

Whanganui District Snapshot 2023

Executive summary version



WHANGANUI
DISTRICT COUNCIL
Te Kaunihera a Rohe o Whanganui



Social Wellbeing



POPULATION GROWTH

Whanganui's population is projected to increase by 1,502 people by 2027. In 2034, the district will have a population of 52,891.



HOUSEHOLD GROWTH

Whanganui is projected to grow by approximately 120 households per year for the next decade.



CAPACITY FOR GROWTH

Whanganui has adequate infrastructure and schooling capacity to support this growth over the next ten years. However, much like the rest of New Zealand, we are facing a housing and GP shortage.

These projected population and household figures are based on Infometrics high population growth scenario.

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	20,404	106	22,044	130
2025	49,707	376	20,511	107	22,293	249
2026	50,083	376	20,619	108	22,569	276
2027	50,456	373	20,730	111	22,888	319
2028	50,827	371	20,844	114	23,214	326
2029	51,196	369	20,969	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 Demographic Changes for Whanganui

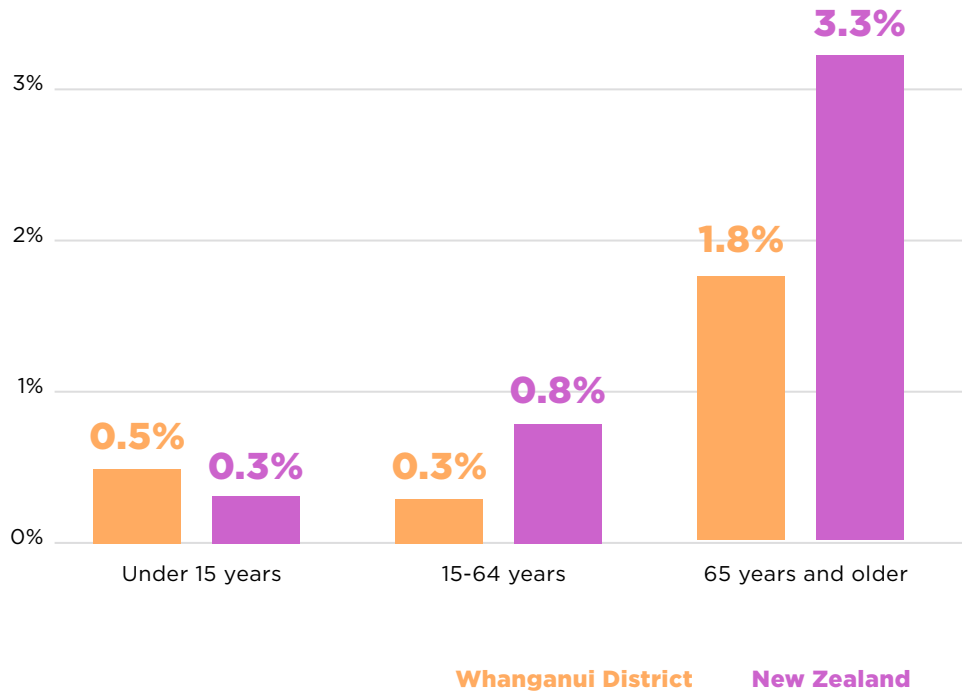
Age

The age composition of our district has implications on the demand for services and facilities. In 2022, only 58.7% of Whanganui's population was working age (15-64), while 22% of our population was 65 years or older. Over the next 10 years, the 65 and older 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 over the next 10 years, 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%.

Projected Population Growth by Age Group 2022-2034

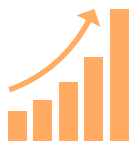


Employment Growth

Employment growth is an important factor for attracting and retaining new residents. Infometrics project steady annual employment growth for the district.

Over the next three years, Whanganui is projected to grow 120 to 310 jobs annually.

Primary industries and some areas of manufacturing are expected to soften over the next decade, which may impact job growth at places like Whanganui's meat works and tannery.



Infometrics project an increase in highly-skilled jobs in Whanganui—such as professional services, public administration, education, health, arts and recreation.

Household Income

Whanganui's 2023 mean household income is \$95,934, well below the New Zealand average of \$125,217.

Over the past five years, mean household income growth in Whanganui averaged 4.4%, compared to 4.7% per annum across New Zealand. Over the past ten years, employment growth in Whanganui averaged 3.3% compared to 4.2% per annum across New Zealand.

