

South Waikato District Council

# Long Term Plan 2021-31

Mahere pae tawhiti



SECURING **TODAY**. SHAPING **TOMORROW**. STRONG **FUTURE**.

## Table of Contents

<b>Part 1 Introduction &amp; Overview</b> .....	5
Message from the Mayor .....	6
Overview .....	8
<b>Part 2 Our District</b> .....	10
Our profile.....	11
Our District's issues.....	13
Our leadership.....	16
Māori capacity to contribute to decision-making process .....	18
<b>Part 3 Shaping our plan</b> .....	19
Our journey.....	20
Our Council's challenges .....	21
What our communities told us .....	27
Our strategic direction .....	35
Our community outcomes .....	36
Our key strategies .....	38
<b>Part 4 Securing our plan</b> .....	40
What we are doing .....	41
Financial overview.....	47
Infrastructure strategy .....	55
Map of activities.....	60
<b>Part 5 Our Services</b> .....	61
Introduction to our services .....	62
Governance and corporate .....	63
Economic and community development .....	69
Community facilities .....	74
Parks and reserves .....	80
Property .....	87
Regulatory .....	93
Solid waste and recycling.....	101
Transport, roading and footpaths .....	106
Water supply.....	113
Wastewater.....	119
Stormwater .....	125
<b>Part 6 Dollars and Cents</b> .....	131
Funding and rates .....	132
The rating funding impact statement.....	135
The Long Term Plan disclosure statement 2021 – 31 .....	153
The forecast financial statements and reserves .....	160
Statement of accounting policies.....	172
Independent Auditor's Report .....	186
<b>Part 7 Our Policies</b> .....	188
<b>Part 8 Appendices</b> .....	190
Planning assumptions .....	191

# Long Term Plan 2021-31

## Mahere pae tawhiti



### PART 1

## Introduction & Overview

- Message from the Mayor
- Overview



SECURING **TODAY**. SHAPING **TOMORROW**. STRONG **FUTURE**.

## Message from the Mayor | He kupu nā te Manukura

I am very proud to present our Long Term Plan 2021-31. This plan has taken countless hours to prepare; as it should – it is our contract with the community for the coming ten years; and covers everything we do and all we're planning to deliver.

Our district is in a period of growth, for both business and population. Supporting, promoting and facilitating this growth continues to be one of Council's key priorities. This is evident in much of what we have planned in this LTP, from funding to future proofing our facilities to supporting industrial, business and population growth. We will continue to advocate to Central Government and other investors for investment into our district and our focus on encouraging business expansion and start-ups will not let up.

Another of our focus areas is to build and maintain better quality relationships with the community. We believe that better relationships with key groups in the district will help grow our communities and strong partnerships will strengthen the successful delivery of projects.

The other major focus area is to improve our resilience both as a Council and as a community. Council is committed to delivering good infrastructure and services, ensuring we remain in a sound financial position and we are working hard to keep rates affordable. We want to sustain a healthy environment and community that has the ability to anticipate, resist, respond to and recover from significant change or events.

Resilience is certainly never more important than right now, with the world, New Zealand and the South Waikato rising to the continued challenges of COVID-19. Without doubt, the biggest impact in recent times has been the COVID-19 pandemic - lockdowns, bubbles and alert levels became everyday words. The impact of COVID-19 on our businesses and our community was huge. As a community we did what we always do - we stepped up, we teamed up, we stood together.

Together with community groups Council has stepped into a COVID-19 recovery space and continues to look for avenues to support our people and businesses to not only recover from the impacts of COVID-19, but grow and develop. Our particular emphasis is on employment and housing.

We have some significant large projects to deliver over the duration of this LTP. Many of these projects will future proof our district and community during this period of growth. These include:

- Continued improvement and a focus on waste minimisation with the rollout of wheelie bins for the kerbside collection and investigations into better resource recovery.
- Wastewater improvements to ensure we protect our waterways for future generations.
- Stormwater upgrades to improve our resilience to flooding; and plan for the future challenges of climate change.
- Facility upgrades including a bigger and better Putaruru skatepark, Tirau Domain enhancements, new and refurbished pools and libraries in Tokoroa, reserve enhancements and facility improvements.
- Growth planning across our district; coupled with significant infrastructure upgrades to ensure our systems can cope with a growing population and additional development to enhance the social and recreational wellbeing of our growing communities.

