemic, factors such as restricted labour movement (due to border closures), disruptions in the supply chain and significant monetary policy tightening have led to a slowing of our economy.

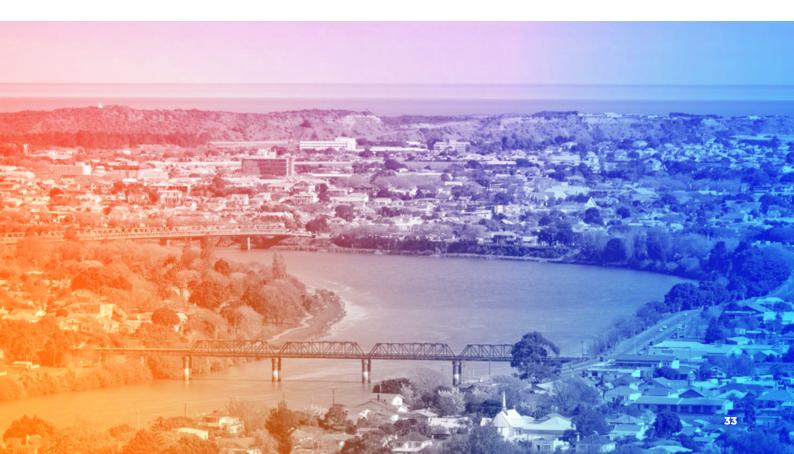
New Zealand's economic downturn has been further exacerbated by the extreme weather events in February/March 2023, which devastated some of our key fruit and vegetable growing regions and caused wide-spread damage to our roading network.

Cost of living

These national and international economic conditions have led to a 'cost of living crisis' for many New Zealanders. The cost of living for the average household (as measured by the household living-costs price indexes) increased by 7.7% in the 12 months to March 2023.

A cost of living survey released in July 2023 found that around 30% of New Zealanders were going without medical care when unwell, were unable to buy things they needed (such as clothing and uniforms) and were struggling with the cost of transport, essential bills, insurance and rent or mortgage payments. 26% of New Zealanders were going without basics such as food and groceries.

(Berl, 2023; International Monetary Fund, 2023; McClure, 2023; Research New Zealand, 2023; Stats NZ, 2023; World Trade Organisation, 2023)



Whanganui District Economy

GDP

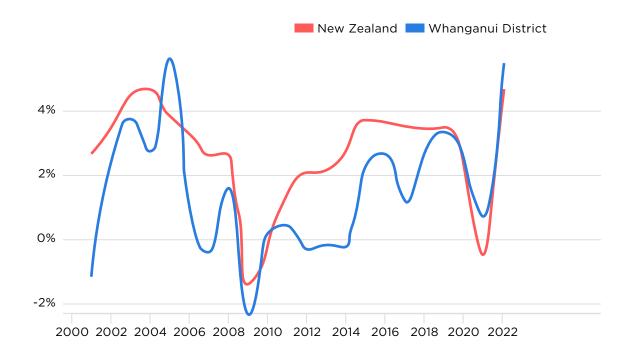
Gross Domestic Product (GDP) is an economic indicator commonly used to measure the economic performance of a region or country. Our GDP reflects the final value of all goods and services produced in the Whanganui District within a year.

The 2022 estimated GDP for the Whanganui District was \$2,279.4 million, up 5.6% on 2021. This rate of growth is slightly higher than the New Zealand average of 5.3%. Averaged over the past 5 years, the Whanganui GDP has grown 3.0% per annum, again slightly higher than the New Zealand average of 2.9% per annum. The difference appears due to the Whanganui economy weathering the impact of Covid-19 relatively well.

Historically, Whanganui GDP growth has tracked below the national average. Over the past 10 years, growth in Whanganui has averaged 2.2% per annum compared to 3.0% per annum nationally. The below figure illustrates how our GDP growth has compared to New Zealand's over the past two decades.

Figure 9
Gross Domestic Product Growth Whanganui and New Zealand 2000-2022

Annual % change, March years



The Whanganui economy is more diverse than the average TA in New Zealand, which contributes to its resilience to adverse effects. The largest industry in Whanganui contributes 11.2% to GDP. On average, the largest industry in other Territorial Authorities contributes to 19.6% of their GDP.

Our top five Australian and New Zealand Standard Industrial Classification (ANZSIC) Level 1 industries contributing to GDP are:



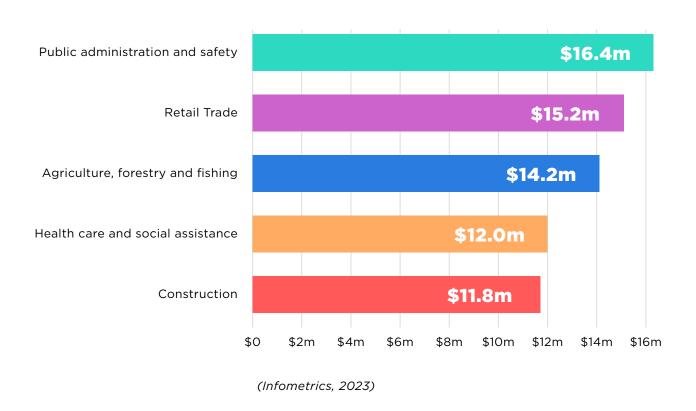
Contributors to Economic Growth

Public administration and safety made the largest contribution to overall growth in Whanganui District between 2021 and 2022. The industry grew by 5.1% over the year and contributed \$16.4m to the district's total growth of \$120.2m.

Figure 10 depicts the top five ANZSIC Level 1 Industries which contributed to growth in the district for 2021-2022.

Figure 10
Top Five Industries, ANZSIC Level 1, 2021-2022

Absolute change in GDP, March years, 2022 prices



Consumer spend

High consumer spending usually indicates higher levels of consumer confidence in the economy. Consumer spending in the Whanganui District increased between April 2022-2023 by 4.9% (compared to a 4.6% national average). In the year from April 2021 to April 2022, consumer spending increased by 8.2% in Whanganui, and by 12% across New Zealand.

(Marketview, 2023)

Employment and Growth

Employment Growth

Employment growth is an economic and social wellbeing indicator. As an economic indicator, positive employment growth shows that businesses in a region are confident in their activity and outlook to expand their workforce.

Our rate of employment growth is catching up to the national average. Over the past ten years our annual average employment growth was just 1.1% (compared to 2.2% for New Zealand), over the past five years it was 2.0% (compared to 2.1% for New Zealand). The below figure illustrates how Whanganui's employment growth has compared to the national average over the past two decades.