Out of the 66 Territorial Authorities, Whanganui ranks 45th for household income.

Skill Distribution

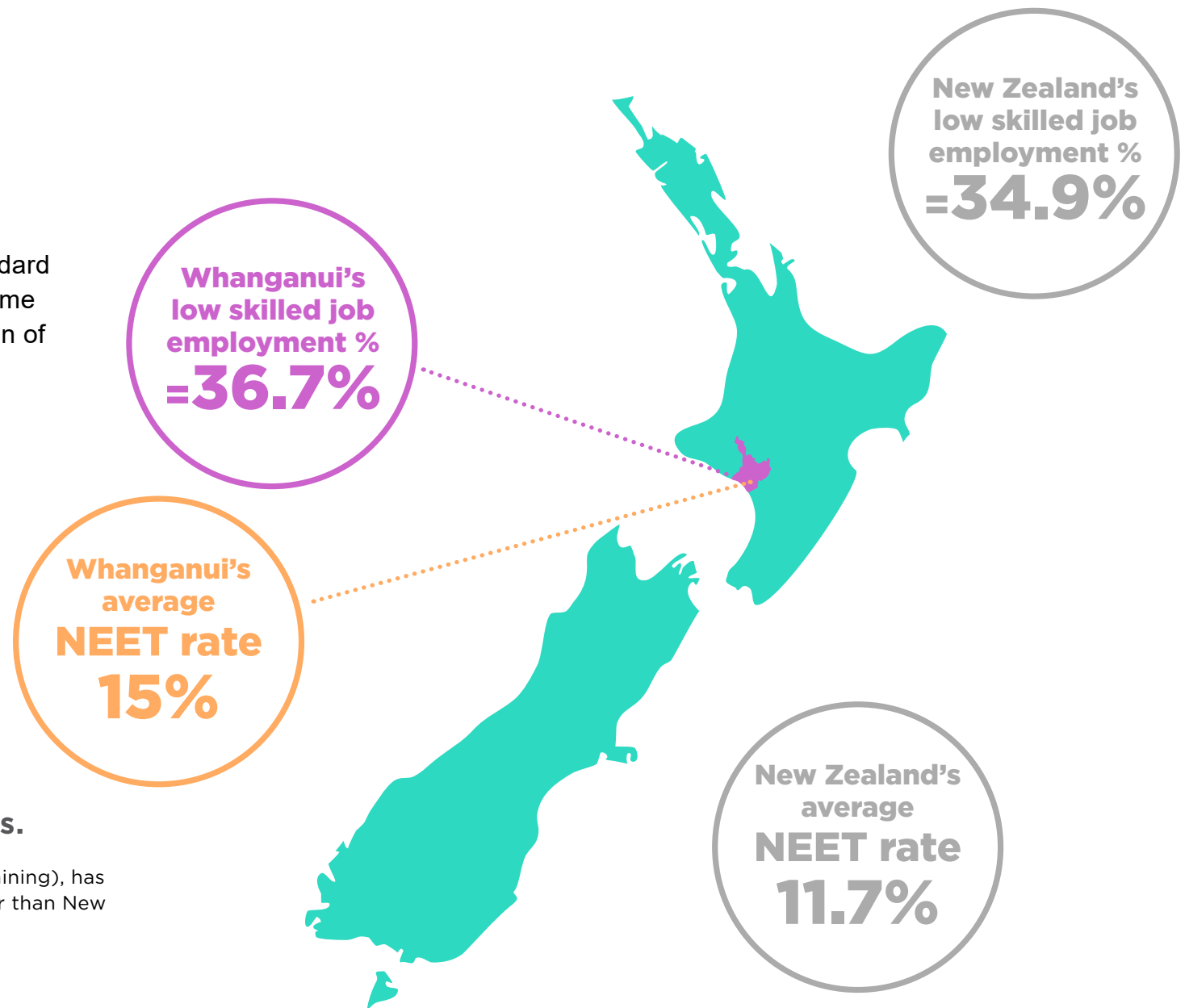
Higher skilled jobs can generally offer a higher salary and standard of living to residents. One reason Whanganui's household income tracks below the national average may be due to the distribution of skilled jobs.

Low skilled jobs account for 36.7% of total employment in Whanganui.

Unemployment and NEET Rates

Unemployment is currently **3.9%**, the lowest rate Whanganui has seen in 20 years.