Amidst these key projects, we have the whole realm of business as usual that we deliver to you every day in many ways from roads, water, reserves, parks, planning, assets, infrastructure, libraries, pools and much more. We deliver it all.

During the early years of this LTP, we will see significant changes in local government. The pressures on local government are very high; the requirements we need to deliver may become unaffordable for current and future ratepayers. There are a few things that will be changing the face of local government as we know it. These included possibly losing our three waters management to a larger entity, an overhaul of the resource management act to improve environmental and economic outcomes; and ultimately revisiting the purpose of local government.

Our organisation is set to change in coming years, more so than it has in the past two to three decades. Our Council is taking on the challenge of this change and we will do everything we can to ensure that the change doesn't mean a loss of local voice or service for our communities.

Council understands community concern around rate increases. We believe this plan balances affordability with the need to address growth, legislative requirements and what our community has told us they want.

We believe this plan secures our place today so that we can shape tomorrow and together deliver a strong future for the South Waikato and all who live, work and play here.



## Overview | Te tirohanga whānui

### What is the LTP?

It is a contract with the community about what Council is going to do over the next 10 years to make the South Waikato a great place to live, work and play.

We have already been speaking with you through the town concept plans, reserve management plans and other workshops and engagement sessions. You've given Council some great feedback and ideas to **secure today**.

Your feedback has helped develop this document to **shape tomorrow**.

This is our journey together for a **strong future**.

Securing **TODAY**.

Shaping **TOMORROW**.

Strong **FUTURE**.

### Since our last LTP...

Since our last LTP, we've achieved a lot.

Three years ago, Council and the community chose to rise to the challenges of growth by funding infrastructure upgrades and re-zoning land to cater for residential and business development in Putāruru. Similar growth planning is underway in Tīrau and Tokoroa too.

We focused on economic development with the Space to Grow brand, improved district advocacy at central government level and strengthened relationships with partners and stakeholders.

We refurbished the Tokoroa CBD to attract passing traffic and create a vibrant and functional community space.

We introduced an Engagement Team to improve how we kōrero with our community.



*Jones Landing, near Arapuni, is a popular reserve for locals and visitors.*

Together we made big decisions around solid waste; closed the Tokoroa landfill, constructed a transfer station, improved recycling facilities, transported waste out of the District to large processing facilities; and we will be moving to wheelie bins for urban rubbish and recycling.

Following iwi and community consultation we will spend \$30 million over 30 years on wastewater treatment plant upgrades and wetland developments across the District to improve environmental outcomes.

The current Three Waters Reform work kicked off and Council will receive \$3.88 million to investigate and implement what this will look like going forward.

We introduced new playgrounds in Tīrau and Tokoroa, the Tokoroa skatepark and basketball court, Tīrau skatepark and activity areas, the Tīrau Walkway and Domain and new facilities in our rural reserves.

The biggest impact over the past three years was the COVID-19 pandemic - lockdowns, bubbles and alert levels became everyday words. The impact of COVID-19 on our businesses and our community was huge. As a community we did what we always do: we stepped up, we teamed up, and we stood together. The impact of the pandemic will be felt for many years to come. Council has a recovery plan that is outlined in this document.



*The new Tokoroa basketball court is enjoyed by many locals.*

# Long Term Plan 2021-31

## Mahere pae tawhiti



### PART 2

## Our District

- Our profile
- Our District's issues
- Our leadership
- Māori capacity to contribute to decision-making process



SECURING **TODAY**. SHAPING **TOMORROW**. STRONG **FUTURE**.



## Our profile | Tā mātou āhua

### Population information

Our District is changing, and more people are realising what a great place the South Waikato is to live, work and play. This is exciting to have after decades of declining population. Our District will continue to grow, and we need to ensure that we have the resources to deliver services for a community safely and efficiently.