Figure 11
Employment Growth Whanganui and New Zealand 2000-2022

Annual % change, March years





Unemployment

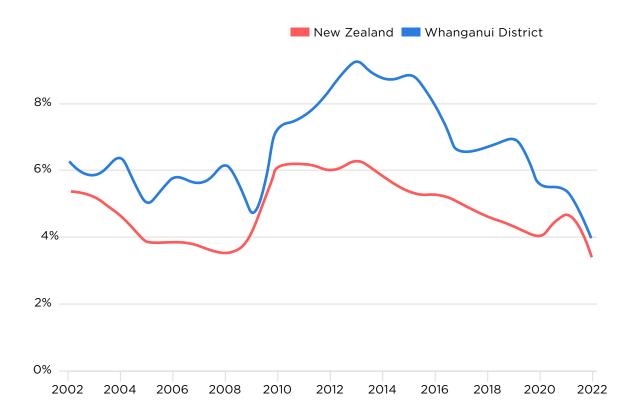
The unemployment rate reflects a portion of the labour force that is not currently employed but are actively seeking work.

During the four quarters preceding March 2022, the average unemployment rate in Whanganui was 3.9%, down from 5.4% from the previous 12 months. This is the lowest unemployment rate the district has seen in the past 20 years.

Despite a historically low unemployment rate for the district, Whanganui still has a relatively high rate compared to the country overall. The overall New Zealand unemployment rate is 3.4%. The Whanganui District ranks 52nd equal out of 66 territorial authorities for unemployment. The below figure illustrates how Whanganui's unemployment rate has compared to the national average over the past two decades.

Figure 12
Unemployment rate Whanganui and New Zealand 2000-2022

% of workforce unemployed, March years



Industry Structure

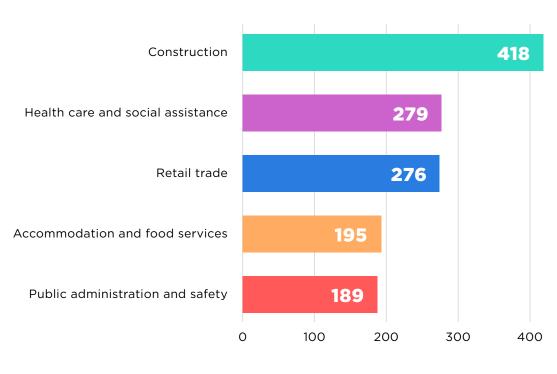
Changes to the number of people employed in an industry are largely driven by economic conditions, such as an employer's perception of their future activity and their willingness and ability to create new jobs.

The industry structure of employment in Whanganui has remained relatively stable over the past decade. As an exception, construction moved from being the 5th largest employing industry in 2012 to 4th, as the industry grew at an above average rate. Over the past five years, construction contributed more new jobs to the district than any other ANZSIC Level 1 industry.

The below figure depicts the top five employment creating industries between 2017-2022 in Whanganui, and the number of jobs they have contributed over this five year time period.

Figure 13
Top Five Employment Creating Industries, ANZSIC Level 1 2017-2022

Absolute change in filled jobs, March Years



(Infometrics, 2023)

Māori Employment

In 2022, the largest area of employment for Māori in Whanganui was meat processing at 8.9%. This industry employed 414 Māori workers.

Health care and social assistance created the most new jobs for Māori between 2021 and 2022 at the ANZSIC Level 1 industry.

Māori Unemployment

The annual average Māori unemployment rate in Whanganui District was 7.6% in the year to March 2022, down from 9.6% in the previous 12 months. Since 2009 the Māori unemployment rate in Whanganui District reached a high of 17.6% in March 2013 and a low of 7.6% in 2022.

(Infometrics, 2023)

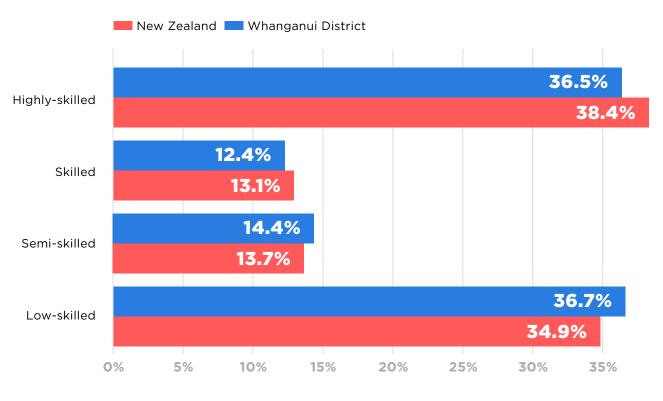
Skills

Areas that can offer higher skilled jobs can generally offer a higher standard of living to their residents. These areas also have a better chance of retaining residents and attracting new skilled workers.

Among the four broad skill levels, employment was highest in the low-skilled category for Whanganui in 2022. Employment in low-skilled jobs accounted for 36.7% of total employment, which was higher than in New Zealand (34.9%). The below figure illustrates the distribution of Whanganui and New Zealand's jobs by skill level.

Figure 14
Employment by Broad Skill level 2022

% of total employment, year to March 2022



(Infometrics, 2023)

Qualifications

Census results from 2006-2018 show an improvement with the number of people in the district with no formal qualifications. During this period, the percentage of Whanganui's population with no formal qualifications decreased from 33.4% in 2006, to 29% in 2013, and finally 24.9% in 2018.

In 2021, the number of school leavers in Whanganui with NCEA Level 2 was 78.2% (placing Whanganui 30 out of 66 Territorial Authorities on this measure). The percentage of our workforce with NCEA Level 3 or above was 58.1% (placing us 26th out of 66 Territorial Authorities).

(Census, 2018, Infometrics, 2023)

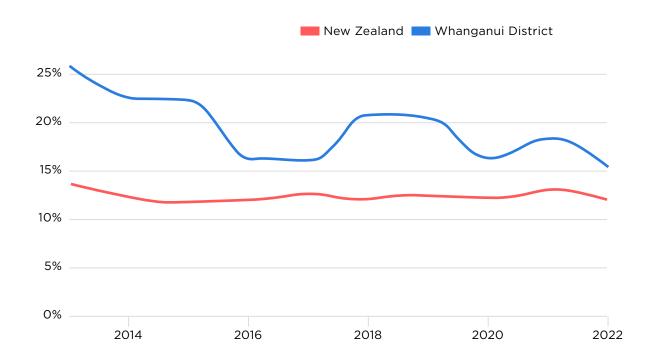
NEET Rates

NEET rates measure the proportion of young people aged 15-24 that are not in education, employment or trainingiv. Whanganui's NEET rate declined to 15% in the year to March 2022, down from 18.1% in the previous 12 months.

By comparison, New Zealand's NEET rate in the year to March 2022 was 11.7%. The below figure shows how Whanganui's NEET rate has tracked compared to the national average over the past 10 years.