Our NEET rate (the number of people not in education, employment or training), has declined from 18.1% to 15% in March 2022. However, this is still much higher than New Zealand's average NEET rate, which was 11.7% in 2022.



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).

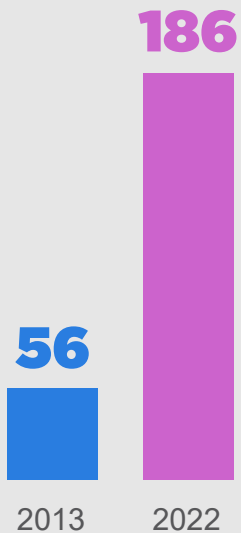
A recent reduction in programme offerings at UCOL/Te Pukenga Whanganui may be a further obstacle to tertiary enrolment for those unable or willing to travel outside of the district.



Qualifications

Whanganui sits slightly **above average** when compared to other Territorial Authorities on the number of people with NCEA Level 2 and Level 3 qualifications in our district.

Housing Capacity



There has been a steady growth in issued building consents over the past 10 years, jumping from 56 in 2013 to 186 in 2022.

While Infometrics project consents will slow slightly in 2023 and beyond (due to cost pressures), the annual number of issued consents for Whanganui is projected to remain at 99 or above for the next three years.

Housing/rental affordability

At the time 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.

Housing was more affordable in Whanganui than in New Zealand overall, ranking 23rd of 66 Territorial Authorities.

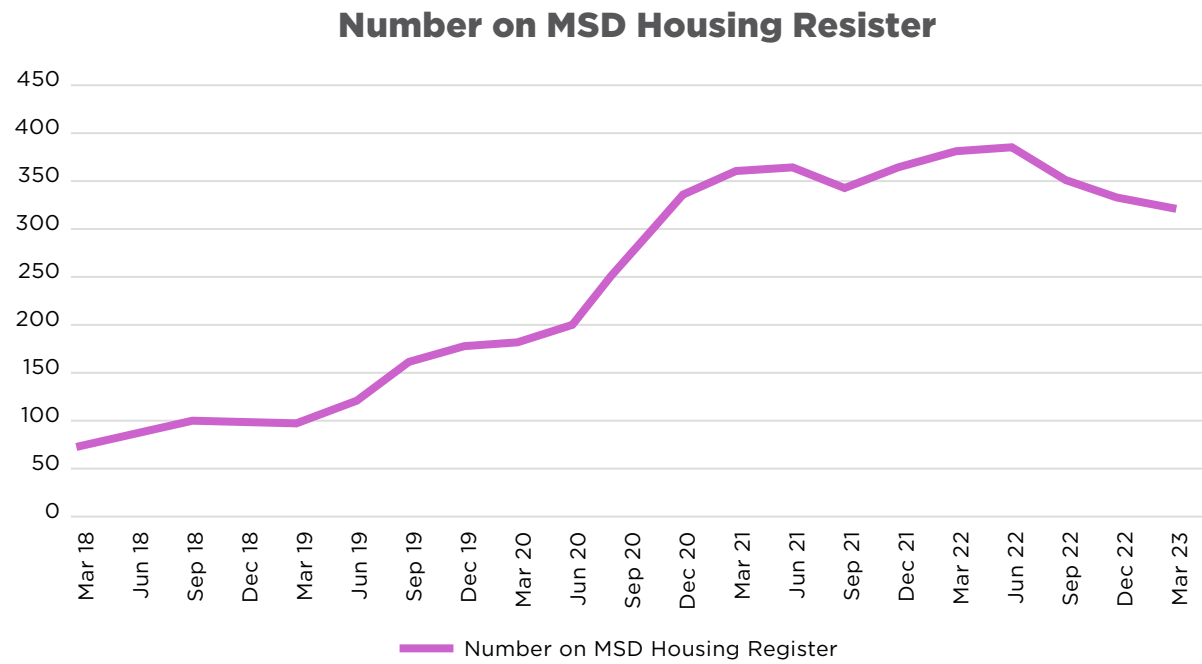
Rental affordability, however, is worsening in Whanganui. In terms of the amount of Whanganui's average household income spent on rent, Whanganui ranks 45th out of 66 Territorial Authorities. The average weekly rent price (\$433) is also growing faster than the rest of the country.



Social Housing Shortage

Whanganui has a high number of people on a waitlist for social housing in our district – with at least 321 individuals and families on the Ministry for Social Development’s housing register at March 2023.