Our District is home to three wards - Tīrau, Putāruru and Tokoroa. These wards are made up of the following towns and suburbs.

Tīrau: Tīrau, Okoroire, Piarere and Tapapa

Putāruru: Putāruru rural and Putāruru, Arapuni, Lichfield, Ngatira and Pinedale

Tokoroa: Kinleith (rural Tokoroa area), Parapuni, Parkdale, Matarawa, Stanley Park, Strathmore, Tokoroa Central and Moananui.

Our District is home to 25,400 people and it is predicted that more people will choose our District to become their new home *with* more young families making Tīrau, Arapuni and Tokoroa their home, where Putāruru has mainly attracted those 55 years and older. In 2031 our overall population is predicted to increase to where 27,000 people will call our District their home.

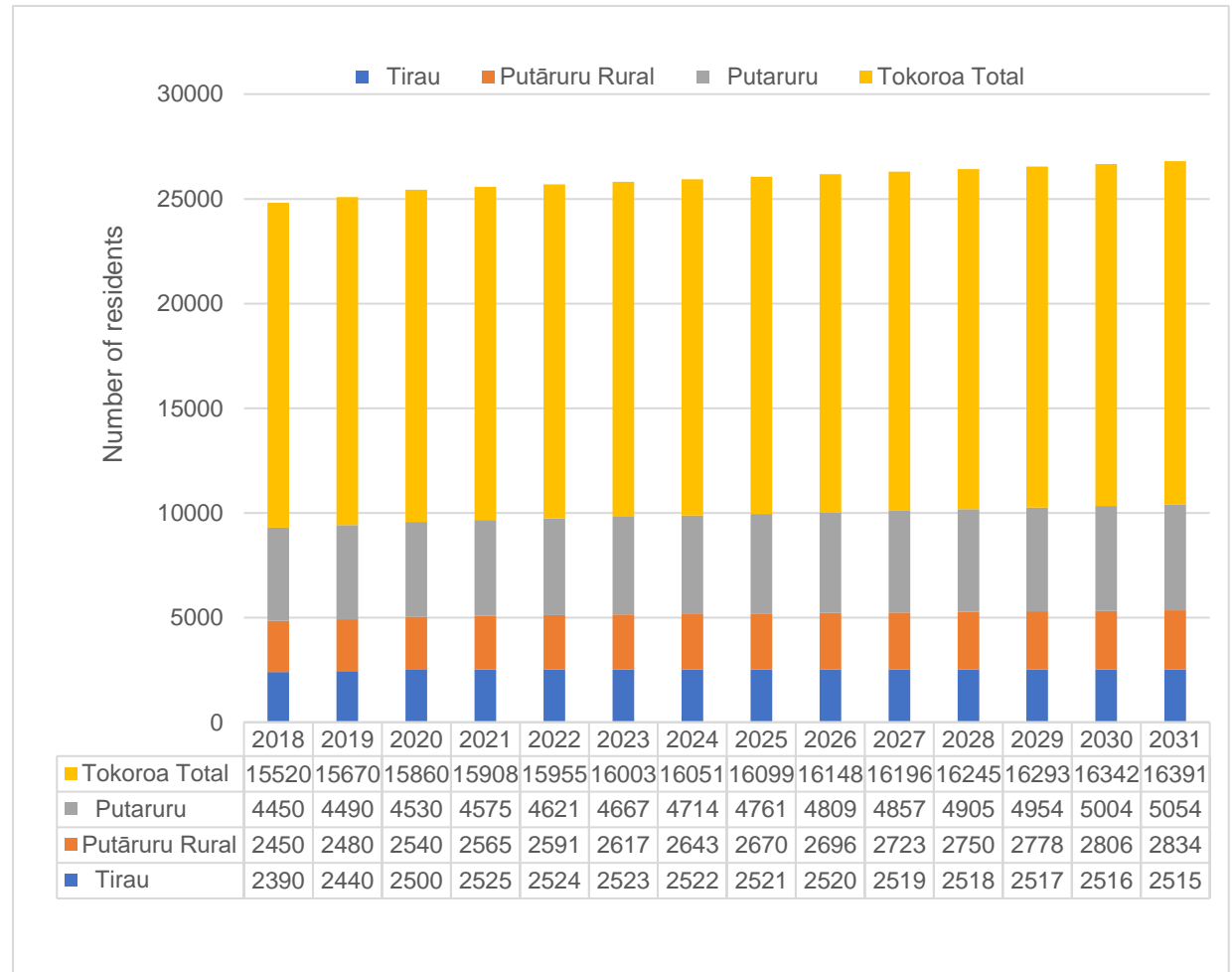


Figure 1. Number of residents per year for each ward. Source: obtained from Stats NZ May 2020.

## Ethnicity

Our District has a diverse ethnic community, and this is an important part of our District's identity. Currently over a third (35%) of our community members recognise themselves to be of Māori descent and around 13 percent recognise themselves as being from Pacific descent.

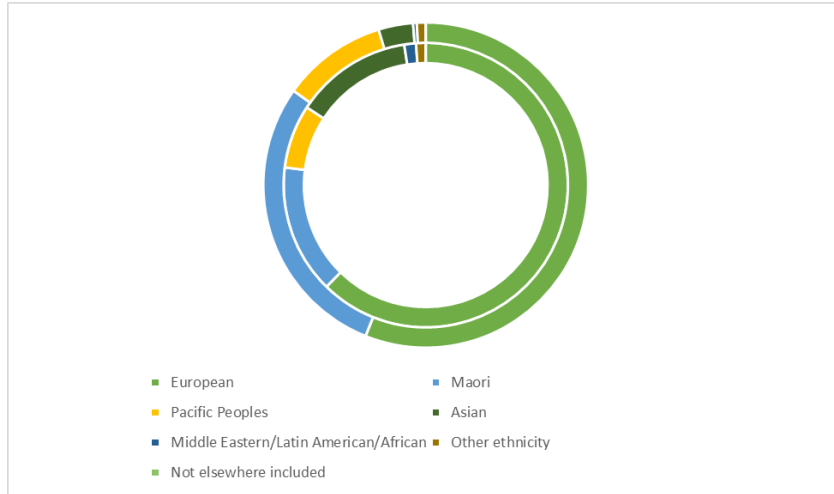


Figure 2. Ethnic diversity in the South Waikato District (outer) and Aotearoa New Zealand (inner) obtained from Stats NZ May 2020.

We are expecting to see a natural decrease in the European population while our young Māori and Pacifica whānau numbers will increase. It is predicted that our District will also have an increase in Asian families who will join us and grow their established families.