Figure 15
NEET Rate Whanganui and New Zealand, 2012-2022

% of people aged 15-24 not in employment, education or training, March years



Our NEET rate reached a peak of 25.4% in the year to March 2013 and a low of 15.0% in the year to March 2022. (Infometrics, 2023)

Household Income

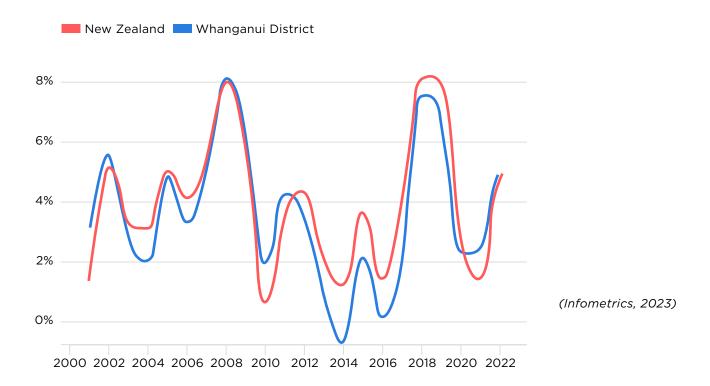
Household income is a fundamental measure of living standards and reflects the economic health of an area. Household income is derived from multiples sources including earnings from employment (wages and salaries), earnings from self-employment, allowances, benefits and superannuation.

The 2023 average household income for the Whanganui District is \$95,934. Of 66 Territorial Authorities, Whanganui ranks 45th for household income.

The below figure shows the mean household income for Whanganui District and New Zealand in 2023.

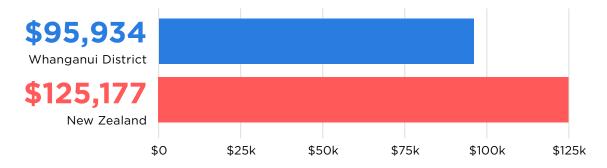
Figure 16
Average Household Income Growth, 2000-2023

Annual % change, March years



Mean household income, 2023

Year to March 2023



Housing Affordability

Affordable housing is another important indicator of living standards. For lower-income households, high housing costs relative to income are often associated with severe financial difficulty and can leave households with insufficient income to meet other basic needs such as food, clothing, transport, medical care and education.

In the Whanganui District, the average house value was 5.5 times the average household income in 2023. Housing was more affordable than in New Zealand overall (7.4). Out of 66 territorial authorities, Whanganui District ranks 23rd for housing affordability.

As of the 2018 census, 55.2% of people in Whanganui owned or partly owned their home, while 12% of people said their homes were held in a family trust.

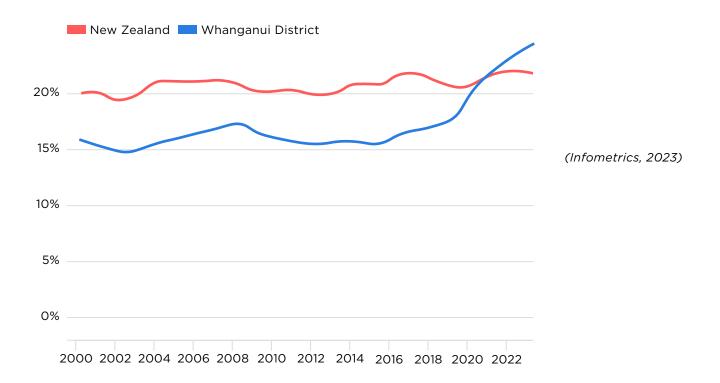
Rental Affordability

According to Infometrics, average weekly rent in Whanganui District was \$433 in 2023, which was lower than the New Zealand average of \$525. Growth in average weekly rent in Whanganui District was 9.1% for the year to March 2023, this was significantly higher than the growth for New Zealand (4.8%).

The figure below demonstrates how Whanganui's rental affordability has tracked compared to New Zealand, from 2000-2023.

Figure 17
Proportion of Rent to Income, Whanganui and New Zealand, 2000-2023

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



In the Whanganui District the average weekly rent accounted for 24.5% of the average household income in 2023. Rent was less affordable than in New Zealand (21.8% of income).

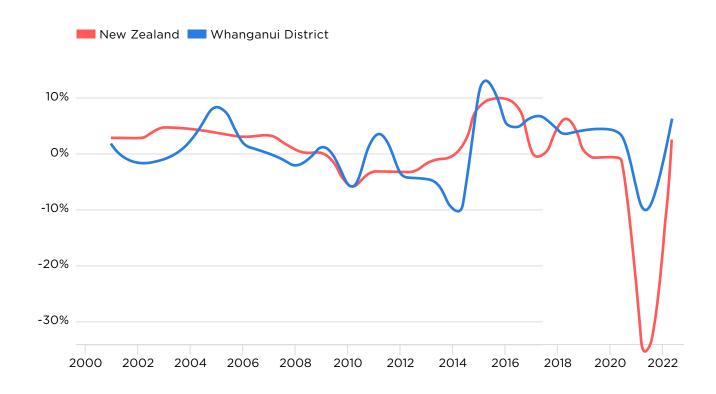
However, rental affordability, which is calculated by comparing average weekly rents with average weekly household income, is less affordable than New Zealand overall. For the year to March 2023, the average weekly rent accounted for 24.5% of the average household income, compared to 21.8% for New Zealand overall. For rental affordability, the Whanganui District ranks 45th out of 66 territorial authorities.

(Infometrics, 2023)



Figure 18
Tourism Employment Growth, Whanganui and New Zealand 2000-2022

Annual % change, March years



Tourism expenditure

In the Whanganui District tourists spent a total of \$126.2m in 2022. Spending was up by 2.5% compared with the previous year. By comparison spending increased by 1.4% in New Zealand. International visitors contributed 4.8% throughout Whanganui District in 2022, while domestic visitors contributed 95.2%.

Accommodation Shortage

Whanganui has a shortage of accommodation during events and peak times. In June 2023, the occupancy rate of commercial accommodation providers with 6-20 rooms in Whanganui was 81%.

(Infometrics, 2023; Whanganui & Partners, 2023)



Tertiary Education

UCOL Te Pükenga

On 1 November 2022, UCOL Whanganui transitioned into Te Pūkenga . As at July 2023 Te Pūkenga was comprised of 16 institutes and polytechnics and nine industry training organisations around New Zealand. The organisation is working towards a 'unified' vocational education system.

In 2021 Te Pūkenga released their proposed operating model for feedback, with four operational regions demarcated across New Zealand. In the proposed new system Whanganui forms part of a larger region with West Taranaki, Manawatū, Wellington, Marlborough and Nelson/Tasman. The proposed operating model can be viewed here: Te Pūkenga Proposed Operating Model

As of 2023, a number of programmes previously offered at UCOL Whanganui have now been cut. These include: New Zealand Certificate in Hairdressing (Salon Support) Level 3, New Zealand Certificate in Cookery Level 4 and New Zealand Certificate in Music Level 4. These programmes remain on offer for Palmerston North and other campus locations.

A free bus is run by Horizons Regional Council from the Whanganui campus to the Palmerston North campus.