Note: the number of people and families waiting for social housing in Whanganui is likely to be much higher than 321, as this register only captured those who meet specific criteria. There are also a number of other social housing providers not captured here.



Housing our Ageing Population

Whanganui District 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.

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

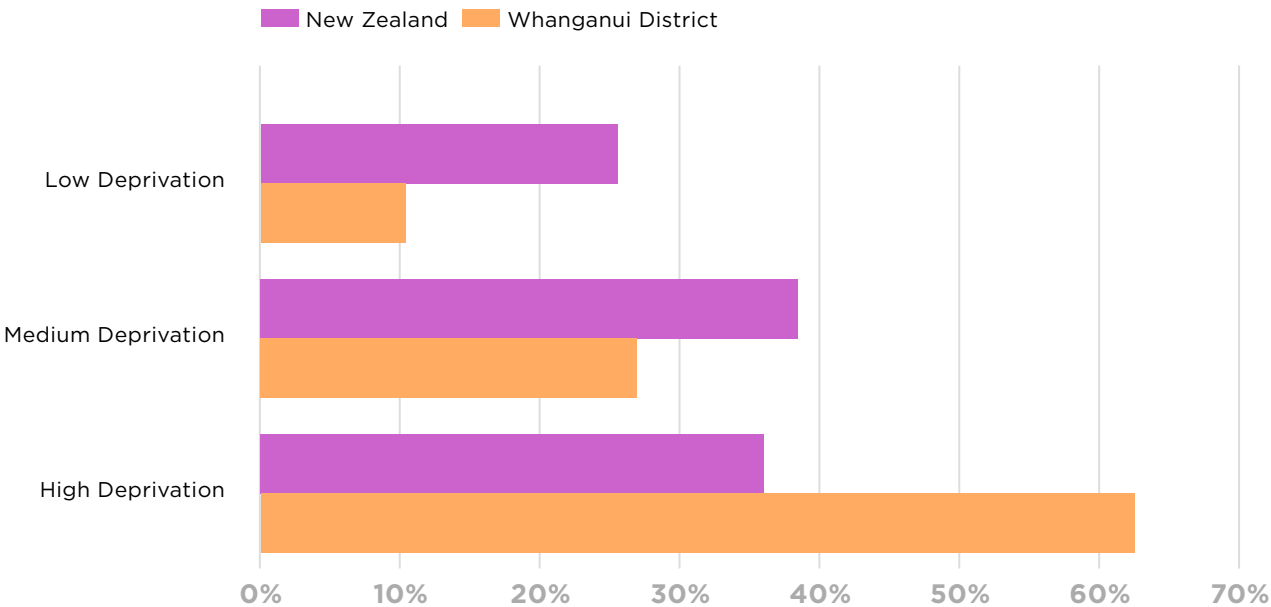
Deprivation

In 2018, 62.5% of the Whanganui population lived in high deprivation areas, and only 10.4% in a low deprivation area. By comparison, just 39.9% of New Zealand lives in a high deprivation area and 29.5% in low deprivation.

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

Percentage of Whanganui Population across deprivation categories



Crime and Safety

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



Within the Theft and Related Offences category, the most common type of theft was theft from retail premises.

Theft and related offences were twice as high in 2022/23 as they were in 2019. This is in line with national trends.

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

Health



Life expectancy

For life expectancy (average length of life) Whanganui District ranks **54TH EQUAL** out of 66 territorial authorities.

Suicide rate

Whanganui has a suicide rate of 2 deaths per 10,000 residents. Our district ranks 56th equal out of 66 territorial authorities for suicide rates. 7.4% of our population accessed specialist mental health services in the past year.