## Age

As previously mentioned our population is increasing and is aligned with national figures. Our community members aged 65 years and older will continue to increase. However, unlike the rest of Aotearoa New Zealand, the South Waikato has a lot of children and will also continue to grow.

The age of our community will change over the coming decade. The average age of our District is 37.9 years and the average age of Māori in our District is 24.6 years. Our District will see an increase of Māori (2018 – 8,270; 2033 – 9,630) and Pacifica peoples (2018 – 3,220; 2033 – 3,730). Both groups will continue to be significantly younger than the average age of the District's population (2018 - 37.9, 2028 - 40.9). In 2038 our District will have a high proportion of Māori and Pacifica people (62%) of who will have a median age of 21 years with predominately male between the age of 15 and 39 years (c. 3,000), compared to their female counterparts (2,340).



## Our District's issues | Ngā kaupapa ō tā mātou takiwā

To shape our District in a way that will enable us to have a strong future with improved well-being for our community, we need to look at the issues and barriers that are constraining our growth. We know that our communities can come together and support each other well. This was shown through the more restricted COVID-19 levels, but it is also something that our communities do daily. We know this through our District having a high level of volunteer contribution<sup>1</sup>. Our communities are great at being innovative, collaborative and making things happen with little resource. We now need to focus on mitigating the constraining factors to improving the well-being of our residents and this means addressing some of the main challenges that our District faces. Many of the issues lay within the socio-economic spaces and are highlighted below.