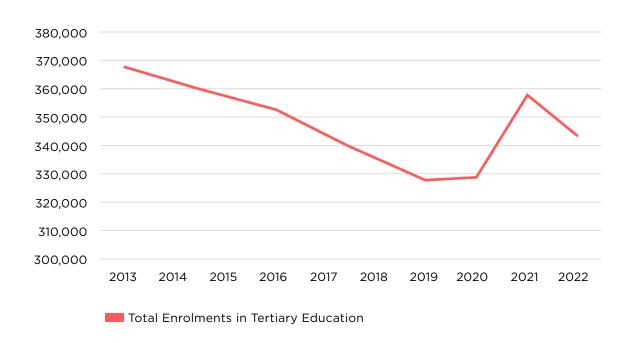
Tertiary Education Enrolment Trends

Domestic enrolments in tertiary education trended downwards throughout New Zealand from 2013-2020. The advent of Covid-19 in 2020 interrupted this trend and enrolments in 2021 (358, 845) were higher than in 2015 (357,860). However, domestic student numbers fell again in 2022. There were 4.1 percent (or 14,855) fewer students enrolled in 2022 than in 2021.



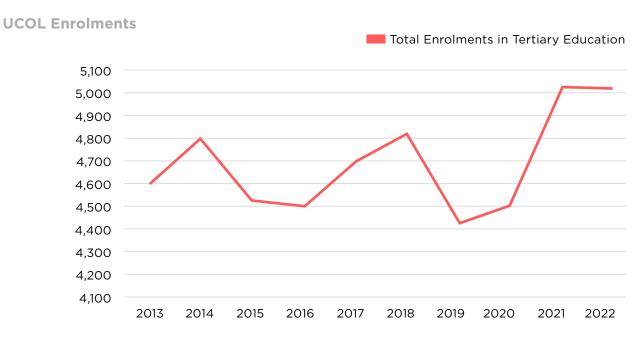
Figure 19
Total Domestic Enrolments in New Zealand Tertiary Education Providers 2013-2022

Total Domestic Enrolments in Tertiary Education



Te Pūkenga / UCOL enrolments also rose sharply in 2021, before dropping off slightly in 2022. Note: UCOL enrolments captured below include all UCOL campuses - across Whanganui, Manawatū, Horowhenua and Wairarapa.

Figure 20
Total Enrolments UCOL 2013-2022



When it comes to industry training, there has been a nationwide surge in this type of training since 2020.

Figure 21
Total Participation in Industry Training for New Zealand 2013-2022



Looking at the Manawatū-Whanganui district more specifically, the region does not seem to be part of this national trend - participation in industry training has been gradually declining since 2019.

2017

2018

2019

2020

2021

2022

2016

2013

2014

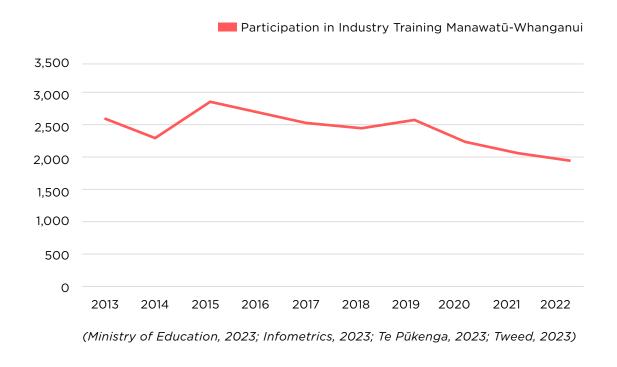
2015

125,000

Participation in Industry Training

Figure 22
Total Participation in Industry Training Manawatū-Whanganui 2013-2022

Participation in Industry Training Manawatū-Whanganui





Whanganui & Partners

Whanganui & Partners Statement of Intent 2023/24 outlines their strategic goals as follows:

A thriving advanced manufacturing and logistics sector -

Whanganui is recognised for its strength of design, high-quality production, developing technologies and logistical advantages.

A leader in advancing primary industries – Whanganui's strengths in the rural sector are elevated creating opportunities for diversification and excellence as an influential food producer.

A centre for creativity and design excellence –
Whanganui's creativity is celebrated and its
artists and makers thrive, inspiring visitors and
generating employment and innovative thinking.

• A destination of choice -

Visitors experience a unique and inspiring destination with exceptional experiences, authentic connections and abundant opportunities.

Whanganui & Partners have also identified Surge Sectors and Key Drivers to focus on strategically. These include:

• An evolving business community -

Whanganui's businesses are growing sustainably and innovatively and our region attracts investment and national recognition.

· An agile workforce -

Our capability is amplified and our workforce is skilled and growing, Whanganui is full of opportunities to work, lean and thrive.

• An accelerated Māori economy -

Whanganui's pakihi Māori are growing and succeeding, the potential of our Māori businesses is realised and celebrated.

· A distinguished brand -

Whanganui is recognised as a place distinguished by its design excellence, exceptional experiences and desirable lifestyle.

Whanganui & Partners' Statement of Intent can be viewed here: $W\&P\ SOI$

The Future of Work/Digital Inclusion

Local Government New Zealand have identified five key societal shifts communities may need to adapt to in the next 30-50 years, with the future of work being one of them. This shift includes the automation of current roles, ongoing shifts to work skill requirements and changes to how people work - such as flexible working and working non-standard roles. Their report - the 2050 Challenge: Future Proofing our Communities, can be viewed here: LGNZ Future Proofing our Communities

An important consideration with regards to the future of work is digital inclusion. The Department of Internal Affairs (DIA) defines digital inclusion as an end-state where everyone has equitable opportunities to participate in society using digital technologies. DIA consider that there are four interdependent elements of digital inclusion: motivation, access, skills and trust. They estimate that one in five New Zealanders lacks at least one of these elements. DIA's 2019 'Blueprint for Digital Inclusion' can be viewed here: The Digital Inclusion Blueprint – Te Mahere mō te Whakaurunga Matihiko

In Whanganui, only 77.7% of the population reported having access to the internet at the 2018 Census. This puts our district considerably below the national average (89.1%), and the Manawatū-Whanganui region (81.1%).

Whanganui District Council's Digital Strategy: Digital by Design was adopted by the Council and published in October 2019. It was then resourced in April 2021. The vision is to harness digital opportunities to empower our community to drive digital innovation and opportunity in Whanganui. Focus areas include: connectivity and inclusion, a high value creative economy, innovation and a digital Council.

(Department of Internal Affairs, 2020/21; Digital Inclusion Research Group, 2017; LGNZ, 2016).

Te Pūwaha/ Whanganui's Port Revitalisation

Te Pūwaha/ Whanganui's Port Revitalisation is a project occurring in partnership with Whanganui lwi, Whanganui District Council, Horizons Regional Council, Q-West Boat Builders, Whanganui District Employment Training Trust and Central Government.

The first tranche of project work has been completed by the Council and the construction phase of the project is planned to commence in the 2023/24 year.

You can read more about this project here: <u>Te</u>
<u>Pūwaha - Whanganui's Port Revitalisation Whanganui</u>
<u>District Council</u>

Opening of Transmission Gully

Transmission Gully Motorway (SH1) opened in March 2022, providing a faster, safer and more reliable route into and out of Wellington. The Ōtaki expressway also opened in late 2022. Drive times from Whanganui to Wellington are now as short as 2 hours 20 minutes. Further roading upgrades in this area are proposed for Ōtaki to North Levin (O2NL).