Activity limitations

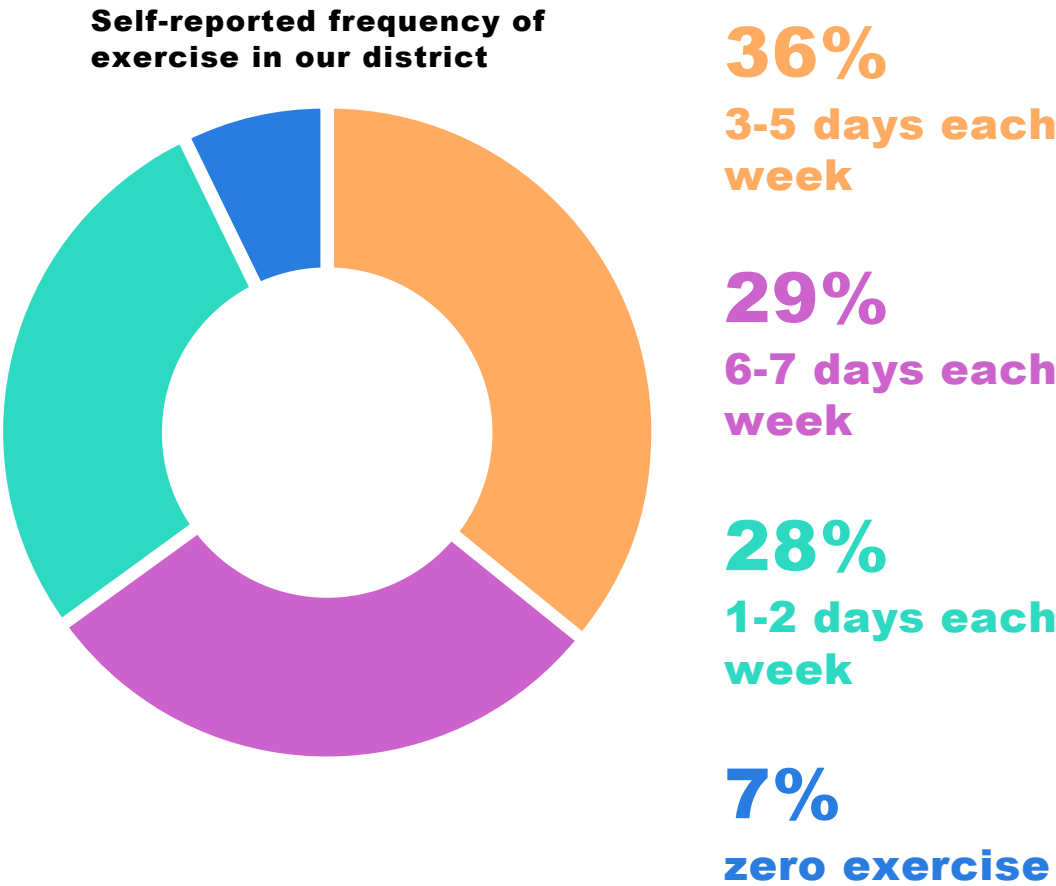
According to the 2018 census, 9.7% of people living in Whanganui have 'a lot of difficulty' or 'cannot do at all' one or more of the following activities: walking, seeing, hearing, cognition, self-care, and communication. By comparison, 6.5% of the New Zealand population have one or more activity limitation.

Physical Activity

Through our 2023 Community Views Survey, 36% of respondents self-reported as exercising 3-5 days each week, 29% said they exercise 6-7 days per week and 28% said they exercise 1-2 days a week. Only 7% reported they do not exercise at all.

The New Zealand Health Survey 2017-2020 showed improvements in the number of the district's population who are physically active or highly 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).

Only 11.8% of people in Whanganui reported that they engaged in little or no physical activity, a decrease of -8.4% since the 2014-2017 New Zealand Health Survey.



National and International Economic Outlook

International Trade Outlook

The World Trade Organisation's 2023 outlook states that while the 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 a recession. New Zealand's economic downturn has been further exacerbated by the extreme weather events in February/March 2023.

Cost of living

These national and international economic conditions have led to a high cost of living 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 percent in the 12 months to March 2023.



A July 2023 cost of living survey found that:

- ▶ Around 30% of New Zealanders are going without medical care when unwell, are unable to buy things they need (such as clothing and uniforms) and are struggling with the cost of transport, essential bills, insurance and rent or mortgage payments.
- ▶ 26% of New Zealanders are going without basics such as food and groceries.

Whanganui District Economy

GDP

Whanganui's economy is growing.

In 2022, the estimated GDP for our district was \$2.279.4m, up 5.6% on 2021 and growing 3.0% per annum over the past five years.

➤ Whanganui's GDP growth rate is above the national average.

GDP for our district

5.6%

Employment growth



In 2022, there were

21,368

filled jobs in the Whanganui District,

up 2.7% on 2021.

Our rate of employment growth is catching up to the national average. Over the past 10 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).

Tourism

Tourism is a growth area, with employment in the tourism sector growing at 1.1% per annum (compared to 0.2% for New Zealand).

Tourism visitor spending 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%.