### Increased population growth

Council was aware from the Long Term Plan 2018-28 that more people were moving to our District, following nearly 20 years of population decline, which alongside a higher birth rate resulted in a 1% per annum increase in population since 2015. This was reinforced through the 2018 census. Council, through its 30 year asset management strategy (Infrastructure Strategy in Part Three), needs to ensure that there is enough infrastructure and resources available to be able to provide a level of service to all residents, both now and in the future as well as the needs of business and industry.

### Deprivation

Growth has brought with it challenges and opportunities but our community is rated as the fifth most deprived district in Aotearoa New Zealand.<sup>2</sup> The following seven indicators are used to measure deprivation: employment, income, crime, housing, health, education and access. For our District particularly, we have high ranks of deprivation for employment, income, and education (Q5, out of five levels). By contrast crime, housing, health and access to services deprivation has moderate levels of deprivation (Q3).

<sup>1</sup> Stats NZ, volunteer contribution

Understanding and measuring these challenges lets Council know the issues that we need to focus on in partnership with local stakeholders such as iwi, the Ministry for Social Development, District Health Board, Waikato Regional Council, Ministry for Education and the New Zealand Police, to improve the well-being for our communities.

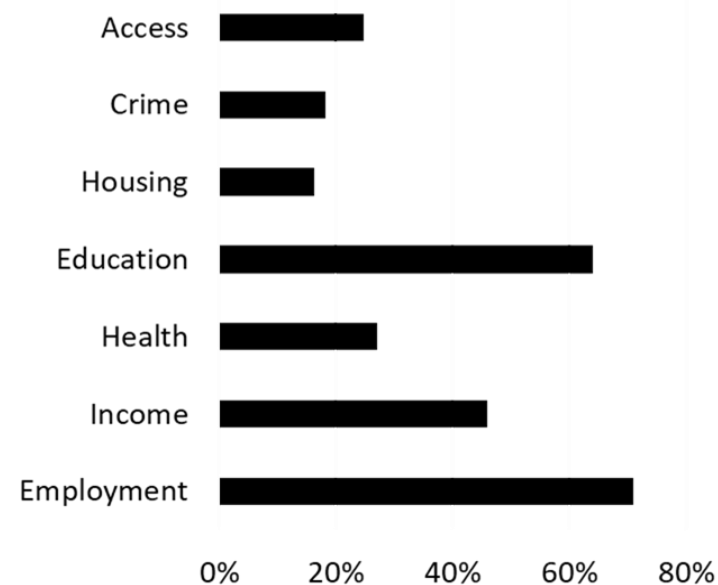


Figure 3. South Waikato percentage of total population living in area that are Q5 on specific deprivation domains obtained from Stats NZ May 2020.

Council actively advocates with central government for increased investment into the District alongside the South Waikato Investment Fund

<sup>2</sup> Source: McMillan, R. & Exeter, D. (2018). Socioeconomic Deprivation in the Waikato Region. Unising the Index of Multiple Deprivation (Auckland University).

Trust (SWIFT). The recent announcement of a \$10.8m investment from the Provincial Development Unit to support the building of a purpose built \$14m trade training centre in Tokoroa provides evidence that government wishes to partner with Council to improve the well-being of our community and reduce relative levels of deprivation.

## High unemployment

Our residents can find it a challenge to gain secure employment within our District with an unemployment rate of 6.9% compared to 4.3% unemployment rate of New Zealand (2019). This has been a negative impact of COVID-19 in the short term. It has been recognised that there are two key contributing factors; knowledge levels and skills and experience.

Many of the employment opportunities requiring high levels of skill, qualifications or experience are often filled by non-residents, who commute to work in the District. Many of the roles that are either insecure, contract positions as well as those at the lower end of the remuneration scale, are filled by locals. This has been referred to as the “value gap”, which is the income variance between the average value of employed positions in the District, i.e what is paid (c.\$55,000 per annum) compared to the average annual income of residents of the District (c.\$25,000 per annum).<sup>3</sup>

Council alongside other local stakeholders is focussed on increasing the skills, experience and educational attainment of our community. Alongside this, Council wish to encourage an innovation and entrepreneurial ecosystem within the District to support start-up businesses and entrepreneurs to develop and grow businesses whilst continuing to live in the District. As part of our economic development strategy we are encouraging the development and supply of a wider range of housing solutions to provide attractive options for those in highly paid employment locally to make their home in the District.