You can view project updates for the O2NL here: Ōtaki to north of Levin (O2NL)

(Waka Kotahi, 2023)



Cultural Wellbeing

Arts, Culture and Events in Whanganui

Whanganui has a strong reputation for its arts, cultural events and heritage buildings. Arts is an area Infometrics projects employment will grow over the next decade.

Whanganui is currently home to a number of arts and cultural facilities, such as:

- The Sarjeant Gallery-Te Whare o Rehua which will re-open in 2024;
- The New Zealand Glassworks which attracts local, national and international visitors to our district;
- The Quartz Museum of Studio Ceramics;
- Amdram New Zealand's oldest active musical theatre group;
- The Whanganui Repertory Theatre;
- And the last Victorian Theatre in Aotearoa The Royal Whanganui Opera House.

Our district also hosts a number of festivals and events, including Artists' Open Studios, Whanganui Walls, Whanganui Opera Week, Whanganui Literary Festival, Le Fiesta: New Zealand's Best Women's Fest, Whanganui Heritage Month, Vintage Weekend and Lights on Bikes.

Arts and Culture Strategic Plan 2019-2029

In 2019 Whanganui District Council produced a ten year Arts and Culture Strategic plan. The five goals of this plan include promoting mana whenua participation in arts and culture, championing the Whanganui creative sector, supporting creative communities, supporting growth of a creative economy and enabling access and engagement to arts and culture for all people.

Council supports a range of local art projects and creatives through our Public Art Fund and Creative Communities Scheme funding.

You can view the plan here: Arts and Culture Strategic Plan 2019-2029

Open Spaces and Physical Activity Strategy

In response to the opportunities mentioned above, the Open Spaces and Physical Activity Strategy was introduced in 2022. This strategy sets long-term goals for public open spaces, sport, recreation and play in the district. An action plan for the strategy has been developed and \$60,000 has been allocated towards its implementation in the 2023/24 Annual Plan.

You can view the Open Spaces and Physical Activity Strategy here: Open Spaces Strategy

The Sarjeant Gallery Te Whare o Rehua Whanganui

The Sarjeant Gallery Te Whare o Rehua Whanganui Redevelopment Project includes earthquake strengthening and restoration of the existing 100 year old Sarjeant Gallery; and the addition of a new, modern wing, which will be joined to the rear face of the Gallery. The Sarjeant Gallery Redevelopment Project is a partnership between Whanganui District Council, Whanganui Iwi, Central Government, large and small private donors and Trusts.

The restoration and construction phase of the project is forecast to be completed over the 2023/24 summer, with a period of installation and the opening exhibitions projected to follow in mid-2024.

You can read more about this project here: <u>Sarjeant Gallery Redevelopment Whanganui District Council</u>

Town Centre Regeneration

In April 2017 the Council adopted the Making Whanganui Visible Regeneration Strategy – which sets out a vision for the town centre and an implementation plan. A Town Centre Steering Committee was made up, comprising of local Councillors, community members, Mainstreet Whanganui, Whanganui & Partners, local Iwi and Council officers. Projects in the last few years include Whanganui Walls mural festival, the conversation station and Maria Place pop up.

Actions to showcase the town's identity and character through public art and place-making have helped put Whanganui on the map. Town Centre Regeneration initiatives have often overlapped with wider aspirations and projects around inner-city living, pedestrianisation and high quality urban design. These aspirations are set to intensify in the years ahead.







Heritage

Whanganui District Heritage Strategy 2021

The Whanganui District Heritage Strategy was introduced in 2021. The strategy's vision is for Whanganui to be a district that values, protects and promotes its historical heritage.

The strategy identified some major priorities for Council to undertake as an organisation, they are as follows:

- » Provide ongoing support and information for owners of Earthquake-Prone Buildings;
- » Commission and maintain explicit asset management plans for assets Council owns or controls, including lines of responsibility, goals, repair and maintenance plans, and conservation guidance to avoid demolition by neglect;
- » Ensure ongoing use of vacant heritage building assets and investigate both seismic strengthening and incorporation of accommodation in such buildings;
- » Consider evolving Council's Heritage Grant Fund as the needs and priorities of heritage site owners change.

You can view the strategy here: Whanganui District Council Heritage Strategy 2021

Earthquake-Prone Buildings

Provisions around Earthquake-Prone Buildings (EQPBs) in Whanganui are informed by The Building (Earthquake-prone Buildings) Amendment Act 2016 (The Act). Whanganui is classed as a Medium-Risk Seismic Zone. A majority of Whanganui CBD buildings are likely to require an engineering report to confirm their EQPB status.

In terms of timing of strengthening works, some priority thoroughfare routes in the town centre will be required to strengthen potentially dangerous building frontages (or demolish the entire building) before 2035. The rear building portions of potentially Earthquake-Prone buildings do not need to be strengthened until 2048, although it would be more efficient to carry out full strengthening of a building at once, rather than two partially-staged projects.

The Act's requirements carry significant implications for building owners, particularly given that funding to support this work is reducing at both Council and Central Government levels. In 2021, the Heritage EQUIP seismic fund was withdrawn by the Government. This fund had started to achieve steady progress in assisting local building owners with the costs of preliminary seismic assessment and design funding support.

As a result of the withdrawal of this fund, the Whanganui Heritage Grant Fund criteria has widened to cover the commissioning of seismic assessments and upgrade plans through grant incentives. However, the fund is unable to support any strengthening work, as construction costs are high in comparison with its annual allocation (\$150,000 to distribute across the 2023-2024 financial year). There is currently little assistance available for private building owners to help defray their costs.





Inner-City Living

Historically, many business owners and employees lived above their shops. Suburbanisation trends over the last century have pushed the population out of cities and into the suburbs. At present, greater effort is being made nationally to encourage pedestrianisation and mass-transport options. As a result of these efforts, central living in cities is becoming more desirable again.

Most of Central Whanganui's building stock is of historic value and could benefit from incorporation of apartment options. Regenerating our inner-city historic neighbourhoods would have considerable flow-on benefits for town centre activation and tie in well with shifting trends in how people live and move around cities.

Incorporation of new apartments in existing buildings, in many cases, requires substantial work to make them compliant with the Building Code and to bring them up to safe living standards. However, there are opportunities to incorporate apartment living at the time of seismic strengthening, although it should be noted that the financial cost of doing either of these is significant.

UNESCO City of Design Status

In 2021, Whanganui won international recognition as a UNESCO City of Design. The designation earns Whanganui a place in the UNESCO Creative Cities Network and recognises the city's historic and contemporary contributions to design.

Through this UNESCO designation, Whanganui has been accepted into an active network of global design leaders including Beijing, Berlin, Helsinki and Singapore. In Aotearoa, we join Auckland; City of Music, Wellington; City of Film, and Dunedin; City of Literature in the Creative Cities Network. As the only New Zealand City of Design, Whanganui now assumes an important role in representing design thinking for the whole of the country.

Being part of this network can strengthen Whanganui's connections with indigenous creatives around the world. It can also help to create international partnerships for major institutions and education facilities, enabling them to exchange and share knowledge - which would be particularly beneficial for emerging designers and makers.