Occupancy rate
of Whanganui's commercial
accommodation providers

81%

Climate change

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

Climate change

Whanganui's emissions

Horizons commissioned a greenhouse gas audit for the Whanganui District in 2020. The audit shows that for our district, our main source of emissions is agriculture, followed by transportation.

Central government is leading action with the agriculture sector and this is generally outside the council's scope.

The key areas the council can influence for district emissions are energy, transportation and waste. There are a number of actions underway in these areas and there is a big push from central government and the community to do more.

Forestry and Roding

The effects of forestry slash are beginning to be noticed. Truck load weights associated with forestry have also resulted in significant damage to roads. A study is underway on the impacts of forestry on council assets.

Costs to maintain our roads are increasing and Waka Kotahi funding assistance rates are not rising to match these costs.

Climate change resilience has also seen the need for increased investment in drainage and resilience projects and will continue to require increased levels of funding support.

Culture

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

A redeveloped Sarjeant Gallery Te Whare o Rehua Whanganui, including the addition of a new modern wing, will be opening in mid-2024.



In 2021, Whanganui won international recognition as a UNESCO City of Design.

Being part of this network can help to create international partnerships for major institutions and education facilities.

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 a limited pool of funding available from to support this work.

There is an opportunity to convert some heritage buildings into mixed-use buildings with inner-city apartments during these strengthening upgrades.

Central Government Reforms

A large number of reform and policy programmes are occurring concurrently in central government. There is also a general election on 14 October 2023, which may change central government's policy and spending priorities – including the potential reversal of the Three Waters reforms.

Resource Management Reforms

Central government is proposing radical change to the resource management and planning system. Regional Planning Committees (rather than councils) will become responsible for resource management and planning in each district.

Some key concerns we have highlighted to the Government about these reforms are as follows:

- » Planning at a regional, rather than district, level will 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.
- » Under this new system, councils will have to both fund and give effect to plans which may not always represent our local communities' preferences.
- » The sheer scale of these reforms and the level of planning required will significantly deplete council resources.



Three Waters Reforms

Central government is currently implementing reform of the country's water services. Ten new entities are being established to manage drinking water, wastewater and stormwater. Whanganui will form part of a Whanganui-Manawātū entity currently known as 'Entity E'.

Some key implications of these reforms to note for our district:

- » The council will continue to be responsible for delivering and funding water services during the first year or two of the 2024-34 long-term plan – until the establishment date of their water services entity.
- » Our transition date to entity E is expected to be 1 October 2025. Our current debt restructuring for Three Waters is predicated on the 1st July 2024 transfer date originally stated by central government. The extension to this date has increased our interest costs, and any further delay is expected to have a negative financial impact.
- » Performance of our wastewater system is insufficient in wet weather conditions and requires investment in compliance and capital upgrade.

Central Government Reforms

Future for Local Government Review

In June 2023 a final report on recommendations for the Future of Local Government was released.

Key recommendations include **entrenching intergenerational wellbeing** as the purpose of local government, making local government a **Te Tiriti o Waitangi partner**, **strengthening local democracy** (such as by lowering the voting age, increasing the electoral term and establishing Te Tiriti-based appointments to the council).

The report also suggests system renewal is needed for local government, and suggests two possible alternative operating models: a unitary model and a combined network model.

Implications for our council:

- » LGNZ has established a panel to review the report's 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 but does not recommend that councils make any assumptions regarding functional change or new funding sources.

National Adaptation Plan

The Ministry for the Environment released its first National Adaptation Plan in August 2022. This first iteration of the National Adaptation Plan focuses on what central government will do to enable better risk-informed decisions, improve resiliency and help communities assess adaptation options.

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.
- » We would like to see better access to modelling for future flooding or coastal inundation risks. Funding for expert support to update models, model new areas or to provide mitigation commentary and/or requirements based on climate change research is needed, particularly in areas pending development.

Central government is also working on a Climate Adaptation Bill which will address two significant challenges not currently covered by the National Adaptation Plan: managed retreat and how it will be funded.

Central Government Reforms

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.

Outcomes of the review are pending.

Emergency Management System Review

The National Emergency Management Agency (NEMA) has established a Regulatory Framework Review Programme to bring together three projects that have significant alignment – developing a new Emergency Management Act, reviewing the National Civil Defence Emergency Management Plan Order and development of the National Disaster Resilience Strategy.

The Governance and Administration Committee has called for submissions on the Emergency Management Bill by 3 November 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.