Council alongside SWIFT supports the growth of existing enterprises and thus the growth of local employment opportunities and actively markets and promotes the District to investors, regionally, nationally and internationally.

---

<sup>3</sup> Source: Census 2018 (Statistic New Zealand ) & Infometrics New Zealand

<sup>4</sup> Source: David Scott 2018 *Post-school labour-market outcomes of school-based NCEA*, Ministry of Education.

## Sub optimal educational achievement

The National Certificate of Educational Achievement Level 2 (NCEA Level 2) is the second stage of upper-secondary education and serves as a foundation for further study and/or employment. NCEA Level 2, as with all levels of NCEA, encompasses a wide range of learning. Students can attain credits through internal and external assessment, and they can accumulate these credits both within and across years.

The attainment of an upper secondary school qualification is linked to labour force status and incomes. Every year around 60,000 young people nationally leave school and face choices about what to do next. Not being in employment, further education or training (NEET) affects 18.6% of school leavers in the District.

The recent research done by Scott (2018)<sup>4</sup> found that NCEA level 2 leavers are slightly more likely to go directly into work than their Level 3 peers, who are slightly more likely to enrol in a tertiary institution. The group with NCEA 2 has more accumulated earnings in the 7 years since leaving school than the UE group. While there is not much difference between earnings for NCEA level 2 and level 3 groups, those with NCEA level 1 school achievement have earned 15% less than NCEA level 2 peers, and those with no achievement are earning 51% less. (Scott, 2018).

In 2019, 79% of school leavers in New Zealand achieved NCEA Level 2 or above, in the South Waikato this stood at 67.6% putting the District in the lower quintile (bottom 20%) of Territorial Authority and Auckland Local Boards.<sup>5</sup>

<sup>5</sup> Source: Ministry of Education, August 2020

## Low connectivity

An important part of a person's and community's well-being is determined by how connected they are to others and their ability to access essential services such as GPs, supermarkets, service stations, schools and early childhood centres. Transport, roading and internet access are contributing factors to shaping a well-connected community.

Some areas of our District do not have good internet connectivity, rural and remote areas specifically, and so are disadvantaged to gaining access to many services that are now delivered online. Others do not have access to online services and the internet either through this being unaffordable, a lack of devices (computers/tablets/smartphones) or computer skills. This was visible during COVID-19 as information and extra resources were provided to ensure community members received the information they required, both online and offline. In an age where the use of the internet will continue to increase, it is important for Council to reduce digital disadvantage through widening access for our community to online services and information.

Another aspect of connectivity is residents' ability to safely reach the services they require. We have many residents that have mobility issues and a low level of vehicle ownerships and licenses in our District, and these issues need to be worked on in collaboration with internet and transport providers, health and social service providers and funders.

## Housing quantity and quality

The South Waikato has a mix of private owner occupier and rentals, lifestyle, dairy properties and social housing. A substantial part of the housing stock was developed in the 1950's and is nearing the end of its life and will require investment in renovations or replacement.

District house prices have increased by 129% from May 2010 to May 2020. Similarly, house rentals have increased by 105% over the same period.<sup>6</sup> These increases are significantly larger than the growth in average earnings over the same period. This has placed significant pressure on affordability for our community and squeezed disposable income which is used for food,

---

<sup>6</sup> Source: QV New Zealand, September 2020

clothing, transportation and entertainment, especially for those sections of the community on the lowest incomes.

Council is working closely with Kāinga Ora; the Ministry of Housing and Urban Development (HUD); private developers; iwi and Community Housing Providers (CHP) to facilitate and encourage a range of housing solutions and increased supply to moderate both the rates of price increase and rent increases and to ensure there is enough new capacity to meet demand across the entire housing spectrum.