Central Government Reforms

There are a large number of reform and policy programmes occurring concurrently in Central Government. These will be outlined below.

Our Council have expressed concerns in a number of our submissions to Central Government that there is a risk of misalignment between reform programmes due to the scale and pace of the reforms. Other key concerns include the potential for duplication of work, the strain on Council resource, and the potential loss of local voice.

There is also a general election on 14 October which may change Central Government's policy and spending priorities markedly.

Three Waters Reforms (The "Affordable Water Reforms")

Central Government are currently implementing reform of the country's water services through a suite of legislation. The aim of the reform is to increase the safety, reliability and affordability of three water services, and to meet challenges like population growth, climate change and natural disasters.

Three Waters Reforms - Policy Reset

In April 2023, Central Government announced a policy reset of the Three Waters reforms through the Water Services Amendment Act. This Act amended the Water Services Entities Act 2022 and reset the direction for the water reforms. Some key changes resulting from this reset are outlined below:

- There will now be 10 water service entities based on existing regional boundaries. Whanganui will form part of a Whanganui-Manawatū entity currently known as 'Entity E', which follows the Horizons Regional Council boundaries.
- Each Council will have a seat on the Regional Representation Group, along with equal mana whenua representation.
- Communities will be able to communicate their priorities for bodies of water through 'Community Priority Statements'.
- The establishment of the ten entities will now be staggered. All entities will transition between July 2024 and July 2026 and transition dates will be set by the end of February 2024.

Implications of the policy reset for Whanganui District Council

- Council will continue to be responsible for delivering and funding water services during the 2024/34 Long-Term Plan - until the establishment date of our water services entity.
- Council will need to include information on water services in long-term planning, annual planning, and annual reporting documents over this period

 as well as continue to set/collect rates and require development contributions.
- Year one and two of the Long-Term Plan will include the water-related projects that are required to maintain existing levels of service. Years three to 10 of the plan will consider projects which the new Water Service Entity would be expected to deliver.
- Council's Development Contributions can now include capital expenditure for water infrastructure that is not provided for in the Long-Term Plan and is expected to be constructed by the Entity on or after its establishment date." (this is just a change of word from 'capex' to 'capital expenditure')

- Our Council will face additional costs resulting from delayed handover of our water services to the new entities. Our current debt restructuring for Three Waters is predicated on a 1st July 2024 transfer date. An extension to this increases our interest costs.
- Initial discussions between the Councils within Entity E and the National Transition Unit have established that a transition date of 1 October 2025 is likely.
- The Council will no longer be able to charge a utility rate on the capital value of the underground water network.
- The second tranche of Better Off Funding was disestablished by Government, meaning this funding will not be available for projects in future years of the LTP.

Impact of the General Election

In advance of the election, opposition parties have made clear their intention to repeal and replace the Water Services Reform Programme. As a result – the election introduces a degree of uncertainty which is affecting waters staff, transition work and work on council's Long Term Plans. Opposition parties have indicated that any replacement of water reform legislation may keep the same (or similar) features of current legislation/Bills. In particular, the external regulation of water services is not proposed to be altered.

However, the transfer of three waters from Councils to the new Water Service Entities before the 1st of July 2026 is now a requirement under legislation. Until there is a repeal of the Acts or an Amendment, the current legislation will be upheld by Central Government policy makers and it is in the Council and community's interest to continue to take the operational steps required of legislation.

Council is currently managing the uncertainty surrounding these reforms through its Asset Management Plans and Development Contributions, and by taking a regional approach to the current transition work.

Resource Management Reform

The resource management system shapes where and how we build roads, housing and other essential infrastructure. It also influences the state of our air, water, land and native plants and animals.

The Government is currently reforming its resource management system and replacing the 1991 Resource Management Act, with a new Natural and Built Environments Act, Spatial Planning Act and Climate Adaptation Act.

The new Spatial Planning and Natural and Built Environment Acts began coming into effect on 24 August 2023. They will gradually phase in over a 10-year period. Some changes apply immediately. However, most will come into effect later on, and at different times in different regions. Many parts of the Resource Management Act 1991 will remain in place until then. The Climate Adaptation Bill is yet to be introduced to Parliament.

Some key features of the new resource management system are as follows:

- Planning Each region will develop a Regional Spatial Strategy (a 30+ year strategy setting out the region's development and environmental goals) and a Natural and Built Environment Plan (which will replace the 100+ regional policy statements and set out rules for land use, environmental protection and which activities are permitted or require consent). These plans will be developed by Regional Planning Committees. Committee members will be appointed by Councils and Iwi/Hapū.
- **Consents** It is expected the new system will result in less need for resource consents and more certainty around what is needed for consents.
- Outcomes The new system is outcomes focused. Examples of outcomes include reducing greenhouse gases or restoring coastal areas. The systems outcomes will be set in the Natural and Built Environment Plan and the National Planning Framework (not currently in place) will provide direction on setting and resolving conflicts between outcomes.
- **Te Tiriti o Waitangi** Organisations and people carrying out responsibilities in the new system must "give effect to" the principles of Te Tiriti o Waitangi. Iwi, hapū and Māori will have additional roles and opportunities to be involved in the new system. For example, there will be at least two Māori members on regional planning committees.
- Development and infrastructure Some housing and infrastructure developments will be able to use a fast-track consenting process. Regional Spatial Strategies will now identify where housing and infrastructure will go earlier in a region's planning cycle (to provide more certainty to local/central government and developers).
- Compliance monitoring and enforcement Councils will have broader enforcement tools and
 powers. For example, they will be able to recover
 the costs of investigation and prosecution from
 offenders. Consent holders will no longer be
 able to use insurance to pay fines. Penalties for
 non-compliance have increased to \$1 million for
 individuals and \$10 million for companies.

Changes that start immediately

Changes to the system which start on 24 August 2023 include:

- fast-track consenting for certain housing and infrastructure developments;
- a new maximum duration for new freshwaterrelated consents;
- changes to council enforcement powers and penalties;
- changes to the management of contaminated land;
- changes to aquaculture management.

Moving to the new system

It is anticipated the move to the new resource management system will take place over 10 years. At the national level, the National Planning Framework

- which will bring together current national policies
- will be rolled out over the coming years.

At the regional level, regional planning committees will develop their Regional Spatial Strategies and then their Natural and Built Environment Plans. Each region will transition to the new system when the latter comes into place. Until then, many parts of the Resource Management Act 1991 will remain in place.

Implications for Whanganui District Council

Some key concerns about the resource management reforms which we highlighted in our submission on the Spatial Planning and Natural and Built Environment Bills were as follows:

- The regionalisation of planning will significantly reduce democratic and local decision making.
 Smaller districts like Whanganui risk inequity in outcomes, as plans may favour options better suited to other districts in our region.
- Councils will have to both fund and give effect to plans which have not met our standards for democratic input and may not always represent our local community's preference.
- The sheer scale of the reforms and the level of planning required will significantly deplete the critical mass of Councils.

You can view updates on the resource management reforms here: Resource management system reform | Ministry for the Environment

(Ministry for Environment, 2023)

Future for Local Government review

On 23 April 2021 the Minister of Local Government established a review into the Future for Local Government. The purpose of the Review is to identify how our system of local democracy and governance needs to evolve over the next 30 years, to improve the wellbeing of New Zealand communities and the environment, and actively embody the Treaty partnership.

The final report was returned in June 2023. Its key recommendations are as follows:

 Entrench intergenerational wellbeing as the purpose of Local Government. Council should set wellbeing goals/priorities each term in conjunction with Hapū/Iwi.

- Grow Te Tiriti based partnerships provisions should be introduced which make Local Government a partner to Te Tiriti in a similar way to the crown. The Local Government Act 2002 should be amended to prioritise investment in developing Council capacity in the area of Te Tiriti o Waitangi, te ao Māori values, Mātauranga Māori, tikanga and the whakapapa of Local Government.
- 3. **System renewal** Central Government should initiate a reorganisation of Local Government, create a new stewardship programme and establish a new Crown department to facilitate a more effective relationship between local and Central Government.
- 4. Strengthening local democracy Central Government should invest in democratic innovations, including participatory and deliberative democracy processes, as well as enhance access and representation in local democracy with changes such as: a four year electoral term, ranked voting, lowering the threshold for Māori wards, Te Tiriti based appointments to Council and lowering the voting age to 16.
- 5. Increasing funding for Local Government –
 Central Government should make an annual transfer of revenue equivalent to GST charged on rates, pay rates on Crown property, develop an intergenerational fund for climate change, consider funding impacts on Local Government of policy decisions at a Central Government level and finally to resource any transitional processes and support Councils to be effective Te Tiriti partners.

In terms of system renewal, the view of the report is that Councils need new operating models, and it suggests that local Councils lead the charge on what this should look like, alongside lwi/Hapū. The report recommends two possible models for the structure of new councils: a new unitary model and a combined network model.

You can read the full report here: <u>He piki tūranga, he piki kōtuku</u> - <u>The future for Local Government</u>

Implications for Whanganui District Council

LGNZ has established a panel to review the findings and make recommendations. Mayor Andrew Tripe has been appointed to this panel.

Taituarā are not expecting policy decisions until mid-2024 at the earliest, and not expecting any legislation to start the Parliamentary process until early 2025.

Taituarā advises Councils to undertake some thinking about what a wellbeing focus means to their community 'on the ground', but does not recommend that Councils make any assumptions regarding functional change or new funding sources.

(Review into the Future for Local Government, 2023; Taituara, 2023)

Building Consent System review

The Government has commenced a review of the building consent system, as part of the Building System Reforms. The review is a key priority of the Government to support transformation of our housing market, to unlock productivity growth and make building work (both residential and commercial) more affordable.

The reforms are a comprehensive approach to lifting the performance of the building regulatory system, ensuring building work is done right the first time and providing fairer outcomes if things go wrong. The reforms seek to make improvements to the building regulatory system so that building work can be done more efficiently and buildings are safe, healthy and durable.

Outcomes of the review are pending. However, potential changes include transfer of some building consent functions, including specific assurance functions, away from building consent authorities to other system participants. The review may also lead to potential changes to building supplies competition, product substitution requirements and increased flexibility.

You can keep up to date with the progress of the review here: Review of the building consent system

(Ministry of Business, Innovation and Employment, 2023)

Emergency Management System reforms

The National Emergency Management Agency (NEMA) has established a Regulatory Framework Review Programme (also known as the "Trifecta") to bring together three projects that have significant alignment. The projects are:

- Developing a new Emergency Management Act (the Act) that will replace the Civil Defence Emergency Act;
- Review of the National Civil Defence Emergency Management Plan Order (the Plan Order)
 2015 and the accompanying Guide to the National CDEM (Civil Defence and Emergency Management) Plan (the Guide) 2015; and
- Development of the National Disaster Resilience Strategy (NDRS) Roadmap (National Emergency Management Agency, 2022).

The Programme is also aligned with the Emergency Management System Reform (EMSR) work programme based on the Government response to the Technical Advisory Group's recommendations, delivering better responses to natural disasters and other emergencies.

The proposed Act changes outline specific responsibilities to be undertaken by Local Government. Most of the directed activities align with current operational work programmes at both our Regional and Local level.

A lot of the detail supporting the Bill will be written into the regulations or rules - these are still to follow, so understanding the impacts of the Bill as currently written is difficult at this stage. The Governance and Administration Committee has called for submissions on the Emergency Management Bill by 3 November 2023.

(National Emergency Management Agency, 2022)

Review of Waste Legislation

The Government's recently released new waste strategy - Te Rautaki Para, sets out an ambitious road map for the next three decades, with a low-emissions, low-waste society built upon a circular economy.

Key aspects of the new waste strategy are:

- Materials collected from households for recycling will be the same nationwide from 2024. Kerbside recycling will be provided to all households in urban areas by 2027. Food scrap collection services will be available to households in all urban areas by 2030. The aim will be to get businesses ready to separate food scraps from general waste by 2030.
- A Product Stewardship Scheme will be developed, as well as a new Container Return Scheme. Both will create a paid lifecycle for particular products, including end point re-use and recycling. This will radically alter how these products are currently handled and processed.
- All Councils will need to meet an increasing minimum standard for the amount of household waste diverted from landfill. Of the total household waste placed at kerbside Councils will need to divert 30 per cent by 2026, 40 per cent by 2028 and 50 per cent by 2030.
- The Landfill Waste Levy will be increased progressively over four years. The levy rate for landfills that take household waste will increase from the current \$10 per tonne set in 2009 to \$60 per tonne as of July 2024. The Waste Levy will be expanded to cover additional landfill types, including construction and demolition fills.
- The scope of what waste disposal levy funds can be spent on will be expanded to include investing the additional revenue in initiatives that support waste reduction, such as building New Zealandbased recycling infrastructure.
- Council's statutory reviews of their waste management and minimisation plans will be aligned with/ form a component of Long-Term Plans, i.e. a review of the plan would need to be

carried out every three years instead of every six years.

 Regulatory powers to control products and materials will be increased.

We are expecting the draft Bill to be introduced into the house in late 2023 or early 2024. Following this there will be an opportunity for feedback during the select committee process. The Government aims to have the legislation enacted in 2025.

You can view updates on review here: Waste legislation reform

(Ministry for Environment, 2023)

National strategies and plans

National Adaptation Plan

The Ministry for the Environment released its first National Adaptation Plan in August 2022. The National Adaptation Plan contains strategies, policies and actions designed to help New Zealanders adapt to climate change and its effects.

The National Adaptation Plan is the first in a series. Labour envisage that every six years He Pou a Rangi - the Climate Change Commission will prepare a national climate change risk assessment. This will identify the climate risks that need to be addressed most urgently. New national adaptation plans that respond to those risks will be developed in consultation with all New Zealanders.

This first iteration of the National Adaptation Plan focuses on what government will do to enable better risk-informed decisions, drive climateresilient development in the right locations, help communities assess adaptation options (including managed retreat) and embed climate resilience into all of the government's work.