The District is facing a significant requirement for increased social housing, having the highest waiting lists within the Waikato, which have increased from 22 people in 2018 to 94 in November 2020.<sup>7</sup>

Our District has, by far, the lowest level of social housing per capita in the Waikato Region. This is particularly concerning given the high levels of deprivation in our District.

Council is working with local and national stakeholders to facilitate the development of progressive housing solutions within the District. These models can support our community to achieve a form of home ownership through a part buy/part rent model and/or develop new culturally sensitive models of community housing.

Another issue that our District faces is the quality of homes as many of the houses were built during the 1960s and 70s and require maintenance for homes to be considered healthy for its occupants. Throughout our District, 25% of homes have dampness issues, 24% live in overcrowded households and 16% of homes lack one or more amenities. Living in an unhealthy home leads to individuals living with health issues.

<sup>7</sup> Source: Ministry of Social Development, November 2020

## Our leadership | Tā mātou hautūtanga



### Mayor

Jenny Shattock  
Mayor  
0274416230  
jenny.shattock@southwaikato.govt.nz



### Deputy Mayor

Bill Machen  
Deputy Mayor  
0274715899  
bill.machen@southwaikato.govt.nz

### Tokoroa Ward



Councillor Marin Glucina  
021416076  
marin.glucina@southwaikato.govt.nz

Councillor Arama Ngapo  
0275339988  
arama.ngapo@southwaikato.govt.nz



Councillor Thomas Lee  
0273321292  
thomas.lee@southwaikato.govt.nz

Councillor Alex Jansen  
0279581906  
alex.jansen@southwaikato.govt.nz



Councillor Hamish Daine  
0211259225  
hamish.daine@southwaikato.govt.nz

### Putāruru Ward



Councillor Sandra Wallace  
02102913702  
sandra.wallace@southwaikato.govt.nz

Councillor Hans Nelis  
0210552306  
hans.nelis@southwaikato.govt.nz



Councillor Gary Petley  
0274836809  
gary.petley@southwaikato.govt.nz

### Tīrau Ward



Councillor Peter Schulte  
021434933  
peter.schulte@southwaikato.govt.nz

## Tirau Community Board | Te poari ō te hapori i Tirau

Tirau is the northernmost ward of our District and is the town that greets travellers from Northland, Auckland, Hamilton and other towns in between who are using State Highway One to get to their destination.

As part of the local government elections, residents in Tirau can elect who they want to represent them, and advocate what they want in their town and ward. The Tirau Community Board meet every month at an open forum meeting to hear what Tirau want secured for their town to be shaped in a way that they believe will provide a strong future for their growing communities.



**Chair**  
Kerry Purdy  
Chairperson  
027 5427 158  
kerry.purdy@southwaikato.govt.nz

Kevin Slater  
027 240 2267  
kevin.slater@southwaikato.govt.nz



Christine Brasell  
021 484 9417  
christine.brasell@southwaikato.govt.nz



Sharon Burling-Claridge  
07 8831766  
sharon.burling-claridge@southwaikato.govt.nz



Tirau Ward Councillor Peter Schulte  
021 434 933  
peter.schulte@southwaikato.govt.nz



## Māori capacity to contribute to decision-making process | Te āheitanga ō ngā Māori ki te uta atu ki te whakatau kaupapa

Council values the relationships it has with Raukawa, Māori and other iwi that have an interest in the activities that Council carries out. Council works with Raukawa and iwi groups, guided by Acts, Memorandums of Understanding and Joint Management Agreements. We collaborate with iwi groups on items of interest that requires iwi input through the Resource Management Act 1991 and other legislation. The exciting work has been in the sharing of stories to develop art pieces and the inclusion of the stories of Raukawa and the story of Māori who have journeyed away from their tūrangawaewae (ancestral homelands) to establish a home on the lands within our District.

After discussions with Raukawa representatives, Council decided that there was good representation of its community members including those who are of Māori descent. Although Raukawa has no official representative on the Council, the engagement through the partnership documents and the processes in place provide the opportunity for iwi and Māori views to be heard.