Some key points from our submission on the draft National Adaptation Plan are as follows:

- Local Government plays a critical front-line role in assisting their communities to respond and adapt to the impacts of climate change. There needs to be clarity around roles and cost accountability between Local Government, Central Government, insurance providers and private owners.
- Any work in partnership with Iwi/Māori to develop Māori-led adaptation solutions must recognise Te Awa Tupua (Whanganui River Claims Settlement) Act 2017. The Council encourages engagement with Ngā Tangata Tiaki o Whanganui and the multiple diverse Iwi/Hapū at place in Whanganui.
- Council would like to see better access to modelling for future flooding or coastal

inundation risks rather than historic records or LiDaR. Funding for expert support to update models, model new areas or to provide mitigation commentary and/or requirements based on climate change research, particularly in areas pending development is critical to help reduce risks and avoid unnecessary infrastructure costs.

- Our Council would like to see specific pathways and policies that will build community resilience through new economic opportunities for businesses and job creation across sectors (i.e. transport, energy services) and plans to mitigate the impacts on low income households.
- Access to data, information and guidance to enable everyone to assess and reduce their own climate risks is crucial for local authorities to fulfil their responsibilities to their communities.

You can read the National Adaptation Plan here: National Adaptation Plan

(Ministry for Environment, 2023)

Climate Adaptation Bill

Central Government are working on a Climate Adaptation Bill as part of their overhaul of the Resource Management Act. The Bill will aim to address two significant challenges which are not currently covered by the National Adaptation Plan: managed retreat and how it will be funded. The recovery work underway following Cyclone Gabrielle and the Auckland floods will inform the legislative proposals to be included in the Climate Change Adaptation Bill.

In August 2023 an issues and options paper was released for this Bill and can be viewed here: Community led retreat - Issues and options report.

Some key issues identified in the issues and options report are as follows:

- Climate change is increasing the risk of extreme weather events and eventually the risk in some places will become so great that it will no longer be safe to live there, or affordable to rebuild after a disaster.
- Some of the places at risk are large and highly populated, and the challenges and costs of adapting will be significant.
- Māori will be disproportionately impacted. Culturally significant sites will be threatened, as will the industries in which many Māori are employed and have assets.
- Whether, when and how to retreat from at-risk places are issues faced by communities in many countries. A typical approach allows communities to stay in place until a disaster forces them to leave. But this reactive approach is costly.
- The Government has taken steps to shift to proactive adaptation through the first national adaptation plan and resource management reforms. We now need to consider whether

Aotearoa should develop an enduring system to enable retreat before a disaster.

In August 2023 the Environment Committee launched an inquiry into climate adaptation, and is calling for public submissions by 01 November 2023.

(Ministry for Environment, 2023; New Zealand Parliament, 2023)

New Zealand Infrastructure Strategy

Rautaki Hanganga o Aotearoa New Zealand Infrastructure Strategy 2022 - 2052 was published by the New Zealand Infrastructure Commission in 2022. The purpose of this strategy is to develop a strategic response to the challenges facing New Zealand's infrastructure, including climate change, technological change, congestion and natural hazard risk

This strategy is focused on five objectives to achieve a thriving New Zealand, as follows:

- Enabling a net-zero carbon emissions Aotearoa through rapid development of clean energy and reducing the carbon emissions from infrastructure.
- Supporting towns and regions to flourish through better physical and digital connectivity and freight and supply chains.
- Building attractive and inclusive cities that respond to population growth, unaffordable housing and traffic congestion through better long-term planning, pricing and good public transport.
- Strengthening resilience to shocks and stresses by taking a coordinated and planned approach to risks based on good-quality information.
- Moving to a circular economy by setting a national direction for waste, managing pressure on landfills and waste-recovery infrastructure and developing a framework for the operation of waste-toenergy infrastructure (New Zealand Infrastructure Commission, 2022).

You can view the strategy here: New Zealand Infrastructure Strategy

(New Zealand Infrastructure Commission, 2022)

Road to Zero

Road to Zero is Government's strategy to guide improvements in road safety in New Zealand over the period from January 2020 to December 2029. The Vision of the Strategy is "a New Zealand where no one is killed or seriously injured in road crashes" (New Zealand Government, 2019).

Road to Zero sets a target to reduce deaths and serious injuries on New Zealand's roads, streets, cycleways and footpaths by 40 percent over the next 10 years. Whaganui's road fatalities rate is 14.3 (Road Fatalities refers to the average number of road

fatalities per 1,000 vehicle kilometres travelled*). This places us as 58th out of 66 TA's for road safety.

Waka Kotahi NZ Transport Agency has been reviewing speed limits on roads. Within the Manawatū-Whanganui Region, speed limit reviews have been completed on SH3 Napier Road, SH3 Whanganui to Westmere and engagement/consultation has closed for SH1/ SH3 Bulls to Sanson, Ōtaki to Levin, SH56 Palmerston North to Ōpiki and SH1 Levin to Foxton.

You can read more about the Road to Zero Strategy here: Road to Zero - NZ's road safety strategy

(New Zealand Transport Agency, 2023)

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- A household is a grouping of individuals and/ or families living in the same dwelling that share facilities with each other. Infometrics estimate the number of households in the district ('household growth') and the average number of people in each household ('household size') based on projected changes in the structure of the population and trends in household formation (such as women deferring childbirth to later in life). The method used by Infometrics provides a theoretical estimate of the number of households which could eventuate. However, the actual number of households will depend on a sufficient number of dwellings being available. If fewer dwellings are made available, for example, due to lower levels of new dwelling construction, then fewer households will be able to form, and the average household size may be higher. As a practical example, we might expect a couple with one child to form their own single-family household, consisting of three occupants. However, if the couple is unable to obtain a suitable dwelling, they may move in with one of their sets of parents, forming a multi-family household with five occupants.
- ii The crude crime rate is calculated as the number of crimes committed and recorded (offender proceedings) in an area per 10,000 residents. Data sourced from the New Zealand Police and Stats NZ for fiscal years.
- iii An economy is widely accepted to be in a recession following two consecutive quarters of a decline in GDP.
- iv Infometrics estimates NEET rates by territorial authority. The following datasets are used in to estimate territorial authority NEET rates: Household Labour Force Survey, Census data, Jobseeker Support recipients by age, and transient secondary school student numbers.
- Road Fatalities refers to the average number of road fatalities per 1,000 vehicle kilometres travelled (VKTs). Road fatalities are often low in number and variable across years, so a five-year moving average is utilised to ensure a consistent trend. Vehicle kilometres travelled by area have been modelled to provide a reasonable base of comparison - essentially, the distance travelled is positively correlated to road fatalities, so allows a more like-for-like comparison across areas. Estimated VKTs have been modelled for territorial authorities using regional VKT estimates from the Ministry of Transport and split by territorial authority by the length of local roads in each area. Data sourced from Infometrics, NZTA, Ministry of Transport, and Stats NZ.

Whanganui District Shajoshot 2023